



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 109<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 151

WASHINGTON, WEDNESDAY, MARCH 16, 2005

No. 32

## Senate

The Senate met at 9 a.m. and was called to order by the Honorable SAM BROWNBACK, a Senator from the State of Kansas.

### PRAYER

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

Let us pray.

O God our help, before we begin the challenges of this day, we pause to acknowledge our need of You. We come to You for refuge. We need You to go with us to order our steps. Help us to shape today's priorities in a way that will please You. Go before us to touch the hearts of people we need to influence.

Guide the Members and officers of this body with Your wisdom. Strengthen them, Lord, as they seek to be faithful stewards of the great opportunities You have given them to serve.

O God of love, all the good things we have are from You. Give us the wisdom to slow down long enough to discover Your plan.

All this we ask in Your powerful Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable SAM BROWNBACK led the Pledge of Allegiance, as follows:

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

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, March 16, 2005.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable SAM BROWNBACK, a Senator from the State of Kansas, to perform the duties of the Chair.

TED STEVENS,  
President pro tempore.

Mr. BROWNBACK thereupon assumed the Chair as Acting President pro tempore.

### RESERVATION OF LEADER TIME

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

### RECOGNITION OF THE MAJORITY LEADER

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

### SCHEDULE

Mr. FRIST. Mr. President, this morning we will begin consideration of the budget resolution. We have an order in place from last night which sets aside specific debate times in relation to several amendments this morning. We will debate an NIH amendment, to be followed by additional debate on the ANWR amendment, to be followed by further debate on two veterans amendments. At the conclusion of those debates, we will vote on the pending Amtrak amendment and the pending ANWR amendment. We also anticipate that we will reach agreement to vote on some of the other previously discussed amendments. Senators could therefore expect a series of votes to begin sometime between 12:30 and 1 o'clock today.

I thank the chairman and ranking member of the Budget Committee for working out a reasonable approach for the consideration of these issues. Once again, we will continue through the afternoon and evening on additional amendments with votes throughout the session.

I yield the floor.

### CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 2006

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. Con. Res. 18, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 18) setting forth the congressional budget for the United States Government for the fiscal year 2006 and including the appropriate budgetary levels for fiscal years 2005 and 2007 through 2010.

Pending:

Byrd Amendment No. 158, to provide adequate funding of \$1.4 billion in fiscal year 2006 to preserve a national intercity passenger rail system.

Cantwell Amendment No. 168, to strike section 201(a)(4) relative to the Arctic National Wildlife Refuge.

Akaka Amendment No. 149, to increase veterans medical care by \$2.8 billion in 2006.

Ensign Amendment No. 171, to increase veterans medical care by \$410,000,000 in fiscal year 2006.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from California, Mrs. FEINSTEIN, is recognized for up to 20 minutes.

Mrs. FEINSTEIN. I thank the Chair.

Mr. President, as we all know, this budget cuts a score of critical domestic programs: food for women and infants; community development block grants for cities, which cities use for vital purposes; and health and education programs for children. That is just a few. It cuts Medicaid by \$15 billion over 5 years. It zeros out reimbursements to States and counties of the cost of incarcerating criminal aliens. It is an unfunded mandate in that regard. Yet this budget contains \$41.3 million for nuclear weapons initiatives including \$8.5 million for a nuclear program that scientists say is impossible to achieve.

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



Printed on recycled paper.

S2759

The seriousness of the issue and the clear intent of this administration to renew funding this year for this nuclear initiative that was zeroed out by the Congress last year compel me to come to the floor today.

President Bush's fiscal year 2006 budget calls for \$8.5 million, including \$4 million for the Department of Energy and \$4.5 million for the Department of Defense, for the research and development of a nuclear bunker buster, a 100-kiloton weapon called the robust earth nuclear penetrator. The purpose of the research is to determine whether a missile casing on a 100-kiloton warhead can survive a thrust into the earth and take out a hardened and deeply buried military target without spewing millions of cubic feet of radioactive debris into the atmosphere. Scientists know that the laws of physics will not allow that to happen.

It includes \$25 million to lower the Nevada test site time-to-test readiness from the current 24 to 36 months to 18 months. This sends a clear signal of an urgent move to begin underground nuclear testing as soon as possible. This is despite the fact that our country has had a moratorium on nuclear testing since 1992. We have had it for more than 13 years.

It also contains \$7.8 million for a so-called modern pit facility. This is a facility to build 450 new pits. These are the nuclear triggers for nuclear weapons, the shells in which the fissile material is contained and detonated. This is 450 new pits a year, some of which would be designed for new nuclear weapons.

Currently the United States has approximately 15,000 warheads. Under the Moscow Treaty, the United States is to decrease its strategic nuclear force to 1,700 to 2,200 by 2012. To maintain a 2,200-warhead force at replacement level—and this is important—we would only need to build 50 pits a year, not 450 which is called for in this budget. So why build a new facility unless there are plans underway to develop a new generation of nuclear weapons?

Perhaps because the explosion and use of nuclear weapons took place at the end of World War II, we forget what it is like. I hope people will look at this and see what it is like. This is Hiroshima. This is at the end of World War II. This is a 15-kiloton nuclear weapon, not a 100-kiloton nuclear weapon. This is incomprehensible to me. This is what the Enola Gay dropped on Hiroshima. It cleared bare 4 square miles. It killed immediately 90,000 people. It caused hundreds of thousands of people to die of radiation sickness. Again, why fund this program?

Congress made a strong statement last year. We took out the appropriations for these new nuclear weapons. This defunding was made possible by the leadership of Representative DAVID HOBSON, the chairman of the House Appropriations Energy Committee, who was successful, with our support, in eliminating \$27.5 million in funding for

this 100-kiloton nuclear bunker buster and \$9 million for the advanced weapons concepts initiative. This is a fallacious concept of creating low yield tactical nuclear weapons, under 5 kilotons, to use on a battlefield no less. Who would ever want to send their sons and daughters to any war where the battlefield had nuclear weapons? It also eliminated funding to lower the time-to-test readiness at the Nevada test site to 18 months and limited funding for the Modern Pit Facility to \$7 million.

Congress spoke last year. We said: We will not approve appropriations for this program. And yet once again those appropriations have crept into this budget.

I will take a few minutes to make that evident to Members of the Senate. Last year was a consequential victory for those of us who believe very deeply—and I might say passionately—that the United States will not be safer because of this program and that the United States sends the wrong signal to the rest of the world by reopening the nuclear door and beginning the testing and development of a new generation of nuclear weapons.

This year, our message is clear: Don't reopen this nuclear door. Those of us who are appropriators will once again try to remove this funding from the budget.

I am so disappointed to learn that the administration has requested funding again this year for a 100-kiloton nuclear bunker buster, to lower the time-to-test readiness at the Nevada test site to 18 months, and to fund a modern plutonium pit facility that could produce 450 new plutonium pits a year when only 50 are needed.

There should be no doubt that this is the Secretary of Defense's program. He is determined to get it funded. It is that Secretary who requested the Secretary of Energy to place \$4 million in the energy budget and \$4.5 million in the defense budget. This is very clever. In this way Secretary Rumsfeld hopes to get it done in the defense budget, if he can't through energy appropriations.

I ask that the Senate know that the development of a 100-kiloton robust nuclear earth penetrator is simply not possible without spewing millions of tons of radioactive material and killing large numbers of people.

Secondly, the development of new nuclear weapons will only undermine our antiproliferation efforts and will make our Nation less safe, not more safe.

And thirdly, as a nation, we are sending the wrong message, a message that will only encourage nuclear proliferation by others. In fact, it already has.

The bottom line: There is simply no such thing as a clean or usable 100-kiloton nuclear bunker buster that could destroy a hardened and deeply buried military target without spewing radiation.

Consider this: A 1-kiloton nuclear weapon, detonated 25 to 50 feet under-

ground, would dig a crater the size of Ground Zero in New York and eject 1 million cubic feet of radioactive debris into the air. Given the insurmountable physics problems associated with burrowing a warhead deep into the earth, you would need a weapon with more than 100 kilotons of yield to destroy an underground target at a depth of 1,000 feet. Yet the maximum feasible depth a bunker buster can penetrate is about 35 feet. At that depth, a 100-kiloton bunker buster would scatter 100 million cubic feet of radioactive debris into the atmosphere.

There is no known missile casing that can survive a 1,000-foot thrust into the earth to avoid overwhelming and catastrophic consequences. That is not me saying this, that is science saying this.

Let me give you the words of the head of the National Nuclear Security Administration, if you don't trust me. At the March 2, 2005, House Armed Services Strategic Forces Subcommittee, Congresswoman ELLEN TAUSCHER asked Ambassador Linton Brooks the following question:

I just want to know, is there any way a [robust nuclear earth penetrator] of any size that we would drop will not produce a huge amount of radioactive debris?

The answer, according to the Ambassador:

No, there is not.

When Congresswoman TAUSCHER asked him how deep he thought a bunker buster could go, using modern scientific concepts—in other words, here we get to the missile casing—he said:

... a couple of tens of meters maybe. I mean certainly—I really must apologize for my lack of precision, if we in the administration have suggested that it was possible to have a bomb that penetrated far enough to trap all fallout. I don't believe that—I don't believe the laws of physics will ever let that be true.

So here we have the administration saying what we who have opposed this program from the start have said. The laws of physics will never allow the development of a "clean" 100-kiloton robust nuclear earth penetrator.

Again, simply stated, there is no casing that will withstand a 1,000-foot thrust into the earth—the depth at which a spewing of radioactivity might be contained. Such an admission begs the question: Why are we even spending a dime on this research? Or as Secretary Rumsfeld said to me in a Defense Appropriations Subcommittee hearing with a shrug, "Oh, this is just a study."

Do I believe that answer? Absolutely not. This has never been about a study. It has been about the intent of the administration to develop new nuclear weapons, and I have followed this for a long time now.

This year, this budget funds \$8.5 million. In fiscal year 2007, it increases to \$17.5 million, including \$14 million for the Department of Energy and \$3.5 million for the Pentagon.

While the administration is silent this year on how much it plans to

spend on the program in future years, last year they let it all out. Last year's budget request called for spending \$485 million on a 100-kiloton nuclear bunker buster over 5 years, which scientists say is impossible to devise. The laws of physics won't allow it, unless you are going to prepare one that is going to spew tons of radioactivity.

Let me, for a moment, mention the policies underlying this initiative. These policies began in 2002 with the document called the Nuclear Posture Review. That document places nuclear weapons as part of the strategic triad for the first time in our history, therefore, blurring the distinction between conventional and nuclear weapons—a very bad policy decision.

Then take National Security Directive 17, which came out later that year, which indicated for the first time in America's history that we would engage in a first use of nuclear weapons—a historic statement. We have never had a no-first-use policy, but we have never said that we would countenance a first use of nuclear weapons. And in National Security Directive 17 we do just that. We say we would engage in a first use of nuclear weapons—again, that is a historic statement—to respond to a chemical or biological attack against certain nations. The Nuclear Posture Review named seven nations against whom we would countenance a nuclear attack. One of those nations legally is a nuclear nation. This is ridiculous and foolish policy, and it jeopardizes the future of all Americans. But what it does also is it encourages other nations to develop their own nuclear weapons, thereby putting American lives and our national security at risk. That is why the North Koreans are moving ahead. They see what we are going to do. They see that we have said we would enter into a first use of nuclear weapons. North Korea is one of the seven nations named. That is what is happening in Iran now. Iran is one of the seven nations named. Other countries are now looking at advanced weapons concepts, based on the fact that we have moved in this direction.

The next nuclear nonproliferation review conference is in May, and it will allow parties to the treaty to measure progress in implementing their obligation and to discuss additional steps to meet the treaty's objectives.

In public statements—this is the hypocrisy—the administration recognizes the importance of the NPT. Last week, President Bush stated that the NPT “represents a key legal barrier to nuclear weapons proliferation and makes a critical contribution to international security,” and that “the United States is firmly committed to its obligations under the treaty.”

If we are indeed serious about strengthening our nonproliferation efforts and increasing international nuclear security, we should lead in reducing nuclear arsenals; we should lead in preventing nuclear proliferation; and

we should know that a production of a 100-kiloton nuclear bunker buster is sheer hypocrisy on our part.

Make no mistake, the rest of the world is watching us and paying close attention to what we do. I believe the United States can take several actions to make better use of our resources and demonstrate our commitment to keeping the world's most dangerous weapons out of the hands of the most dangerous people. We have to strengthen the Nuclear Non-Proliferation Treaty at this May 2005 review conference.

This includes supporting tougher inspections to monitor compliance, more effective controls on sensitive technologies, accelerated programs to safeguard and eliminate nuclear weapon usable materials, and agreement that no state may withdraw from the treaty and escape responsibility for prior violations of the treaty.

We should expand and accelerate Nunn-Lugar threat reduction programs. I hear Senator after Senator saying they support the Nunn-Lugar program. We should provide the necessary resources to improve security and take the rest of the Soviet era nuclear chemical and biological weapons arsenal and infrastructure out of circulation.

Third, we should strengthen the ability of the DOE's global threat reduction initiative to secure and remove nuclear weapons usable material from vulnerable sites around the world.

Last year, Senator DOMENICI and I sponsored an amendment to the 2005 National Defense Authorization Act, which authorized the Secretary of Energy to lead an accelerated, comprehensive worldwide effort to secure, remove, and eliminate the threat by these materials.

Finally, we should improve—this has to do with the bunker buster—our intelligence capabilities in relation to underground targets and expand conventional options to put them at risk. Every underground target has entry and exit, has air vents, presents a way to take them out with conventional weapons. That is what we should be doing instead of exploring, doing research and development of a 100-kiloton nuclear bunker buster, which science says cannot be done without the spewing of millions of tons radiation. History repeats itself.

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

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

The clerk will call the roll.

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

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

Mr. WYDEN. I ask unanimous consent to speak for—may I have up to 10 minutes? I don't think I will go that long.

Mr. CONRAD. Mr. President, this is out of the amendment time, and there is 45 minutes on our side. We have many speakers. Can the Senator go for 7 minutes?

Mr. WYDEN. That would be gracious. I will try to do that.

Mr. CONRAD. If Senator SPECTER has not appeared by then, we can provide more time.

Mr. WYDEN. I thank my colleague.

The ACTING PRESIDENT pro tempore. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, those who advocate drilling in the Arctic claim that the drilling is needed to reduce our Nation's dependence on foreign oil. But what is included in the Senate budget resolution doesn't increase U.S. energy security. To the contrary, it is a license to export Alaskan oil outside the United States. With the inflated revenue projections of \$2.5 billion from drilling in the Arctic included in the budget, the Federal Government will be forced to sell the oil to the highest bidder to even come close to reaching that amount.

Under the Senate budget, if the highest price is in South America, oil from that wildlife refuge would have to go to South America. If the highest price is in the Far East, Arctic oil would have to go to the Far East. If the highest price is in the Middle East, Arctic oil would have to go to the Middle East.

With the weak dollar, it would be a virtual certainty that the highest price for Arctic oil would be outside our country. It would not reduce our dependence on foreign oil one drop to export Arctic oil overseas, but that is exactly what could happen under the Senate budget resolution.

Now, last Congress, the House, in passing its Energy bill, recognized that drilling in the Arctic wildlife refuge won't help our Nation's energy security if the oil from that drilling is exported overseas. The House-passed Energy bill explicitly prohibited the export of oil from the Arctic wildlife refuge. But the Senate budget resolution fails to include an export prohibition. In fact, it invites exports by assuming revenues that can only be met by requiring the oil to be sold to the highest bidder, at a time when the dollar is weak.

If the goal is energy security, then including the Arctic drilling in the budget resolution in this fashion is the wrong way to go about it. We can get more energy security, and we can get it sooner than from Arctic oil drilling under the Senate budget resolution.

Last week, the President renewed his push for drilling in the Arctic by arguing it would produce nearly 10 million barrels per day. But the President acknowledged that that amount of oil would not be produced until 2025. We can get that much energy security and more, and we can get it now instead of waiting until 2025. We can get that added energy security by changing the current policies on exports of oil and

petroleum and providing the right incentives for producers to develop the billions of barrels of recoverable oil that are in U.S. reserves but are not being developed today.

Right now our country is exporting about 1 million barrels a day of petroleum products. That happens every single day. We could in effect get 1 million barrels a day more oil for our country, 10 percent more energy security, and we could get it right now by ending those exports.

By comparison, the administration's Energy Information Administration says the amount of oil that the President says would be produced in the Arctic would only reduce our Nation's dependence by 3 percent, from 68 percent to 65 percent dependence on foreign oil. I seriously doubt the OPEC cartel will stop its anticompetitive practices because of a tiny increase in Arctic production 20 years from now that even the Energy Administration says would reduce our dependence on foreign oil by 3 percent. Our country can get more than three times that amount of increased energy security and we can get it now rather than 2025 by stopping exports of U.S.-produced petroleum products, and under the unrestricted export language of the Senate budget resolution we could end up with no additional energy security—no additional energy security, absolutely not. We can do much better than a 3-percent increase in energy security. We can do better than the 10-percent increase in security our country would get from eliminating exports. In fact, our country could produce an additional 40 billion barrels of oil, enough to replace all of our country's imports of oil for the next 10 years, and we could get that additional oil from existing reserves that could be produced in our country if the right incentives were provided.

If we want to get serious about energy security, we can start today. We should eliminate the budget resolution's license to export Arctic oil out of our country. We should replace the budget's Arctic oil export license with policies that provide real energy security for our Nation.

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

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

The journal clerk proceeded to call the roll.

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

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

Mr. REID. I note the absence of a quorum with the condition that the time be charged equally against both sides.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The journal clerk proceeded to call the roll.

Mr. SPECTER. Mr. 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.

Under the previous order, the Senator from Pennsylvania, Mr. SPECTER, is recognized to offer an amendment relative to NIH on which there will be 45 minutes of debate equally divided in the usual form.

Mr. SPECTER. I thank the Chair.

AMENDMENT NO. 173

I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The journal clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for himself and Mr. HARKIN, proposes an amendment numbered 173.

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

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

The amendment is as follows:

(Purpose: Increase discretionary health and education funding by \$2,000,000,000)

On page 17, line 16, increase the amount by \$500,000,000.

On page 17, line 17, increase the amount by \$500,000,000.

On page 18, line 16, increase the amount by \$1,500,000,000.

On page 18, line 17, increase the amount by \$1,500,000,000.

On page 26, line 14, decrease the amount by \$2,000,000,000.

On page 26, line 15, decrease the amount by \$2,000,000,000.

Mr. SPECTER. Mr. President, at the outset I submit a statement for the record and ask that it be included in its entirety at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. SPECTER. In order to summarize, since we have a relatively limited period of time, this amendment provides for increasing funding for the Department of Education by \$500 million, which would bring it up to level funding, and an addition of \$1.5 billion for the National Institutes of Health, and the offset would be across the board from Function 920. This reduction would not cut any programs but simply reduce administrative expenses, travel, and consulting services by .237 percent, which is minuscule in the overall scheme of things, I admit, very minor compared to the importance of having additional funding in education and additional funding in the National Institutes of Health.

NIH has made remarkable advances on an enormous list of very major diseases and they are worth itemizing because each one of these strikes thousands of Americans. They include:

Autism, stroke, obesity, Alzheimer's, Parkinson's, spinal muscular atrophy, scleroderma, ALS, muscular dys-

trophy, diabetes, osteoporosis, cancers, including breast, cervical and ovarian, lymphoma, multiple myeloma, prostate, pancreatic, colon, head and neck, brain, lung, pediatric renal disorders, multiple sclerosis, deafness and other communication disorders, glaucoma, macular degeneration, sickle cell anemia, heart disease, spinal cord injury, sudden infant death syndrome, arthritis, schizophrenia and other mental disorders, polycystic kidney disease, hepatitis, Cooley's anemia, primary immune deficiency disorders, and the list goes on and on.

As I read them off to itemize them, they are abstractions to people who suffer from these ailments. To families of people who suffer these ailments, they are catastrophic. Take someone who has autism, take someone who has Alzheimer's, this disrupts the family, these ailments are overwhelming. The National Institutes of Health has had increases in this budget on a commitment by this body to double NIH, and we have increased the funding very substantially. But last year and the year before and this year, the funding well has not proceeded as it should. When you talk about a budget of \$28 billion for the National Institutes of Health, when you have an overall budget of approximately \$2.67 trillion, \$28 billion is totally insufficient.

If there is not an increase in funding for the National Institutes of Health, there will be 402 less grants awarded next year than last year. The increase of less than \$200 million does not begin to approximate the replacement rate for chemical, biomedical research which is 3.5 percent. We have \$1.7 billion which is being applied by NIH to bioterrorism. With all due respect, that ought to come out of homeland security, bioterrorism. It is coming out of the NIH budget because it is a medical issue. If there is not additional funding, these are some of the points of impact on the National Institutes of Health:

They will be unable to test safety of new behavioral treatments for autism; unable to initiate phase 3 to determine the relationship between infection and cardiovascular disease; unable to expand research on early identification preventing procurement impairment of newborns; delay by 1 year more research with industry to develop vaccines for hepatitis C infections; delay the evaluation of promising vaccines in a variety of contexts. It will delay programs for developing computer models for responding to infectious disease outbreaks such as avian flu, as well as bioterrorism attacks—here again these are abstractions, but to the people they hit, they are catastrophic—unable to expand the development of methamphetamine addiction; unable to initiate multicellular studies of aquaimmune hepatitis, and the list goes on and on.

The subject of adequacy of NIH research is one which I thought was of enormous importance before I was

elected to the Senate in 1980, and my initial assignment on Appropriations took me to the Subcommittee on Health and Human Services. I have always been an advocate for increasing NIH funding. Then when I took over the chairmanship of the subcommittee in 1995, in a position to establish priorities, the Senate voted to double NIH funding, but then in the first year following defeated an effort to add \$1 billion. Senator HARKIN and I have formed a partnership on a bipartisan basis, and he has had the gavel when the Democrats took over for 17 months in 2001 and when we have had a transfer of the gavel, it has been seamless, he and I and this partnership of established priorities within our subcommittee even when this body did not grant increases to NIH. We have found the money by establishing priorities. But the fact is that opportunity is gone. It is gone because there have been decreases in the other facets of the budget.

The Department of Labor budget has been cut by 3½ percent this year. I don't know how we are going to fund the necessary programs for worker safety. The education budget, believe it or not, has been cut by almost 1 percent, by some \$500 million. I will come to that in a moment on the aspect of this amendment which seeks to raise education funding by \$500 million. But it is not possible anymore to juggle the books. We cannot juggle the books and find money and priorities to add an additional \$1.5 billion to the National Institutes of Health.

My interest in medical research occurred long before I developed a current problem, which has been publicized, with Hodgkin's, and I am glad to say that there is a cure for the particular problem I had. But in many forms of cancer there is no cure. President Nixon declared war on cancer in

1972. Here we are 33 years later, the wealthiest country in the world, the greatest talent in the world on research, and we spend \$2.6 trillion. We spend it in many directions which are challenged by many people in our society, but we allocate \$28 billion to NIH. And it is totally, totally, totally insufficient, and for families where they suffer from Alzheimer's or heart disease or the long list of maladies I recited, it is simply unacceptable. I know the distinguished chairman of the Budget Committee has enormous problems. I compliment him on taking on what is probably the toughest job in the Senate, to try to find a way to make allocations on the budget.

But among the priorities, I will say that the expression is frequently used, "none is higher." Well, that means it could be tied with a lot of others. But I would say health is highest. If you don't have your health, you can't do anything else. I could give an extended dissertation on that particular proposition because it has struck home to me. Not to overly personalize the matter, but when you go through the regimen for Hodgkin's, they fill your body full of poisons to fight the poisons which are in your body. It is quite a war of the worlds as it battles through you. It underscores the importance of health. For the people who were suffering from the long list I recited, it is the beginning and end of every day.

We ought to win the war on cancer. In the particular institute of a very distinguished doctor, John Glick, who is my oncologist, they had plans for a 57 percent increase in their funding. That was reduced to 42 percent. And that was eliminated. That is symbolic of what is going on across America. That reduction in funding means a lot of pain, a lot of suffering, and a lot of deaths. We have the capacity to do

something about it. This \$1.5 billion is a modest step.

Now on to education. The President's budget came over with a .9-percent decrease in education funding. It is a little hard for me to understand, given the importance of education. The Governors meet, the industrialists meet, and they decry the inadequacy of education in America. While the Federal Government provides a relatively small percentage of funding, we do have the leadership position.

Just last week, the Senate passed, 99 to 0, the reauthorization of the Perkins Vocational and Technical Education Program, which is a \$2 billion program. But on the Education Department budget, this program is zeroed out. It was \$2 billion, and we voted for it 99 to nothing. We looked good when we had the authorization vote, but when it comes to putting our money where our mouth is, we are AWOL, we are gone, we are not there.

There is an enormous number of educational programs which have been cut out totally. The GEAR UP program, which has been funded by my subcommittee over the last 6 years, which takes seventh graders and gives them mentoring and puts them on the right course through high school, an enormously important program not only for education but for crime control, where there is really the stark alternative of becoming a juvenile delinquent or becoming an educated America—it is gone.

The list is too long to read.

I ask unanimous consent the full text of these programs which are being cut be printed in the RECORD.

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

EDUCATION DEPARTMENT FY 2006 DISCRETIONARY BUDGET, TERMINATIONS

(Dollars in thousands)

Program	2004 appropriation	2005 appropriation	2006 request
<b>NCLB</b>			
Foundations for Learning	0	992	0
Close Up Fellowships	1,481	1,469	0
Excellence in Economic Education	1,491	1,488	0
Women's Educational Equity	2,962	2,956	0
School Dropout Prevention	4,971	4,930	0
Mental Health Integration in Schools	0	4,960	0
Community Technology Centers	9,941	4,960	0
Exchanges with Historic Whaling and Trading Partners	8,450	8,630	0
Javits Gifted and Talented	11,111	11,022	0
Ready to Teach	14,321	14,291	0
School Leadership	12,346	14,880	0
Foreign Language Assistance	16,546	17,856	0
National Writing Project	17,894	20,336	0
Star Schools	20,362	20,832	0
Civic Education	28,642	29,405	0
SDFS Alcohol Abuse Reduction	29,823	32,736	0
Elementary School Counseling	33,799	34,720	0
Arts in Education	35,071	35,633	0
Parental Information and Resource Centers	41,975	41,886	0
Smaller Learning Communities	173,967	94,476	0
Comprehensive School Reform	233,614	205,344	0
Even Start	246,910	225,095	0
Safe and Drug-Free Schools State Grants	440,908	457,381	0
Educational Technology State Grants	691,841	496,000	0
<b>Total, NCLB</b>	<b>2,078,426</b>	<b>1,762,278</b>	<b>0</b>
<b>Other K-12</b>			
Tech-Prep Demonstration	4,939	4,900	0
Occupational and Employment Information	9,382	9,307	0
Vocational Education National Programs	11,852	11,757	0
Tech-Prep State Grants	106,665	105,812	0
Vocational Education State Grants	1,195,008	1,194,331	0
<b>Total, Other K-12</b>	<b>1,327,846</b>	<b>1,326,107</b>	<b>0</b>
<b>Postsecondary</b>			
B.J. Stupak Olympic Scholarships	988	980	0

## EDUCATION DEPARTMENT FY 2006 DISCRETIONARY BUDGET, TERMINATIONS—Continued

(Dollars in thousands)

Program	2004 appro- priation	2005 appro- priation	2006 re- quest
Interest Subsidy Grants .....	1,988	1,488	0
Underground Railroad Program .....	2,222	2,204	0
Thurgood Marshall Legal Educational Opportunity Program .....	0	2,976	0
Demonstration Projects for Students Disabilities .....	6,913	6,944	0
Byrd Honors Scholarships .....	40,758	40,672	0
Leveraging Educational Assistance Partnership .....	66,172	65,643	0
Federal Perkins Loans Cancellations .....	66,665	66,132	0
Teacher Quality Enhancement .....	88,888	68,337	0
TRIO Talent Search .....	144,230	144,887	0
GEAR UP .....	298,230	306,488	0
TRIO Upward Bound .....	312,451	312,556	0
<b>Total, Postsecondary .....</b>	<b>1,029,505</b>	<b>1,019,307</b>	<b>0</b>
All Other ED			
VR Migrant and Seasonal Farmworkers .....	2,321	2,302	0
VR Recreational Programs .....	2,564	2,543	0
Literacy Programs for Prisoners .....	4,971	4,960	0
VR Projects With Industry .....	21,799	21,625	0
State Grants for Incarcerated Youth Offenders .....	19,882	21,824	0
VR Supported Employment State Grants .....	37,680	37,379	0
Regional Educational Laboratories .....	66,665	66,131	0
<b>Total, Other ED .....</b>	<b>155,882</b>	<b>156,764</b>	<b>0</b>
<b>Total (48 Terminations) .....</b>	<b>4,591,659</b>	<b>4,264,456</b>	<b>0</b>

## EXHIBIT 1

AMENDMENT TO INCREASE FUNCTION 550:  
HEALTH

Mr. President, I have sought recognition today to offer a \$1.5 billion amendment to increase the health function and \$500 million to increase the education function in this resolution. The amendment would add to the funding already included in the resolution for the National Institutes of Health and the Department of Education. The amendment is offset by an across-the-board reduction in Function 920. This reduction would not cut programs, but simply reduce administrative expenses, travel, and consulting services by 0.237 percent.

This amendment would provide NIH with a \$1.5 billion increase over the President's budget. While this sounds like a tremendous increase, in reality it provides only 5.6 percent more than the previous year and provides a slight increase over biomedical research inflation.

As chairman of the Appropriations Subcommittee for Labor, Health and Human Services, Education and Related Agencies, I have said many times that the National Institutes of Health is the crown jewel of the Federal Government—perhaps the only jewel of the Federal Government. When I came to the Senate in 1981, NIH spending totaled \$3.6 billion. The FY 2003 omnibus appropriations bill contained \$27.2 billion for the NIH which completed the doubling begun in FY 1998. The successes realized by this investment in NIH have spawned revolutionary advances in our knowledge and treatment for diseases such as cancer, Alzheimer's disease, Parkinson's disease, mental illnesses, diabetes, osteoporosis, heart disease, ALS and many others. It is clear that Congress' commitment to the NIH is paying off. Now it is crucial that increased funding be continued in order to translate these advances into additional treatments and cures. Our investment has resulted in new generations of AIDS drugs which are reducing the presence of the AIDS virus in HIV infected persons to nearly undetectable levels. Death rates from cancer have begun a steady decline. With the sequencing of the human genome, we will begin, over the next few years, to reap the benefits in many fields of research. And if scientists are correct, stem cell research could result in a veritable fountain of youth by replacing diseased or damaged cells. I anxiously await the results of all of these avenues of remarkable research. This is the time to seize the scientific opportunities that lie before us.

On May 21, 1997, the Senate passed a Sense of the Senate resolution stating that funding

for the NIH should be doubled over 5 years. Regrettably, even though the resolution was passed by an overwhelming vote of 98 to nothing, the Budget Resolution contained a \$100 million reduction for health programs. That prompted Senator HARKIN and myself to offer an amendment to the budget resolution to add \$1.1 billion to carry out the expressed sense of the Senate to increase NIH funding. Unfortunately, our amendment was tabled by a vote of 63-37. We were extremely disappointed that, while the Senate had expressed its druthers on a resolution, it was simply unwilling to put up the actual dollars to accomplish this vital goal.

The following year, Senator HARKIN and I again introduced an amendment to the Budget Resolution which called for a \$2 billion increase for the NIH. While we gained more support on this vote than in the previous year, our amendment was again tabled by a vote of 57-41. Not to be deterred, Senator HARKIN and I again went to work with our subcommittee and we were able to add an additional \$2 billion to the NIH account for fiscal year 1999.

In fiscal year 2000, Senator HARKIN and I offered another amendment to the Budget Resolution to add \$1.4 billion to the health accounts, over and above the \$600 million increase which had already been provided by the Budget Committee. Despite this amendment's defeat by a vote of 47-52, we were able to provide a \$2.3 billion increase for NIH in the fiscal year 2000 appropriation's bill.

In fiscal year 2001, Senator HARKIN and I again offered an amendment to the Budget Resolution to increase funding for health programs by \$1.6 billion. This amendment passed by a vote of 55-45. This victory brought the NIH increase to \$2.7 billion for fiscal year 2001. However, after late night conference negotiations with the House, the funding for NIH was cut by \$200 million below that amount.

In fiscal year 2002, the budget resolution once again fell short of the amount necessary to achieve the NIH doubling. Senator HARKIN and I, along with nine other Senators offered an amendment to add an additional \$700 million to the resolution to achieve our goal. The vote was 96-4. The Senate Labor-HHS Subcommittee reported a bill recommending \$23.7 billion, an increase of \$3.4 billion over the previous year's funding. But during conference negotiations with the House, we once again fell short by \$410 million. That meant that in order to stay on a path to double NIH, we would need to provide an increase of \$3.7 billion in the fiscal year 2003. The fiscal year 2003 omnibus appropriations bill contained the additional

\$3.7 billion, which achieved the doubling effort. In FY 2004, I and Senator HARKIN offered an amendment to add an additional \$2.8 billion to the budget resolution to ensure that the momentum achieved by the doubling could be maintained and translated into cures. The vote was 96-1. Unfortunately, the amendment was dropped in conference. We worked hard to find enough funding for a \$1 billion increase in FY 2004. We fought long and hard to make the doubling of funding a reality, but until treatments and cures are found for the many maladies that continue to plague our society, we must continue our fight.

In FY 2005, once again, Senator HARKIN, Senator COLLINS and I offered an amendment to add \$2 billion to discretionary health spending, including NIH. The amendment passed 72-24. However, the subcommittee's allocation did not reflect this increase. The final conference agreement contained an increase of \$800 million over the FY 2004 funding level.

I, like millions of Americans, have benefited tremendously from the investment we have made in the National Institutes of Health and the amendment that we offer today will continue to carry forward the important research work of the world's premier medical research facility.

My amendment also intends to ensure that discretionary funding for the Department of Education is not cut below the amount provided by Congress last year. The resolution currently assumes a cut of \$500 million below the FY 2005 appropriation. My amendment would add \$500 million to Function 500 in order to prevent such a reduction.

Many members have pointed out that the budget for the Department of Education has been increased significantly over the past several years. In fact, funding has been raised from \$24.7 billion in FY 1995 to \$56.6 billion last year, an increase of 129 percent. My subcommittee has taken the lead in providing increases for Title I grants for Disadvantaged Students, Special Education and Pell grants. President Bush has made increases in these important programs a priority, which is why funding for Title I grants is up 45 percent since No Child Left Behind was passed in 2001, funding for Special Education is up 67 percent since FY 2001 and Pell grants are up 41 percent from the level when President Clinton was in office.

However, I am concerned that the budget resolution will force my subcommittee to make very difficult choices and cut one education program for another. For example, the budget proposes to eliminate \$1.3 billion in funding for the Perkins Vocational and

Technical Education program, \$306.5 million for the GEAR UP program and \$467 million for certain TRIO activities in order to fund a high school reform initiative. Yet, the Senate voted on Friday 99-0 to reauthorize the Perkins program, sending a powerful message to my subcommittee about the importance of this program.

I believe that education is a capital investment. As District Attorney in Philadelphia, I have seen what happens when the right investments aren't made and kids turn to the streets without safe and productive learning environments. My amendment seeks to help States, colleges, teachers and families ensure that a quality education is available for all.

Mr. SPECTER. Mr. President, how much time remains of my 22.5 minutes?

The ACTING PRESIDENT pro tempore. The Senator has 8.5 minutes.

Who seeks time? The Senator from North Dakota.

Mr. CONRAD. Mr. President, we are now on the third day of the budget resolution.

I inquire of the desk, how much time do we have remaining?

The ACTING PRESIDENT pro tempore. On the Specter amendment, there is 22.5 minutes in opposition.

Mr. CONRAD. Could the Chair inform me how much time is left on the resolution?

The ACTING PRESIDENT pro tempore. The majority has 11 hours 4 minutes, the minority has 9 hours 23 minutes.

Mr. CONRAD. Mr. President, I want to alert my colleagues that the time is rapidly vanishing. We want to use this time we have efficiently and effectively. We don't want to have dead time here on the floor. We want Senators on both sides to have every opportunity to offer their amendments, so it is critically important that Senators take the opportunity that is available to them and come to discuss the amendments that are in front of us and discuss the amendments they may want to offer so this time is effectively used.

I know we are going to get into the situation where Senators are going to come to us and say: Can't we have some time? There is not going to be any time very shortly, and then we will go into vote-arama, in which there will be very limited time. I wanted to alert my colleagues.

Mr. GREGG. Will the Senator yield for a question?

Mr. CONRAD. I am happy to yield for a question.

Mr. GREGG. I believe the Senator from Wyoming was going to speak in opposition to the amendment of the Senator from Pennsylvania. He was going to talk about that. Did the Senator from North Dakota wish to go forward off the resolution? Is that the Senator's plan?

Mr. CONRAD. That was my plan, take time off the resolution.

The ACTING PRESIDENT pro tempore. That is how the time is being charged.

Mr. CONRAD. Mr. President, we have seen a dramatic deterioration in the

budget situation since 2000. One can see what has happened. Back in 2000, we actually had a budget surplus. Then, despite the President's assurances that his fiscal policy would not lead to an expansion of deficits and debt, that is exactly what we have seen. In fact, we are now at record deficit levels, the biggest deficits we have ever had.

It is not just with respect to deficits that we have a problem. We are also seeing exploding debt. I remember so well, back in 2001, the Congressional Budget Office produced this chart of possible outcomes for the deficit. They said this was the range of possible outcomes. They adopted, in their forecast, a midrange. That was adopted by the President as well. They said, based on that scenario, that we would see \$5.6 trillion of surpluses over the next 10 years, so many of my Republican colleagues assured me: Don't worry, we will get even more money because of the tax cuts. I remember being told repeatedly: You are going to get more money because of the tax cuts.

We didn't get more money. Here is what actually happened. This was the range of possible outcomes, according to the Congressional Budget Office. Now we can look back and see what actually happened. What actually happened was the deficits were far worse, they were below the bottom of their range of projected outcomes. All of that talk about how the tax cuts would generate more revenue just proved to be wrong.

The Comptroller General of the United States, the head of the General Accounting Office, warns us now that the fiscal outlook is worse than claimed. He says:

The simple truth is that our Nation's financial condition is much worse than advertised.

The Comptroller General has it exactly right. Our fiscal condition, our financial condition is much worse than advertised. Why? Because when the President says to us he is going to reduce the deficit, he is going to cut it in half over the next 5 years, the only way he gets there is he just leaves out things.

What does he leave out? First of all, he leaves out of his budget any war costs past September 30 of this year. We have money for this year in a supplemental. Some of that will be spent next year as well. But that is \$82 billion. The Congressional Budget Office says we ought to be budgeting \$383 billion for residual war costs—Afghanistan, Iraq, the war on terror—but it is not in the President's budget.

Mr. SPECTER. Will the Senator from North Dakota yield for a question?

Mr. CONRAD. I certainly would.

Mr. SPECTER. This is a procedural question, not a substantive question. I thank the Senator from North Dakota.

On the scheduling of business, I have to chair an Appropriations subcommittee hearing on Health and Human Services at 10:30. We scheduled this amendment at 9:30. I wonder if I

could prevail upon the Senator from North Dakota to permit Senator ENZI to respond to my arguments so that I can finish, conclude, and then ask unanimous consent, if that is agreeable, that you be recognized to continue your presentation?

Mr. CONRAD. I am happy to accommodate the Senator in that way. I understand, as I am hearing it, the Senator has another obligation, and he would like to finish his argument, and he would like to be able to respond.

Mr. SPECTER. I do.

Mr. CONRAD. Maybe we could work out some timing on this so we do not—maybe we could have a mini unanimous consent agreement so we can share this time in a way that does not force up the rest of our schedule here?

Mr. SPECTER. I thank the Senator from North Dakota. I think we can do that. I have 8 minutes remaining. There is 22 minutes in opposition. My speculation is that neither of us will use all of our time. I do not want to make a commitment to the other side on that, then, in advance, but probably no later than 10:20, 10:25, we can return to the Senator from North Dakota for his presentation, taking time off the bill.

Mr. President, I ask unanimous consent we follow that procedure.

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

Mr. SPECTER. I thank the Senator from North Dakota and the Senator from Wyoming.

Mr. ENZI. Mr. President, I also thank the Senator from North Dakota and the Senator from Pennsylvania for making this arrangement so the flow of debate on this particular amendment can stay intact.

I do rise in opposition to the amendment of Senator SPECTER to increase discretionary spending by \$2 billion. One of my favorite things—and I am sure everybody else's in this Chamber—is to give away money. You really don't get much opposition when you give away money. Unfortunately, we are in a situation where we do not have real money to give away—although, if we pass certain things, it turns into real money, and the deficit increases. We are making a very concentrated effort this year to hold down the deficit—not eliminate the deficit, but to hold it down. You have to do that a little bit at a time.

This concept is very similar to family budgeting. There are a lot of things a family would like to spend their money on, that they really feel they ought to spend their money on, but there is just not enough money to go around.

That is the case for virtually every amendment in this budget, there is a huge desire to be able to do some very specific things we know will make a difference. We have been doing that for a lot of years. That is part of the reason we are in the problem we are in right now.

This amendment increases discretionary funding for Function 500, which would include additional funding for education and job training—my favorite area—and Function 550, which would include additional funding for health—my second favorite area. That comes under the jurisdiction of my committee, the Health, Education, Labor, and Pensions Committee. It is a huge bite of the apple.

I am asked every once in a while: How did that committee wind up with that much jurisdiction? I said it started out as just the Labor Committee, and then it picked up all the things that had to do with labor negotiations, the benefits that were negotiated, which include health benefits, job training, and pensions—Health, Education, Labor, and Pensions.

We have since then made it a four-part equal stool so we can have a comprehensive review of these things. We have been doing that, and we have been making some tremendous headway.

My colleague from Pennsylvania has indicated that the additional \$1.5 billion in funding for Function 550, included in his amendment, would be allocated to the National Institutes of Health. While I strongly support the basic biomedical research and other important activities at this agency, I agree with Chairman GREGG that now is not the time to specifically determine the amount of funding for NIH. That can be difficult. That can be done as part of the appropriations process, and Senator SPECTER is certainly in charge of the major determinations after Chairman COCHRAN makes the allocation. This is not the time for specifically determining that, although we get the impression that very specific determinations are made as part of the budget process.

That is partly the fault of the President. The President sends us a billion-page paper that shows how he would spend the money if he were spending the money. He doesn't have the authority to spend the money. He doesn't spend \$1 of the money. This body and the one at the other end of the building have to do all of the appropriations, and we have set up a process for doing it. This part of the process is not to go through the President's items in detail but to establish some caps on spending. How much are we willing to increase the deficit? That is what we are debating and deciding. Can we show restraint and fiscal responsibility so that over a period of time we reduce the amount that we are increasing the deficit? Can we reduce the rate of spending? We are not talking about huge cuts. We are talking about reducing the amount of increase, in most cases.

As you get into the specific details of the President's guidelines, you will find things that are very distressing because some of the places he chose to make increases might not be places we would. Some of the places he chose to make decreases might not be places we would. While the President might have

a real desire to decrease a certain program, Congress might disagree—maybe because it is a pet program of ours. We have that authority, and we can override any of the baseline indicators the President has sent to us, and we do in a lot of instances.

I again want to remind people that this is setting the overall cap and, of course, giving some suggestions on how to do it.

As chairman of the HELP committee, I look forward to modernizing NIH through the reauthorization process later this year. I am excited to build on the great work of Dr. Zerhouni, the Director of NIH. We will be considering management reforms, including the NIH Roadmap, which will improve overall efficiency. This is particularly important given that the President has recently fulfilled his commitment to doubling the funding for the NIH. That is a monumental thing. We have doubled funding of NIH over the last several years. I applaud the President for improving scientific research, and I look forward to working with him and others to ensure that NIH has appropriate funding to fulfill its mission.

I commend the NIH for their process of peer review to see what research has the most potential to result in solutions to illnesses. I also commend the process NIH uses to give priorities to some very isolated diseases so that those get research, too. They do a marvelous job of allocating what they get. We confer with them regularly to see how they are doing, how quickly they can expand, and how easy it would be for them to include extra money. Like any Government agency or business, the more money they have, the more results they can get. The difficulty, again, is taking a look at the overall picture to see what we can do.

As chairman of the Health, Education, Labor, and Pensions Committee and a member of the Budget Committee, I am committed to ensuring that there is appropriate funding for all agencies within the Department of Health and Human Services while still keeping in mind the current budget deficit.

As we all know, the President's budget is a target, and the actual appropriations amount for NIH and other agencies at the Department of Health and Human Services will be more fully discussed after we have reauthorized the program.

Any time we reauthorize a program, there is a need to examine that program carefully and decide what legislative constraints exist that keep people from doing their job in the most efficient way possible. We need to look at the things NIH has discovered since the last reauthorization and decide what programs have been completed and can now be eliminated—this type of reauthorization leads to more efficiency and more cost effective solutions.

We want more cures. We have an agency that has the kind of direction and the capability to do more. As

chairman of the authorizing committee that has jurisdiction over this agency, I look forward to working closely with Senator SPECTER and other appropriators to determine the agency's appropriate allocation of funding later this year. I strongly support the mission of NIH to pursue fundamental knowledge about nature and living systems and the application of that knowledge to extend healthy life and reduce the burdens of illness and disability.

That is one of the reasons that a couple of weeks ago we passed the genetics nondiscrimination legislation—to make sure people have more access to blood tests without any negative effects as a result of things learned from blood tests and the Genome Project. I was pleased that passed the Senate unanimously, which also shows the concern for doing the right thing with health.

We are making amazing progress, and I look forward to modernizing the process we use to achieve that progress through the reauthorization process later this year.

This amendment also assumes a \$500 million increase in the Education Department to fund that Department at the 2005 level. I understand that some of my colleagues are concerned about the administration's proposed cuts to higher education programs such as TRIO, GEAR UP, and vocational education. Again, I want to point out the President's basic structure for arriving at a cap number. We are going to be working on this cap number. We are not going to be approving or disapproving the way the President got to those numbers. And, quite frankly, for the 8 years I have been in the Senate, there have been suggested changes by both Presidents that would affect TRIO, GEAR UP, and vocational education. Every time, the Senate has made sure those things did not happen.

We are interested in vocational education. For example, last week we passed the Perkins reauthorization for career and technical education. That was a commitment 99 to 0 by this body that we want to have career and vocational education at the high school level, and it is absolutely essential that we have that.

One of the things we are concerned about is the number of dropouts in high school. We want to reduce that. The amount that the Federal Government contributes to solving that problem is very small. In fact, mostly what we do is increase paperwork and tests that require additional time out of the classroom. That is not the best way to strengthen education for our kids.

We are looking for ways to decrease the dropout rate. I am pretty sure, if we eliminate career and technical education, we are going to increase the dropout rate.

But we have a plan within the committee authorization to be able to do the things we need to do in education, working them into a logical, staged

mechanism so we can continue to provide and increase the number of things that are being done in education.

This year, the HELP Committee is scheduled to reauthorize the Higher Education Act. The budget resolution contains a \$5 billion reserve fund for new higher education spending. I want to review all of these programs in the context of the higher education reauthorization. We need to make sure there is a good map for getting from here to there which reduces the dropout rate and the wasted senior year and eliminates the amount of remedial education kids have to do once they go to college. Twenty-eight percent of the kids have to take a remedial reading or math class when they get to college. That takes time and that takes money when it is done at the college level. Yet we have some wasted senior years. We want to move that back in the process. We think we have that capability in what we are already allowed to do. We looked carefully at the budget. It is not easy, but it is possible to do.

I thank the chairman of the committee for working with us so that we have some flexibility within our area so we can achieve what we need to do.

Finally, I would like to point out that if the Specter amendment is agreed to, it will be the first amendment to the 2006 budget resolution to be offset by using Function 920, which is currently an unfunded administrative account.

I urge my colleagues to vote no on the Specter amendment.

I yield the floor and reserve the remainder of my time.

Mr. ENSIGN. Mr. President, I rise today to discuss the amendment that has been offered by Senators SPECTER and HARKIN that would increase funding for the Individuals with Disabilities Education Act by \$500 million.

While I support bolstering special education by \$500 million, I cannot support reducing defense and veterans spending at a time of war.

In my time in the Senate, I have worked with my colleagues to almost double funding for IDEA. That increase has been echoed in my home state of Nevada, where the Federal investment in IDEA has almost doubled since 2001.

I recognize that we have a long way to go toward reaching the Federal Government's promise of funding 40 percent of the excess costs to educate, but we have made great strides toward that goal. The Federal Government now funds about 20 percent of the excess costs States and school districts face when educating children in special education programs.

We have an obligation to create the best education system for our children and their children—to do that we must eliminate waste and focus spending on programs that directly benefit our children. This budget accomplishes that goal. This budget, as did the President's budget, contains a \$500 million increase for IDEA funding. While this is not the \$1 billion increase many of

us would like to see, it is a significant increase over last year's funding. During this time of large deficits and war in Iraq, it is necessary to temper funding increases. This includes funding for education.

This budget provides generous funding for the Appropriations Committee to work with. It is then the appropriators' job to determine which programs receive cuts or increases in funding. I look forward to working with my colleagues on the Appropriations Committee to ensure that IDEA receives the increase in funding it needs to stay on track and meet the Federal Government's 40-percent promise.

Mr. DOMENICI. Mr. President, I don't need any time to discuss the matter. I need a unanimous consent request. I wonder if the Senator will yield to me to do that.

Mr. SPECTER. I yield.

Mr. DOMENICI. This has to do with a time allotment on our side for the debate. We have 45 minutes on our side on debate with reference to the exploration in Alaska.

I ask unanimous consent that 45 minutes be distributed as follows to Senators on our side to speak on the Cantwell amendment up to 5 minutes each: Senator ALLEN, Senator TALENT, Senator THUNE, Senator MURKOWSKI, Senator INOUE, who would have up to 10 minutes—he is the only exception—and Senator STEVENS and Senator DOMENICI. That would be 45 minutes. Some might use less and give it to other Senators.

I wanted the Republican Senators to know they are all in line at some point during the debate, with 45 minutes of our time for them.

I thank the chairman. I appreciate it.

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

Who yields time?

Mr. GREGG. Mr. President, what is the time situation?

The ACTING PRESIDENT pro tempore. On the Specter amendment, the Senator from Pennsylvania has 7 minutes 23 seconds. The Senator from New Hampshire has 7 minutes 30 seconds.

Mr. GREGG. Mr. President, let me speak, and then the Senator from Pennsylvania can wrap up.

Mr. SPECTER. Mr. President, I should be able to conclude and save some of that 7 minutes.

Mr. GREGG. Mr. President, I appreciate the Senator from Pennsylvania bringing this amendment forward. I know of his deep commitment to NIH and education, and as chairman of the Appropriations subcommittee which has jurisdiction over both of these accounts on the discretionary side, it is challenging, to say the least. He has the second largest appropriating account in the Senate after defense, but he probably has the job with the most demands on it well beyond defense, and he has attempted to balance those demands very effectively. However, in this instance, I believe we should stay

with the basic numbers we have put forward in this budget.

It is critical if we are going to have fiscal discipline around here to have a top-line discretionary number which we have agreed to—843—and that we not within the budget process try to redirect funds within that number in a way that either negatively impacts other accounts or positively impacts accounts. That would be a unilateral activity of the Senator from Pennsylvania when he starts marking up the bill.

The 920 account, if it is used here, will have the practical effect of an across-the-board cut on all other accounts in the Government that are discretionary so that it creates a pressure that will be difficult to handle if it is put forward in this way.

On the specific issue of funding, we all recognize NIH is a premier institution and has done an extraordinary job, but we have to recognize this Congress has been extraordinarily generous over the last few years with NIH. Beginning at the beginning of the Bush administration, there was a decision to double the funding of NIH, and that is exactly what happened. It has grown at rates of 13 and 14 percent annually compounded. It has gone from \$13 billion to a \$27 billion account and \$28 billion account in the last 5 years, a huge expansion in the commitment to research in the area of health care.

There are some concerns with whether we should not take a brief breathing period and make sure dollars are being used efficiently. The President has proposed an increase for NIH but not as much as maybe NIH believed it would like, but certainly in the context of the dramatic increase in funding over the last few years it is appropriate.

In the education accounts, this President has committed huge increases in education. The numbers are staggering, quite honestly. It is the commitment the administration has made relative to the prior administration. In the area, for example, of the overall discretionary budget, the Department of Education has gone up 33 percent since the Clinton years. In the area of No Child Left Behind, it has gone up 46 percent, title I has gone up 52 percent, IDEA has gone up 75 percent. The way the President structured the budget was to say let's take a look at the miscellaneous educational programs that are targeted that have a small impact and see whether those priorities, in comparison with the big programs in which the Federal Government has a major role, such as No Child Left Behind, special education, Pell grants, and title I, the President decides to put more money into those programs rather than to the specific targeted programs.

Obviously, it will be up to the Senator from Pennsylvania, working with his committee and working with Senator ENZI, chairman of the Education Committee, to make decisions as to how that should shake out. But in this

budget the President has proposed significant increases in the core educational programs. In special education he is up \$450 million; in title I, he is up \$1 billion; and in No Child Left Behind, up \$1 billion; in Pell, which is not reflected appropriately, in my opinion, in this budget, or has not been discussed appropriately, he is up half a billion. We have specifically raised the cap—hopefully, it will end up there, but we have no control over how the allocations occur—to give Senator SPECTER's subcommittee an additional half billion specifically for Pell. So the grants can go from \$4,150 and give it authority to allow the Pell grants to be restructured so you can get a \$5,100 Pell grant under the new structure which is being proposed under this bill should Senator ENZI's committee decide that is how they want to proceed.

In addition, we have set aside \$5.5 billion in the budget in a reserve fund specifically to fund a new Higher Education Act, the purpose of which is to dramatically expand the Pell grants and take them up to \$5,100 for those who go to school 4 years and dramatically expand borrowing for students through the Guaranteed Student Loan Program.

Education is strong in this budget and I hope we will stay within the terms of this budget rather than expanding beyond that.

I recognize the problems the Senator from Pennsylvania has are difficult, probably the most difficult of any of the Appropriations subcommittees, and I understand why he brought this amendment forward.

I presume I have used all my time.

The PRESIDING OFFICER. One minute two seconds remains.

Mr. SPECTER. I disagree strongly with my distinguished colleague from New Hampshire. When he says we shouldn't redirect the funds, that is the purpose of this process. That is what the budget resolution is all about.

I say, in evaluating the funding for the National Institutes of Health and educational funding, as chairman of the subcommittee which has the appropriations responsibility, and having had a decade of experience there and 24 years experience on the subcommittee, that I am in a position to make an evaluation that may be preferable to the evaluation of the Budget Committee. But that is what this resolution is about. That is the purpose of Senators offering amendments.

When the Senator from New Hampshire talks about the funding which the President has increased in the past, I point out that a good bit of that has come from the Congress. And when you are looking at a budget for education in excess of \$54 billion, if you figure the inflation cut, that is about \$1.5 billion, and besides that, the level of funding is not even present. We have more than \$500 million left from last year, an aggregate in education of \$2 billion. Considering education is a major capital asset in this country, that is not an ap-

propriate allocation of resources in the opinion of this Senator.

I think to add \$500 million to the education budget is modest. When you talk about the Pell grants, that is a complicated matter, but it does not help the tremendous number of programs that have been cut.

If I might have a brief discussion with the distinguished Senator from Wyoming on a couple of points which were made, when he says there is no cut in NIH, I respectfully disagree. When you have biomedical research up 3.5 percent on \$28 billion, what you have is a cut of \$980 million, almost \$1 billion. There was a modest increase, \$145 million, so NIH is short in real dollars by \$835 million. So I say it is not a matter of no increase, it is a matter of a cut.

The one question I have to ask my distinguished colleague is, on the Perkins vocational grants, he pointed out that it was a 99-to-0 vote. He voted for it as did I. And I agree totally with what the Senator from Wyoming has said, that it is "absolutely essential" to have career and vocational training, and if you don't there will be an "increase in the dropout rate." But the budget which has been submitted by the education department of my subcommittee zeros out the Perkins grant.

How can we reconcile the importance of the Perkins educational grant and eliminate the funding?

Mr. ENZI. Mr. President, again I say what we are looking at when we see the President's proposal is their suggestions for how we get to the budget cap number they talk about.

The House and the Senate agree and have made a decision—I am pretty sure the House voted on it—that is going to be an essential part of education. So as we have done in the past, we will take money from other areas and shift it into vocational training. The President's proposal was to take that money from vocational education and put it into the high school No Child Left Behind Program. Those numbers are even in the President's budget, but we have chosen that there are other ways we can do high school improvement other than taking away this vocational money and putting it into the high school No Child Left Behind Program.

What we are doing is flexing even within what the President said and taking the money they were going to take from the vocational education and put in some increased testing and accountability and moving them back into vocation.

Mr. SPECTER. Mr. President, the Senator from Wyoming does the best he can with his argument, but the difficulty is that when the subcommittee's budget has been cut from \$143.5 billion to \$141.3 billion, we don't have room to make reallocations. We just do not have the room.

If you take a look at a 3-percent inflation rate, that would be about another \$4 billion. So what we are left with is a \$6 billion shortfall. This is

just illustrative of the Perkins programs which is a very important program. I agree with the Senator from Wyoming, it is a very important program, but one of many very important programs which are being eliminated.

That is why I say to my colleagues I have come here modestly asking for \$500 million for education, and very modestly in asking for \$1.5 million for the National Institutes of Health so we can win the war on sickness.

I ask unanimous consent Senator HARKIN be added as a cosponsor to this amendment. Senator HARKIN has other commitments, but had he been here he would have offered superb arguments at decibel levels substantially higher than that which has taken place here today.

If the Senator from Wyoming is prepared to yield back his remaining time, I am prepared to do the same and that would conclude the presentation on this amendment.

Mr. ENZI. I yield back our time.

Mr. SPECTER. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. All time is yielded.

Is there a sufficient second?

There is not a sufficient second.

Could the Senator restate his request for the yeas and nays?

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota is to be recognized.

The Senator from Washington.

AMENDMENT NO. 168

Ms. CANTWELL. I ask unanimous consent we move to the Cantwell amendment regarding ANWR and use up that time and recognize the Senator from North Dakota when he returns.

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

Under the previous order, there will now be 90 minutes for debate equally divided in the usual form in relation to amendment No. 168.

The Senator from Washington.

Ms. CANTWELL. Mr. President, I have submitted to the desk the amendment to strike the language out of the budget that would recognize revenue from drilling in the Arctic National Wildlife Refuge. We started this discussion last night with colleagues on both sides of the aisle to talk about why America should not be focusing on drilling in a wildlife refuge, turn down the recognition of this revenue, and focus instead on an energy policy that will put America in better stead, get us off our dependency on foreign oil, reduce pollution, and focus on the technology that will truly make us energy independent.

Many have discussed or seen the Arctic National Wildlife Refuge. To remind my colleagues, we established this refuge because we believed in protecting the wildlife that existed there—the porcupine caribou herd, the polar bears, grizzly bears, wolves, sheep, falcons, migratory birds as shown in this

picture. We wanted to fulfill our international fish and wildlife treaty obligations. Also, we wanted to provide an opportunity for continued subsistence for local residents and we wanted to ensure water quality and necessary water quantity within the refuge.

These pictures from the refuge show a delicate coastline area in the northern parts of our country. The purpose of designating and protecting the wildlife refuge was because of its unique nature. One of the Episcopalian bishops from Alaska who was here yesterday spoke about the refuge as actual sacred ground and the fact that the preservation of it means so much to many Alaskans as it does to many people throughout America.

But we are here today on what I call a budget end run to recognize revenue in the budget as a way to try and open drilling in ANWR, to open drilling in this pristine wildlife area.

Now, why, if you want to support drilling in Alaska in the Arctic National Wildlife Refuge, do you want to try to do it on the budget? My point is, it starts a precedent for opening other areas by simply putting money in the budget. Why not expedite timber sales by simply recognizing revenues in the budget? Why not open drilling on the coastal regions of the country by recognizing revenues in the budget? Why not open drilling in Yellowstone National Park by recognizing revenues in the budget? It is a bad precedent.

It is a bad precedent for America because if you look at the President's potential U.S. oil and gas plan for America, you can see that the administration has oil plans for all over the country: up in the Northwest in the State of Washington, which I represent; and neighboring States, Oregon and California; along the eastern seaboard; in Florida, significant areas; up in the Great Lakes region. These are all the potential areas that the administration has designated as opportunities for oil drilling.

Do we want to stick in the budget revenue recognizing oil production in these areas and simply subvert the normal process that would allow us to debate and consider whether we should have these oil sources recognized?

This particular Senator agrees with some of the editorials around the country when it says this sets a bad precedent. In fact, there are many newspapers, particularly from coastal regions such as mine that are concerned. Let's go to the St. Petersburg newspaper. It said: So why should Floridians be concerned about the caribou? Obviously, there are no caribou in Florida. But the caribou being driven out of their icy habitat by oil rigs, because of this, for Florida, "means there, by the grace of Congress, go we."

That is what the St. Petersburg newspaper is trying to say. If you decide to drill in Alaska and recognize in the budget this revenue, what will stop them from doing this in other parts of the country?

Another Florida newspaper said:

The costs and risks of drilling in the Alaskan refuge outweigh the benefits. [And] opposition to the drilling off Florida's coast would be compromised.

So this is not only this Senator saying this, these are people from across the country who are concerned about this process of sticking money in the budget as a way to achieve the goals of opening the Arctic National Wildlife Refuge.

Well, I can tell you, I think opening the Arctic National Wildlife Refuge to oil drilling is the wrong direction for America. It is the wrong direction for America for many reasons. As I said, we have a pristine wildlife area we want to protect. If someone thinks it can coexist, if somehow drilling for oil in this region and the wildlife refuge can coexist, I would like them to think about this.

In the Prudhoe Bay area, we have averaged 500 oil spills a year. From 1972 to 1986, the Alaska Department of Environmental Conservation reported 23,000 spills of oil and hazardous materials on the Northern Slope. Annual emissions from air pollutants on the Northern Slope include at least 4,000 tons of hydrocarbons, more than 6,000 tons of methane gas, 6,000 to 27,000 tons of nitrogen oxide.

If that is not enough, the U.S. Fish and Wildlife studies have reported that the snowfields around Prudhoe Bay have high concentrations of heavy metals such as zinc, lead, and copper. For some of those chemicals, the nitrogen oxide level is as much as in Washington, DC. And we are talking about just an area in Alaska.

If you think drilling in the Arctic Wildlife Refuge can coexist with the refuge, I would also like to suggest we take a look at the even newer Alaskan oilfields which have significant problems with environmental management.

In February 2000, one oil company was sentenced to pay \$15.5 million in criminal fines and to implement new environmental management programs, and to serve 5 years probation for failure to report illegal dumping of hazardous materials in certain oil wells. They also paid an additional \$6.5 million in civil penalties, while its contractor pled guilty to 15 counts of violating the Oil Pollution Act of 1990 and paid a \$3 million fine.

A 2003 study of by National Academy of Sciences, which studied the cumulative effects of current drilling on the Northern Slope of Alaska, documented significant environmental and cultural effects that have accumulated after three decades of oil development on Alaska's Northern Slope.

So I think it is very foolish to say oil development and a wildlife refuge can coexist, not when we are talking about clean water, not when we are talking about preserving a wildlife habitat, not when we are talking about continuing to preserve what has been called a very unique area of our country.

But there is something I think the Senate needs to understand as we take

this vote. This is a good proposal for Alaska, and I don't fault my colleagues for trying to propose this particular proposal. I would much rather, as I said last night, work with my colleagues on a natural gas proposal and provide the resources necessary to build a pipeline and access a significant source of natural gas supply that would help us in America getting off our dependence of oil in general and develop a much cleaner supply for Americans. But there is nothing in this language that guarantees the oil produced in the Arctic Wildlife Refuge would even stay in the United States. The oil companies are free to export that oil. So for those who say somehow this is going to affect gas prices—and, believe me, we will not see this oil for 10 years, and it is only a 6-month supply, and it will have a minimal impact on markets—it certainly has no guarantee to have an impact on price or supply in the rest of the U.S. market because the oil drilled in the refuge can be exported.

I also question whether the estimates of money in the budget resolution are even valid, whether the numbers are even correct. That is because current law requires that there be a 90-10 split between revenues that go to Alaska and the Federal Government. This budget resolution supposedly recognizes a 50-50 split, which I do not understand how one gets to that conclusion, because it is not current law. In any case, that split means Alaska residents would get \$717 per person per year. So I get why it is a great deal for Alaskans. But it is not a great deal for Americans.

Americans need to move ahead and produce a variety of sources of energy supply. I am going to talk about that in a few minutes, but I want to recognize some of my colleagues who also want to speak.

What we need to recognize is that drilling in the refuge only increases America's reliance on fossil fuel, and that, according to another newspaper editorial in our country, is being recognized by Americans all over. They know that would increase America's reliance on fossil fuels and do little to limit our dependence on imported oil.

That is what the other side would like to say the debate is about, improving our independence. What we should do instead is invest in new technologies and change our strategy. We do not need to open a wildlife refuge and continue to depend on something that we know has a very high chance of polluting the environment and harming the wildlife, but get on to investing in the technology that will diversify our energy supply and give us a secure future.

Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator has 28 minutes.

Ms. CANTWELL. Mr. President, I would like to yield to the Senator from Massachusetts for 10 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 10 minutes.

Mr. KERRY. Mr. President, I thank Senator CANTWELL for her leadership.

I regret we are here at this time on the budget talking about a major legislative issue, a major energy policy issue which is being approached through the backdoor. This is the equivalent of the "nuclear option" that is being talked about with respect to judges. This is a "nuclear option" on the Arctic National Wildlife Refuge.

You cannot drill, you cannot have oil exploration and preserve a refuge, nor even a wilderness. The oil companies themselves have said that. They have made it crystal clear. ConocoPhillips pulled out the other day and said they do not want to drill in Alaska. BP does not want to drill in Alaska. And these companies have had the courage to admit publicly that wilderness and drilling simply do not coexist. But because the votes do not exist to do this through the proper channels of the Senate, there is a new process being put in place to do this on the budget.

It is symptomatic of what is happening in the Congress. The Ethics Committee in the House is importing to change the rules for Congressman TOM DELAY. Now they are talking about changing the rules for how to get judges. They do not like the rules; change them.

This does not belong in the budget. It belongs in a debate on the energy policy of the United States. But even on the merits, every single argument that has been made about the Arctic Wildlife Refuge fails to withstand scrutiny. We have heard that drilling in the refuge can be done in an environmentally friendly manner. But even the administration's own reports, the National Academy of Sciences, and others, all show that is not true.

We have heard that drilling in the refuge will reduce our dependence on foreign oil. We have heard that drilling in the refuge is going to bring gas prices down at the pump. We have even heard that drilling in the refuge belongs in the national budget because of the revenues from the lease sales. We have heard it is the only available location to look for new oil, notwithstanding that the largest unexplored and as yet unexploited area of oil for the United States is in the offshore gulf, deepwater drilling. We have heard the oil industry is eager to do this even though oil industry executives tell you otherwise in private, and several major companies in public have pulled out of the effort.

We say here that less than 1 percent will be affected and only 2,000 acres is going to be the footprint. Yet there is nothing containing that 2,000 acres into one contiguous area.

The fact is, that 1.5 million acres will be opened and you could have 20 different sites or 40 different sites of individual drilling. The maps show the roads, the gravel pits, the gravel roads,

and other needs of airport, and so forth, to service those particular areas.

I would think most of my colleagues would understand that by definition wilderness and an industrial zone do not coincide. By definition they cannot occupy the same space.

In 1960, the Eisenhower administration first recognized the extraordinary wilderness value of the area and it was established to provide a unique wildlife landscape. Building a massive oilfield, no matter how you describe this imprint—we do not have time, unfortunately, to go into great detail, but every description of how this would actually be done defies the notion that this is going to be contained to an area the size of Dulles Airport.

Oil companies want you to think whatever oil may be found in the refuge is in one compact area. But if you go look at the North Slope oilfields west of the Arctic Refuge, that development sprawls over an extraordinarily large area. It stretches across the Coastal Plain.

According to the U.S. Geological Survey, potential oil under the Coastal Plain is not concentrated in one large reservoir but it is spread across the Coastal Plain in many small deposits. To produce oil from this vast area requires a network of pipelines. Roads will be built. And that will change the habitat of the entire Coastal Plain.

Now, I acknowledge there is new technology. I know we have made progress with respect to horizontal drilling. We all understand that. And it is more efficient. And, yes, it is less harmful than we have been in the past. But the advantages are extraordinarily exaggerated, particularly with respect to what will happen to the imprint in the Arctic Wildlife Refuge. Even new technology such as directional drilling does irrevocable damage. Permanent gravel roads, busy airports are still used for access to production wells that are scattered across more than a million acres of coastal plain. And the entire complex, according to the analyses made by independent groups, will produce more pollution than the city of Washington itself.

No matter how well done, oil development has significant and lasting impacts on the environment. The industry itself has said this. British Petroleum has said:

We can't develop fields and keep wilderness.

And if the facts and the frank admission of an oil company are not enough, colleagues ought to read the National Academy of Sciences study. They should read the Department of Interior study and others who have all come to the same conclusion.

In addition, let me point out that every onshore oilfield today on Alaska's North Slope has permanent gravel roads, every single one, even the original Alpine field promoted to this day as a roadless development. I read Secretary Horton's article in the New York Times on the weekend talking

about roadless development. It isn't roadless. It has a road connecting its drill sites from the time it began pumping crude oil in the year 2000. In December of 2004, a new road into the National Petroleum Reserve-Alaska, and others, connected the initial oilfield pump to 33 miles of Alpine roads, and BLM predicted 122 more miles are going to be needed for the next phase of Alpine expansion.

Even today this promotion of "roadless" is fictitious. It is not going to happen. The roadless concept has not been abandoned. This is what the Bureau of Land Management says:

The roadless concept has not been abandoned. Roadless development never meant no roads, only that the construction of permanent roads would be minimized.

How many times do the American people have to listen to clear skies that aren't clear, healthy forests that are not healthy, and now roadless rules that are not roadless? The fact is, this is going to be destructive. It changes wilderness forever.

What about dependence? We hear this is going to change America's dependence on oil in the world. Go talk to anybody on Wall Street who deals with oil. Go talk to any of the people who trade oil prices, crude barrels. The fact is that this is not going to have any impact. Ten years from now at the peak year, you may change the percentage of American dependency from 62 to 60 percent.

The United States only has 3 percent of the world's oil reserves. Nothing we could do in Alaska will affect the long-term security of the United States. The only thing that will do that is to recognize we need to move to alternative, renewable, different forms of fuel. The effort of the Senate should not be to destroy a wilderness area. The effort of the Senate ought to be to accelerate that research and development in America. Because with 3 percent of the oil reserves of the world in our hands, including Alaska, you can't drill your way out of America's predicament, you have to invent your way out of it. And that is not what this bill seeks to do. It is a drilling solution. It is a drilling solution with extraordinarily negative consequences.

The fact is, the price of oil will not drop. The price of energy will not drop. The price of gasoline will not drop. And one of the reasons why is that China, with its 1.2 billion people, and India, with its 1-plus billion people, are all increasing their cars on the roads, increasing their development. That is raising the demand curve to a point that nothing the United States does is going to accelerate our production of oil sufficiently to have an impact.

May I have an additional 2 minutes? The PRESIDING OFFICER. The time of the Senator has expired.

Ms. CANTWELL. I yield the Senator an additional 1 minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. KERRY. We should not take the energy policy of the United States and

dump it into a tiny debate on the budget for a backdoor effort to find 50 votes-plus in order to do what has traditionally been done according to the rules of the Senate. This is an abuse of power. It is also an abuse of common sense. It will result in a policy that is against the will of the vast majority of the American people. Once again, special interest effort is defeating the desires of the American people to preserve wilderness and preserve something we have preserved to this date for future generations.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. Mr. President, I yield myself time off of the resolution.

The representation by the Senator from Massachusetts that somehow this is outside the rules to proceed within the rules is a very unique view of the rules. We are using the rules of the Senate. That is what they are. Reconciliation is a rule of the Senate set up under the Budget Act. It has been used before for purposes exactly like this on numerous occasions.

The fact is, all this rule of the Senate does is allow a majority of the Senate to take a position and pass a piece of legislation, support that position.

Is there something wrong with majority rules? I don't think so. The reason the Budget Act was written in this way was to allow certain unique issues to be passed with a majority vote. That is all that is being asked for here.

Mr. KERRY. Will the Senator yield for a question?

Mr. GREGG. No, I will not yield.

The point, of course, is this: If you have 51 votes for your position, you win. Fifty-one votes to say there should not be drilling, that there should not be exploration, that this small postage stamp of land in this vast area of land should not be looked at for the purposes of giving us some independence in the area of energy, addressing our energy needs as a nation—if you have 51 votes to say that, you win.

If, on the other hand, the Senators from Alaska, who feel that in good conscience they had a commitment from the Senate for many years that they would be allowed to pursue this initiative and that they can do it in an environmentally sound way, have 51 votes for their position, they win. That is the way the rules of the Senate are set up.

So it is totally inappropriate for a Senator to come to this floor and represent that this is some sort of unethical act, as was implied by the Senator from Massachusetts. We are using the rules of the Senate as they are set up to be used, and that happens to be the rule of the Senate.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Alaska is recognized.

Ms. MURKOWSKI. Mr. President, at this time I yield 5 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ALLEN. Mr. President, in listening to the debate, I will tell you what people in the real world care about and that is not process. What people care about, when you see them in the hallways, or anywhere across our country, they care about these high gasoline prices they are having to pay. I agree with the Senator from Washington, to some degree, that we do need to embrace a national energy policy that utilizes the advances of technology. We need more electricity being produced by clean coal technology, propulsion by fuel cell vehicles, and also we need to look at nuclear as a part of the mix, as opposed to natural gas for electricity base-load generation.

Rather than talk about process, let's talk about reality. The Senator from Massachusetts is talking about process that no one in the real world cares about. But what I understand is my own experience. I have been to the North Slope, Prudhoe Bay in late November. It was like the dark side of the moon. I also studied this over the years and have seen that Prudhoe Bay has development. I think it is a magnificent engineering feat. In the summer, it is full of mosquitoes, and at other times there are herds of animals that have to be fairly hardy animals to live up there.

So the argument ends up being, gosh, if there is a pipeline, there will be a gravel road. All of what happened in Prudhoe Bay has not had an adverse impact on the animals up there, or the mosquitoes, and if there is a gravel road in an area the size of Dulles Airport in a refuge the size of South Carolina, a few gravel roads won't have much impact. I know the occupant of the Chair, who is from South Carolina, knows that doesn't stop deer in his State. It certainly doesn't stop any other animals.

The reality is we have high gas prices, gasoline, and natural gas. It is affecting our travel and people in their homes. There are three reasons this amendment needs to stay and we get this revenue from this production. No. 1, security. We are overly dependent upon foreign sources of energy. We are being jerked around and sitting here reading e-mails to see what OPEC is going to do. Are they going to increase production by a few hundred thousand barrels? What impact will that have? Yes, other countries, such as India and China, are taking coal and taking energy, such as oil.

But the point is we should be less dependent and reliant for our own security on OPEC and Venezuela and all these different countries, primarily in the Middle East, for our own security. We are presently 58-percent dependent upon foreign oil. It is going to go up to 68 percent in the next 15 years. That is the estimate.

Second, this is for jobs. Jobs will be created. Hundreds of thousands of jobs in everything from manufacturing,

mining, trade, services, construction, and others. It is going to have an impact mostly on Alaska, but also across the country. That is good for our country as well.

Talking about this being Yellowstone, I would not open up exploration at Yellowstone. Nobody is suggesting that. The west coast of Florida, the people there, if they want to have a reasonable distance from oil production that doesn't draw the line all the way to Mississippi and Louisiana, respect the will of the people of the west coast of Florida. If the people of Charleston, SC, don't want drilling off the coast of South Carolina, we ought to respect those people.

In Alaska, having been chairman of the Republican Senatorial Committee, looking at poll after poll last year, it is amazing how uniform the support is among the people of Alaska—Democrats, Republicans, Indians, Eskimos, and even in the sub-categorized liberals; liberals in Alaska are in favor of this pipeline. They understand it can be done in an environmentally sound way. It means jobs, revenues. And for us outside of Alaska, the lower 48, and Hawaii, this means energy security.

Finally, in addition to security and jobs, there is competitiveness. This country needs to have a reliable, affordable source of energy, whether that is oil or natural gas. Many fertilizer and chemical manufacturers, paper, plastic—even in Danville, VA, where they manufacture tires at a Goodyear plant, they are concerned about the skyrocketing costs of natural gas. Natural gas is available in other countries around the world at a more affordable price. They are competing to get Airbus airplane tires. They got the contract, but obviously tires can be made in Southeast Asia, or elsewhere in the world.

It is important for our competitiveness that we have a more stable and affordable energy supply. So I ask you all, my colleagues, to do what is right for the security of this country and jobs for Americans and, most important, for the competitiveness of our country. Support what the Budget Committee has done. Let's use those resources on the North Slope of Alaska for American job security and competitiveness and do what is right by the people in the real world, who would like to see us act, as opposed to worrying about what people in OPEC say about our gas prices.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I yield 5 minutes off the resolution to the Senator from Massachusetts so he may be able to answer the questions that were put to him.

Mr. KERRY. I thank the Senator from North Dakota. I would like to take 1 minute to say something about what we heard, because the Senator from Virginia tried to minimize the impact of what would happen out there. Let me read what happened from the Clean Air Act Violations in 2004:

The Alaska Department of Environmental Conservation imposed an \$80,000 civil penalty on ConocoPhillips for Clean Air Act violations in the Alpine oil field. In addition, over 2.3 million gallons of drilling muds—toxic, manmade fluids pumped into wells—disappeared into the Colville River in 1998. The following year, 24,654 gallons of hazardous drilling fluids spilled at the Colville River pipeline crossing.

Oil industry activities for the Alpine fields caused 170 spills, totaling 36,000 gallons of hazardous substances by 2004, and that is according to the Alaska Department of Environmental Conservation.

So this is not without harm. I stand by what I said about this being a violation of the rules, going outside the rules. I ask the Senator from North Dakota this, as he is a budget expert, respected by everybody in the Senate on the subject of the budget. The reconciliation process was put into place not to permit legislation for something that has been voted on as a matter of energy policy for years but for deficit reduction. This is not deficit reduction. I ask the Senator from North Dakota if that is not correct, that under the budget reconciliation rules, reconciliation is for the purpose of deficit reduction?

Mr. CONRAD. Mr. President, I would say, in answer to my colleague, my own belief is whatever one's views on opening the Alaska national wildlife refuge for exploration, whatever one's views are, my own belief is this is an inappropriate way to reach that policy conclusion.

The Senator is correct. Reconciliation is a process outside normal rules of the Senate. Reconciliation takes away from every Senator their most fundamental right, and that is the right to unlimited debate, the right to have an amendment, and the right as a member of the minority to resist the passage of legislation.

Reconciliation is a fast-track procedure that was put in place to try to address what was then record budget deficits. It was an attempt to provide a special protected procedure, not for the purpose of making policy changes that were incidental to the budget process but that were central to the budget process.

I do not think there is much question that this is a policy change being put in reconciliation that is incidental to the budget process. It is an attempt to change legislative policy that is far beyond an attempt to effect budget policy. For that reason, I personally believe, whatever one's views on ANWR, that this is an abuse of the process.

Mr. KERRY. I thank the distinguished Senator. If I could also ask him one further question, according to the expectations of drilling, the time it will take and when revenues would flow to the United States, there will be no revenue that will flow from this legislation that will reduce the deficit; is that correct?

Mr. CONRAD. I do not have before me the anticipated flow of revenue.

But, really, that is not so important as the fundamental underlying question: Is this an attempt to do something by way of a policy change that is merely incidental to the budget process? I think one would have to answer: Clearly it is. That makes it an abuse of the process.

Reconciliation, again, for my colleagues, was designed to be used for deficit reduction. This cannot be seen, seriously, as a deficit reduction plan.

Mr. KERRY. I thank the Senator. This is not a deficit reduction plan. That is the fundamental choice here.

For those colleagues who are wavering about this, who wonder about it, this is a precedent. Some people around here may take these precedents casually and the moment may seem very opportune. What goes around comes around. Someday these folks over here may be in the minority and they will want the rules played by properly. That is really what is at stake, not just the issue of the Arctic Wildlife Refuge but how the Senate is living up to its own standards and its own rules.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

MS. MURKOWSKI. Mr. President, I yield 10 minutes from our side to the Senator from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 10 minutes.

Mr. INOUE. Mr. President, during the past several weeks, my office and I have received hundreds of letters, telephone calls, e-mails, most of them condemning drilling in the Arctic National Wildlife Refuge. Some were threatening. Some were very sensitive. I would like to take this opportunity to respond to these letters and telegrams and e-mails.

I do this with mixed feelings because I am well aware that the majority of my colleagues on the Democratic side are not with me and that I may be one of the very few on our side. But I have taken this position for many years. This is not the first time. So I think I have a few things I would like to share with you.

Last night, I watched a television ad put out by people who are not for the drilling. If one looked at it objectively, you got the impression that the drilling would be done in all of Alaska. It showed pristine scenes of wildlife, of plants. You could not help but feel, my God, are we going to destroy all of this?

How large is ANWR? As the Senator from Virginia stated, it is about the size of the State of South Carolina. The area that will be set aside for this drilling would be about 2,000 acres—2,000 acres out of 19 million acres.

Put another way, if ANWR were the size of a page of the Washington Post, and you put something on it about a square quarter inch, that would be about the size of the drilling footprint of ANWR.

We are not devastating the State of Alaska. We are not devastating ANWR.

This debate has gone on for a long time. Many of the debates centered around the statements of an Indian tribe, the Gwich'in. The Gwich'in village at one time offered their lands for lease to drill and develop oil. They had no conditions to it. They said just go ahead and drill on our land, we would like to have that done. But when the test drills were made and they found that there was no oil or gas, then, suddenly, the Gwich'ins found themselves in opposition.

There are 230 Indian tribes and tribal villages in the State of Alaska—230. One tribe is against it, the Gwich'in tribe. For the past 15 years I was chairman of the Indian Affairs Committee. My mandate from my colleagues was that we should listen to the Indians. Mr. President, 229 tribes said yes, we want it. One tribe said no.

The Gwich'ins have cousins on the Canadian side, and the Canadian side Gwich'in land is being drilled at the same time, and they seem to be happy.

The question comes up, how many barrels will ANWR produce? The U.S. Geological Survey suggests that ANWR holds between 5.7 billion and 16 billion barrels of oil, an average of about 10 billion barrels. The site will produce an additional 876,000 to 1.6 million barrels a day. This makes it the single greatest prospect for future oil production in the United States. It will produce over 36 million gallons of much needed gasoline, jet and diesel fuel and heating oil. To put this in perspective, while ANWR can produce 1.6 million barrels a day, Texas and California each offer about 1 million daily.

Development of ANWR alone will reduce U.S. dependence on foreign sources by 4 percent. Some would say: 4 percent, that's not much. Tell that to the driver who has to go to the pump today and pay that extra price. Four percent makes a big difference.

But equally as important, I have heard many of my colleagues suggest that the war in Iraq is a war on oil. If they believe so, why don't we produce our own oil so we don't have to fight for it?

I close by sharing with you something that happened many years ago when the Trans-Alaska Pipeline was being debated. It was a long time ago, and most of the Members of the Senate were not here at that time. Dire predictions were made. Environmentalists came forward and said: You are going to destroy Alaska. The caribou herd will be demolished and diminished. They will become extinct.

Those are the words that we heard. At the time the Congress authorized the Trans-Alaska Pipeline, there were 5,000 caribou. Today, there are 32,000 caribou. Instead of diminishing the herd, the pipeline apparently has helped them. But this is not a debate on the pipeline, it is a debate on ANWR.

I hope my colleagues will give this opportunity to the people of Alaska. When 229 out of 230 tribes tell me they want it, I am ready to respond, sir.

Thank you very much.

The PRESIDING OFFICER. Who yields time?

Ms. MURKOWSKI. Mr. President, I yield 5 minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 minutes.

Mr. THUNE. Mr. President, I thank the Senator for yielding.

How high do gas prices have to get? How over a barrel does OPEC have to get us before we realize what the American people realized a long time ago that we have an energy crisis in America today? We have gas prices that continue to soar. We have supply problems because we rely on the geopolitics of the Middle East.

Earlier this month, I was glad to join Energy Secretary Sam Bodman, Interior Secretary Gale Norton, and four of my colleagues, including the Senator from Alaska, Ms. MURKOWSKI, on a trip up to the Arctic Wildlife National Refuge. It is a big place.

Alaska is 386,000 square miles. My home State of South Dakota is 77,000 square miles. We think we have a lot of wide open space in South Dakota. But you could put seven of my States of South Dakota into the State of Alaska.

If you look at Alaska in its totality and look at what we are talking about in terms of the exploration and possible production in ANWR, it is 19.6 million acres on the wilderness area, ANWR area. Eight million acres of that is wilderness. The area we are talking about for development and exploration is 1.53 million acres.

Furthermore, the area that would be used under the legislation limits it to 2,000 acres.

That is the equivalent in South Dakota terms of about three sections of farmland in an area that is 19.6 million acres in a State that is 586,000 square miles, where we could put seven of the State of South Dakota.

We had the opportunity when I was up there to look at technology. It is remarkable what has transformed over the last 30 or 40 years. You probably can't see it on the map, but Prudhoe Bay technology is 1970s vintage technology compared to 1980s vintage technology. We went to a site called the Alpine site, which is the millennium technology. The changes that have taken place are dramatic, and the way it has evolved minimizes the impact and the footprint that is left. In fact, at the Alpine site, there were 97 acres, which included the runway where they land the planes to provide their supplies and the lake they get their water from. They are generating 120,000 barrels of oil a day on 97 acres. Why? Because the technology allows them to go underground, to drill horizontally, and to drill directionally. It minimizes the impact above the ground.

We saw where they use ice roads for exploration to get back and forth. In the winter, the roads disappear. Below the frozen tundra is the single largest

and most promising onshore oil reserve in America—somewhere between 6 billion and 16 billion barrels of oil. The average of that would be 10 billion barrels.

How much is that? A million barrels a day that we could add to our production in this country. That is 5 percent of what we use—20 million barrels a day in the United States. We get 10 million barrels a day today from outside the United States.

This would lessen our dependence on foreign sources of energy.

Put another way, it could power the State of South Dakota for 499 years.

We are talking about a significant resource that we need because America is facing an energy crisis.

Gas is over \$2 a gallon. A barrel of oil is near record highs. Make no mistake about it, America's energy crisis is an economic crisis that impacts every American. This country needs energy legislation which fosters more oil production and increases the alternatives, such as renewable fuels and ethanol that we produce in my home State of South Dakota.

I hope we can get a comprehensive energy bill that increases the use of ethanol in this country. Right now, we do about 3.5 billion gallons a year in ethanol, but we use 120 billion gallons a year of gasoline in this country. It has to come from somewhere.

Right now, we are paying all the money to the folks in the Middle East who have gotten us over a barrel. We need to change that. We need to reduce our dependence on politically unstable foreign sources of oil.

Specifically, the United States imports about 3 million barrels of oil a day from the Persian Gulf. The estimated daily domestic supply from ANWR would reduce that number by half.

Passing this legislation will reduce America's dependence on foreign sources of oil, strengthening our economic security, strengthening our energy security, and strengthening our national security.

When I was in the House, we passed an energy policy, but it got stuck in the Senate.

We have an opportunity to finally finish the job that the American people sent us here to do and to reduce our dependence on foreign sources of oil.

Listen to the people of Alaska. Mr. President, 57 out of 60 members of the Alaska State Legislature support this. You just heard the Senator from Hawaii talk about most of the tribes in Alaska support this. The congressional delegation, the Governor, the people's representatives here in Washington and in Alaska believe this is important to the future of that State.

It is important for the economy of this country and to the people who are having to pay the price at the pump because we fail and refuse to do something that is so important—to tap the vast reserves that exist right here in America rather than relying on the Middle East for our energy supply.

I hope my colleagues here today will join with me and with those in the past who have supported this and vote for this so that we can begin the process of lessening our dependence on foreign sources of energy.

I yield the floor.

Mr. CONRAD. Mr. President, I yield an additional 10 minutes off the resolution under the control of the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Ms. CANTWELL. Mr. President, I would like to yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mrs. BOXER. Mr. President, I thank Senator CANTWELL for her wonderful leadership on this issue.

I sit here and I am listening to this debate which we have been involved in so many times. Now I know why Christie Todd Whitman wrote her book "It Is My Party, Too."

When you look at who set aside the Arctic National Wildlife Refuge, it was a Republican President. Here the biggest forces for opening drilling are coming from the Republican Party, fervor about how this is going to solve our energy problems when everyone admits if we get oil out of their at all it is not going to be for another 10 years, and the economically recoverable oil is 6 months, maybe. So the zealotry that we hear shows the changes in the Republican Party. That is a fact of life.

Now, let's see what President Eisenhower's Secretary of Interior, Fred Seaton, said about this area. He said this was "one of the most magnificent wildlife areas in North America . . . a wilderness experience not duplicated elsewhere." Senator GEORGE ALLEN called it the dark side of the Moon. So who is right—President Eisenhower or Senator ALLEN? Let's take a look at some of the photographs because we need to see this dark side of the Moon.

The first thing we see is the porcupine caribou herd, the mother and the little calf. Quite beautiful. It does not look much like the dark side of the Moon to me. The U.S. Geological Survey Biological Resource Division found the porcupine caribou herd may be particularly sensitive to oil development.

Let's look at the effects on the caribou and other animals, including bears. This is my favorite, a polar bear photograph taken by a wonderful photographer who spent 18 months in the wildlife refuge. It does not look much like the dark side of the Moon to me. And polar bears are particularly sensitive to oil development because they den in the winter—exactly the time the oil companies want to drill.

Millions of migratory birds—over 130 species—journey to our States, so our States will be impacted. To me, this is a God-given environment. With all the talk about faith-based politics, if you do believe, as I do, that these are gifts, then we have to be careful in what we are doing here today.

My friend from Alaska says we are going to do this very sensitively. They were very sensitive at the Exxon Valdez. They were very sensitive in Santa Barbara when we had the unbelievable oil spill that led to, actually, the very first Earth Day because it was so devastating to see what happens. We know that the economic activity that comes from oil drilling is going to have an impact. So anyone who tells you anything else simply is thinking in a wishful fashion. We are alive today, we see what happens with the spills. Let's be careful what we are doing. If this is something that will make us energy independent, that is one thing. But the fact is, it won't.

Let's look at some of the scenes because there was talk about how barren this area is. We will look at some of the landscapes because it is important to look at this and decide for ourselves if it is worth risking this for 6 months' worth of oil.

This is along Marsh Creek in the coastal plain, in the very area they say is completely barren. One of my colleagues said it only looks that way for a few weeks. Well, it certainly looks that way at a point in time. When I sent my environmental legislative assistant up to that area, she was overcome. I went to Alaska. It is true there are other magnificent areas of Alaska, but this is one of those beautiful areas.

Here is the issue. The oil companies are backing out. They do not want to be involved in this controversial area. Many have already backed out. BP, ConocoPhillips, and ChevronTexaco have pulled out because they know what they are walking into here, and they don't want to drill. It may be that even if we get the vote, no one will drill there. We are not sure of that. Why is this happening? I say it is happening because if they could open this area, they can open any area. Don't take my word for it; you can take the Bush administration's word for it. That is what they have said in essence. They admit it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CONRAD. I alert my colleagues of the time situation. I gave 10 minutes off the resolution to Senator CANTWELL to control to even up the two sides. Here is the problem: I only have 3 minutes left on the resolution before the 1 o'clock vote. I would be happy to give the Senator from California 1 of those 3 minutes.

Mrs. BOXER. Here is the point. This area was set aside by a Republican President who found it to be most pristine. We understand there are certain times in this Senate when we do something as radical as this, which is to open up a wildlife refuge, we may want to have a few more votes. That is kind of the rules of the Senate. They are doing a backdoor, so they may get 51 votes here, and with 51 votes they open this—for what, maybe 6 months' worth of oil. If we close the SUV loopholes, if we said over time they should get the

same mileage as cars, we would have seven ANWR fields over 40 or 50 years.

We do not need to do this. If you believe this is God-given land, let's protect it. At the end of the day, that is our job. I hope we get the votes. If we do not get them today, this will be a big issue out in the country. I hope the oil companies will continue to walk away from this because clearly it is very controversial to go into this pristine area.

I yield the floor.

Mr. LOTT. I have an inquiry.

The Senator from Washington has 5 minutes she was going to use. I was under the impression that the Senator from Washington had 5 minutes.

The PRESIDING OFFICER. That is correct.

Mr. LOTT. If she is willing to wait, I ask unanimous consent I be yielded 10 minutes off the underlying resolution.

Mr. CONRAD. Reserving the right to object, let me make certain I understand the request. The problem we have, I say to the Senator, all of the time has been allocated. Maybe there is some additional time you have on your side. We have locked in a 1 o'clock vote, and if you add the time for the veterans amendment and the ANWR amendment, there is 2 minutes remaining before 1 o'clock to come off the resolution.

Mr. LOTT. If I could, I understand there is a substantial amount of time on the underlying resolution. I was hoping to speak not just on ANWR but also on NIH and Amtrak. I thought it should come off the underlying resolution, not just Amtrak, and I have been sitting here for almost an hour. I thought, with the flow back and forth between supporters and opponents of the amendment, that it would be appropriate I be allowed to speak at this time.

Mr. GREGG. Mr. President, how much time do we have on the resolution on our side before we get to the 1 o'clock vote?

The PRESIDING OFFICER. There is 24 minutes 53 seconds. There is 4 minutes of unpromised time on the resolution before 1 o'clock.

Mr. GREGG. And we have coming up 45 minutes on the two veterans amendments.

The PRESIDING OFFICER. That is correct.

Mr. STEVENS. Will the Senator yield?

The Senator from Washington has already taken 10 minutes off the resolution on this amendment.

Mr. CONRAD. If I might, I gave time off the resolution on our side, but I was very careful to check with the timekeeper that there was time that would not impinge on the 1 o'clock vote. That is the problem we have.

Mr. STEVENS. But it still unbalances this time. I ask unanimous consent I have 10 minutes, equal to the Senator from Washington, off the resolution.

Mr. LOTT. Mr. President, I believe it was my request that is pending.

Let me make a couple of observations. First, whenever Senator STEVENS wishes to speak, I will defer to him. Second, since we only have 4½ minutes of time, I would be willing to take just 4½ minutes to speak only on ANWR and come back on the other issues at another time.

I amend my request to ask that I be allowed to take this 4½ minutes if it is off the resolution so I can address this issue.

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

Mr. STEVENS. I have a pending request, also.

The PRESIDING OFFICER. The Senator from Mississippi has a request, and the request is to be recognized for 4½ minutes. Does anyone object?

Mr. CONRAD. Off the resolution. And that uses all the time until 1 o'clock.

The PRESIDING OFFICER. That is my understanding.

Mr. CONRAD. I do not object.

Mr. LOTT. Parliamentary inquiry. Could I inquire, has Senator STEVENS' time already been identified before this 1 o'clock vote?

The PRESIDING OFFICER. He has made the request.

Mr. LOTT. Has not been—

The PRESIDING OFFICER. He has made the request. The Senator has been recognized for 5 minutes on the ANWR amendment. But as the Chair understands it, the Senator from Alaska is asking to speak for 10 minutes before 1 o'clock and the time be taken off the underlying resolution.

Mr. GREGG. Mr. President, as a way to resolve this, I ask unanimous consent that Senator STEVENS be given 10 minutes off the resolution and that the vote occur at 1:10.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. Mr. President, reserving the right to object, and I will not object, let me say to my colleagues, that is the last agreement I will enter into because we are rapidly running out of time on the resolution. We have spent a great deal of time on this matter. Certainly in recognition of Senator STEVENS' long service, and his intense interest on this issue, we will agree to that one moving back of the vote.

The PRESIDING OFFICER. It is the Chair's understanding we will proceed as follows: that the Senator from Mississippi will speak for 4 minutes, that the Senator from Alaska will be given 10 minutes, and the vote will be at 1:10, and the Senator from Washington has 5 minutes to be taken off the underlying resolution yet to be used. Is that correct?

Ms. CANTWELL. Mr. President, then how much time remains on the ANWR debate for both sides?

The PRESIDING OFFICER. There is 17 minutes 4 seconds for the minority; 24 minutes 53 seconds for the majority.

Ms. CANTWELL. Thank you.

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

The Senator from Mississippi.

Mr. LOTT. Mr. President, I am glad I could assist the Chair in clarifying the time at this point. This is a very important issue. It is time, I agree, we should get it resolved. I think it should be resolved with a majority vote. We can argue over the rules as long as we like. But to me, this is a critical issue. It symbolizes what we are going to do about the future in the energy area.

I do not have some beautiful picture I am going to show today. If I were going to show one, I would show one of my four grandchildren. Are we going to have energy production in our country or not? Are we going to continue to put various areas off limits where we cannot have more production? There are some people, I guess, in this institution who think we can conserve ourselves into an energy policy.

We need to produce more oil, more natural gas, more coal with clean coal technology, hydropower, all of it, and have conservation and alternative fuels. And we should produce this oil in Alaska, or natural gas, or whatever it is up there.

When I came to the Senate, I spent some time talking to the experienced hands around here, and I asked about how you deal with different issues. One of the things I was taught by my predecessors here in this institution is you pay attention to the Senators from their State when it is an issue involving their State.

This is an issue that is supported by the two Senators from Alaska, supported by an overwhelming number of people in that State. It is supported by the Native Americans in that State. This is the right thing to do from their standpoint. I do not understand why Senators from Massachusetts and Washington and Maine are trying to dictate what should happen in this area in production that we need as a country. I am absolutely floored by all of this.

I think it is time we consider what is for the good of the overall country and get over all these dire threats of doom of what we might do if we have exploration in this very limited area. And, ladies and gentlemen, it is about jobs. It is about revenue. Why do you think most of the unions are supporting this? They were in my office today saying: We are for this, because they understand it would involve jobs. They understand it would involve more revenue coming into the Federal Treasury. They understand it is about energy independence.

When are we going to learn? The price of a barrel of oil is \$54 a barrel. Gasoline is somewhere close to \$2 a gallon, in some areas as much as, I think, \$2.16 a gallon. Venezuela made it clear recently they would like to cut us off completely. We are dependent on a very volatile area of the world for our oil supply. Probably about 60 percent of our energy needs is supplied by foreign oil.

Even in this remote area of Alaska we are saying we cannot produce more

oil and gas. Who is going to lose if we do not have energy sources? We are going to have it in my State. We are going to produce our own oil and natural gas and coal. We are going to have excess power. By the way, if they are willing to pay for it, we will be glad to wheel it up to Pennsylvania and Massachusetts and Connecticut. We will share.

But I will tell you, if we do not have oil and gas and coal to run our powerplants, the electricity is going off. It is time we get serious about this issue. We should vote down this amendment.

I commend Senator JUDD GREGG and the Budget Committee for taking this action. I think we should do this if for no other reason than because of support for the Senators, particularly Senator STEVENS, who has spent a career trying to do the right thing for Alaska. Who has done more for conservation and environmental issues in Alaska than Senator TED STEVENS? Nobody. He has made every possible plea for this. So I hope we will do it. It is the right thing to do. We should do it in his honor.

I thank my colleagues for giving me this opportunity to vent a little bit. I am amazed at the irresponsibility of this Congress and the previous Congress and the American people to a degree in the energy field. We want it, but we do not want to do anything to produce it. So I hope maybe this will be a sign today, when we vote to defeat this amendment, that we are finally getting serious about more energy production in this country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Mr. President, if I could take a few moments to point out that this Senator certainly wants America to move forward with the development of new energy supply. In fact, I am saying the whole debate should be about supply and not recognizing revenue in the budget for an ill-conceived project in a wildlife refuge.

We can get as much supply or more by doing the Alaska natural gas pipeline. That natural gas supply would save 6 billion barrels over 10 years; use of off-the-shelf renewables and energy efficiency technologies, 4.9 billion barrels in the next 10 years; increasing use of ethanol in our gasoline, 5.1 billion barrels over 10 years; improving tire inflation and automobile maintenance—you don't have to come up with a new place to drill—5.4 billion barrels; increasing automobile fuel efficiency standards, 10 billion barrels. So we certainly are about supply; we are just for a cleaner supply.

Why are we for a cleaner supply? Because if you look at it, and you compare the various proposals I have outlined with drilling in the Arctic Refuge, you get increased pollution from refuge drilling, increased CO<sub>2</sub> levels, you impact Federal lands, and I don't believe you are going to have any immediate impact on our country's en-

ergy resources. These other actions I have outlined actually decrease pollution levels. Those are the actions we should be taking, not refuge drilling.

Now, a lot has been said about gasoline and gasoline prices. We ought to be investigating why gasoline prices are so high, not accepting that we are going to have to be more dependent on foreign oil. In fact, a recent attorneys general office statement stated that gasoline producers marked up prices 152 percent between January and March of 2003. In the first 3 months of 2003, average gasoline prices increased 57 cents in California alone.

A trade industry magazine talked about the peculiar incidence of exporting distillate. That is taking our supply and exporting it. What does that do? It decreases the supply in the United States, and it increases the spot market prices at refineries. There is nothing in the budget resolution that guarantees we are going to lower gasoline prices. And there is nothing in the language of the budget resolution that guarantees any supply recovered from the Arctic Refuge will even stay in the United States.

I wish my colleagues would embrace these facts and guarantee that if we are doing to go into a wildlife refuge and drill for oil, at least we should require that we keep whatever oil we produce in the United States for our domestic use. But I doubt they will guarantee that. So now we are talking about drilling in a wildlife area. In doing so, we will increase pollution and not get our country off our foreign oil dependence and certainly not lower gasoline prices any time in the near term.

Mr. President, I yield 5 minutes to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 5 minutes.

Mr. FEINGOLD. Mr. President, I rise today to express my strong support for the Cantwell amendment to strike the reconciliation instruction to the Energy Committee that allows for drilling in the Arctic National Wildlife Refuge. I first thank Senator CANTWELL for her tremendous leadership on environmental issues in general and especially her strong leadership on this very important environmental issue.

The other side can say what they want as many times as they want. The fact is, this provision is an abuse of the reconciliation process. Yes, it is. The Senator from New Hampshire may be right that it is technically not a violation of the rules of the Senate, but it is an abuse of the process. It is what you do when you get frustrated. You can't win under the normal rules, 60 votes, the way we have debated this issue year after year. You get frustrated and you say: Here is what we will do. We will use a revenue assumption in the budget so we only have to have 51 votes.

We should be debating this issue when we take up the Energy bill rather

than engaging in a backdoor maneuver on the budget resolution. I feel strongly, as a Senator who has always worked on a bipartisan basis year after year on the budget and the budget rules, that this one is over the line.

This fact is clearly evidenced by the speculative nature of the revenue assumptions from drilling in the Wildlife Refuge. A February 21, 2005 New York Times article about the refuge quotes a Bush adviser as saying that "even if you gave the oil companies the refuge for free, they wouldn't want to drill there." He continued: "No oil company really cares about [the Arctic refuge.]"

British Petroleum, ConocoPhillips, and ChevronTexaco have all pulled out of the pro-drilling Arctic Power lobbying group. BP abandoned a test well right next to the Arctic Refuge because of a lack of production. ChevronTexaco has moved its executives from Alaska to Houston. A Halliburton official said that "enthusiasm of government officials about ANWR exceeds that of the industry" and that "evidence about ANWR is not promising."

CBO concedes it did not address the oil industry's lack of interest in drilling in the Arctic Wildlife Refuge in its projections. So these projections don't add up. Authorizing drilling in the Arctic Wildlife Refuge through the budget process is simply the latest in a series of abuses of Senate procedures, and I believe the American people know it.

This is a backdoor scheme for drilling because the drilling proponents don't have enough votes to deal with this issue in the Energy bill. The public doesn't want it; major oil companies don't appear to want it; and it does not belong in the budget resolution.

The proposed transfer of revenues from drilling in the Arctic Refuge to fund popular conservation programs is, on its face, also an accounting gimmick. The President's budget zeroed out the State recreation grant program of the land and water conservation fund and reduced Federal lands acquisition dollars to its lowest funding level in 10 years. To further erode our environmental protections by drilling in this pristine wildlife refuge to generate public revenues for these important conservation programs underscores the administration's insincerity in claiming to support conservation.

Even if you think we should drill in the Arctic Refuge, this is not the time or place for this debate. If we can con-tort the budget process to authorize drilling in a wildlife refuge, why couldn't we use the budget process to allow drilling off the coasts of Florida or California or the Carolinas or the Great Lakes? When you abuse the budget process in this way, it invites even greater mischief down the line and undermines the very purpose for which these procedures were established.

We should not abuse the budget and the budget reconciliation process, as one of our colleagues put it years ago, "in order to be immune from unlimited debate."

Allowing oil drilling in the Wildlife Refuge which many of us believe should be protected as pristine wilderness is too important an issue to be handled in this way. We should have this debate in the open during an energy debate, not a debate on the budget resolution.

Therefore, I will vote for the Cantwell amendment and I urge my colleagues to do the same.

Mr. LEAHY. Mr. President, I rise today to express my strong support for Senator CANTWELL's amendment to the budget resolution protecting the coastal plain of the Arctic National Wildlife Refuge. Senator CANTWELL's amendment aims to strike a controversial provision that effectively paves the way to allowing oil and gas exploration in one of our Nation's most pristine and unique wild places. This is a common-sense amendment, which upholds the will of the American people in preserving this remote area. I urge my colleagues to join me in supporting it.

There is a strong consensus among all of us here, on both sides of the aisle that decisive steps need to be taken by this Congress to secure our Nation's future energy needs. We know that energy demand is rising not only in our own country but around the world, especially in nations such as India and China. We also know that there are grave national security implications for remaining reliant on foreign oil. And we know first-hand from our constituents, many of whom are struggling to heat their homes this winter, that the price of oil remains disturbingly high.

Drilling proponents want us to believe that resource exploration in the Arctic Refuge will be a one-stop solution to these critical energy challenges and that by doing so we will be closer to securing our future energy needs. This insinuation is flat wrong.

Even drilling proponents concede that any recoverable oil that the coastal plain would yield would not reach world markets for at least another 7-12 years. This will do absolutely nothing to help my constituents who have sticker shock at the gas pump or are seeing record home heating prices today. Even during peak production, expected around 2025, the amount of oil from the Arctic Refuge would reduce American imports by only around three percent according to the Energy Information Agency.

On numerous occasions I have come to the Senate floor urging my colleagues to adopt real solutions to our Nation's pressing energy challenges. We should be increasing the nation's fuel economy standards, which have remained unchanged for over 10 years. We should also be making a stronger commitment to the development of renewable energy and energy conservation technologies by offering tax incentives to both producers and consumers. It is mind-boggling to me that drilling proponents have provided so little leadership in forwarding these policy solu-

tions. Instead they continue to offer the American people a false choice between environmental protection and energy security.

In another bold move, the administration has tried to sugarcoat oil development in the Arctic Refuge by massively inflating the projected revenues from anticipated lease sales there. The administration claims that lease sales will generate \$2.5 billion in revenue in 2007. To get to that amount, leases would have to sell for between \$4,000 and \$6,000 per acre. In comparison, leases on the North Slope of Alaska have averaged only \$50 per acre over the last 20 years. When I questioned Interior Secretary Norton about this discrepancy she could not explain how the administration got to its \$2.5 billion estimate. What Secretary Norton and the administration don't want to acknowledge is that these revenues are disturbingly inflated. They also don't want to acknowledge that oil companies have lost interest in drilling in the refuge. Only one company is still a member of the lobbying group pushing for this provision in the budget resolution. The fact is that there are other places the oil companies prefer—places where it is cheaper to drill and where the environmental impacts are far less.

So why are we here today? Opening the refuge will do nothing to help reduce gas prices. It will do nothing to make us less dependent on foreign oil. Most oil companies are not asking for it. I can certainly tell you that Vermonters do not want to see this special place developed. In Vermont, we cherish the natural resources of our state. We cherish the special resources of this country—Yellowstone, Acadia, the Grand Canyon. I would put the Arctic Refuge on the same level as these national treasures.

Let me make clear though. I do not oppose energy development in this country. But not here, not in the Arctic Refuge. It's time to put this issue behind us and devote our time to working together on a sustainable, reliable energy supply for the future.

Mr. REID. Mr. President, I rise today in support of the Cantwell amendment to strike the language in the budget resolution that would allow oil drilling in the Arctic National Wildlife Refuge.

The decision whether or not to allow drilling in the Arctic National Wildlife Refuge is a defining moment for national energy and environmental policy.

This debate reflects two divergent views of our Nation's values and future.

We have a choice: either we can continue building oil wells in environmentally sensitive areas, or we can broaden our Nation's energy base while honoring our commitment to our natural heritage.

Instead of diversifying our energy supply, investing in new energy technologies and promoting energy efficiency, the Bush administration's priority is to look for the next domestic oil field.

No matter how clever they view this backdoor scheme to insert this proposal into the budget, the proponents of drilling in the Arctic Refuge cannot escape the facts.

The Arctic Refuge is home to an unparalleled diversity of wildlife including 130 species of birds, caribou, polar bears, musk oxen, grizzly bears, and wolves.

Estimates show there may be only 6 months' worth of oil, and it would not be available for 10 years.

The three largest oil companies in Alaska have stated they are not interested in drilling in the Arctic Refuge.

This proposal will do nothing to reduce the price of gas at the pump and will do nothing to make our country more energy independent.

This issue is too important to the public and to future generations to be snuck through in the budget bill. It should be brought to a vote on its own merits.

Supporters of oil drilling will not stop at the Arctic Refuge. The White House and its allies continue to push to drill in the Arctic Refuge because they believe it will create momentum to drill in other environmentally sensitive areas in the Rocky Mountains and off the coasts of California and Florida.

Ninety-five percent of Alaska's North Slope is already open to drilling and exploration. The last 5 percent—the Arctic Refuge—is the only wild stretch of Alaska's North Slope that remains off limits.

America produces just 3 percent of the world's oil, yet we consume 25 percent of that supply.

The answer to our energy challenge will not be found in the Arctic Refuge. It will be found in our willingness to encourage American innovation and break the habit of spiraling energy consumption.

We have met this test in the past. In the 1970s, Congress increased fuel efficiency standards and began to encourage the development of renewable fuels.

Today, those fuel efficiency standards save our country the cost of three million barrels of oil every day, and renewable energy technologies produce the equivalent of the oil we currently import from Iraq daily.

I believe we have a moral responsibility to save wild places such as the Arctic Refuge for future generations. Our national park, wildlife refuge, and wilderness systems are a living legacy for all Americans, present and future, and are widely envied and emulated around the world. The Arctic Refuge is one of the greatest treasures. It should be protected.

I urge my colleagues to vote for the Cantwell amendment to strike the language to allow drilling in the Arctic National Wildlife Refuge.

Ms. STABENOW. Mr. President, I rise to speak in support of the Cantwell amendment.

First, as a member of the Senate Budget Committee, I strongly believe

that the Arctic Refuge language does not belong in the budget bill and I am deeply concerned about the precedent this sets. The Arctic Refuge provision in the budget resolution provides special reconciliation protection to a major piece of environmental legislation. This is wrong and an abuse of the budget process. Reconciliation was designed to help Congress pass a large package of measures to reduce the deficit, not to be used to resolve one major policy issue.

If this provision is allowed to stand, those who advocate drilling in Alaska could pass a bill opening up Arctic Refuge and we would not be able to offer amendments to increase our use of renewable fuels unless we got 60 votes. This is unfair and would not allow for a full debate on energy and environmental policy like we had in last Congress.

Now let's talk about the facts when it comes to drilling in the Arctic refuge.

First, the Arctic Refuge would provide a 6-month supply of oil—which would not be available for 10 years. This is not a political argument but one based on nonpartisan scientific analysis of this issue. According to the 1998 U.S. Geological Survey study, there is estimated to be 3.2–5.2 billion barrels of economically recoverable oil in the Arctic Refuge. This is equivalent to the amount of oil the U.S. consumes in about 6 months. According to the nonpartisan Congressional Research Service, production from the Arctic refuge would not even come on line for 10 years or more.

The Arctic Refuge would not affect current oil or gasoline prices. The price of oil is a world price and is largely determined by the international market. Given the U.S. share of the global market, the amount of oil available from Arctic Refuge production would not significantly impact global oil prices, or U.S. oil or gasoline prices.

Ninety-five percent of Alaska's North Slope is already open to oil and gas drilling. Ninety-five percent of the potential oil reserves of Alaska's North Slope are already designated for potential leasing or open to exploration and drilling.

The last 5 percent—the coastal plain of the Arctic Refuge—is the only wild stretch of the coast of Alaska's North Slope that remains off-limits. Established by President Dwight Eisenhower in 1960, the Arctic Refuge remains the only conservation area in North America that protects a complete range of arctic and sub-arctic landscapes.

The Arctic Refuge would not reduce U.S. dependence on foreign oil. According to the Energy Information Administration, EIA, the independent analytical agency within the Department of Energy, drilling in the Arctic Refuge is projected to reduce the amount of foreign oil consumed by the U.S. in 2020 from 62 to 60 percent—only a 2 percent decrease! Drilling in the Arctic Refuge will not make a dent on our dependence on foreign oil.

One of the arguments I have heard from across the aisle is that drilling in Arctic Refuge would create jobs. My home State of Michigan currently has the second highest unemployment rate in the country. There is nothing more that I would like to see on the Senate floor than a bill to create jobs and I would vote wholeheartedly for such a proposal. But that's not what we have before us now.

We are not debating a well-funded highway bill that would create jobs. Last year's Senate bill would have created over 830,000 jobs across this country—99,000 jobs in Michigan alone—but it died in conference because of the Bush administration's opposition.

We are not debating the rising cost of health care and how it's hurting our manufacturers. In 2003, General Motors, the largest private purchaser of health care in the world, spent more covering 1.2 million individuals than it did on steel.

We are not debating how to stop Chinese currency manipulation which unfairly taxes our U.S. goods overseas, and is forcing our American manufacturers to close their doors.

We are not even debating the construction of the Alaska natural gas pipeline which would create more than 400,000 new jobs and provide a huge opportunity for our steel industry.

Instead we are debating drilling in one of the most environmentally pristine areas in the world just for a 6 month supply of oil. This isn't an energy solution and it certainly isn't a jobs solution. I urge my colleagues to support the Cantwell amendment.

Mr. SPECTER. Mr. President, I have sought recognition to outline my reasoning for my vote today against the Cantwell amendment to remove the assumption of Arctic National Wildlife Refuge, ANWR, oil and gas exploration lease revenues from the fiscal year 2006 budget resolution.

I have looked at this issue very closely. I have read a great deal of information, met with many concerned groups, and listened to arguments on both sides. And I have come to my own conclusions.

First, I believe exploration will have a minimal impact on the environment. The plans include drilling on a footprint the size of the Philadelphia Airport. It can be done safely by limiting the acreage eligible for exploration, combined with today's technology to mitigate environmental impacts of exploration in the area. Such technological advances include: The extended reach of multi-directional drilling, which can decrease "footprints", reduce waste, and increase the amount of product recovered; high resolution imaging that produces more precise well locations and consequently reduces the number of wells needed to access reserves; and the use of ice roads and winter season drilling techniques to maximize the season and reduce the amount of time to bring the reserves to market, while recognizing the needs of wildlife.

While there could be a network of pipelines, I have visited ANWR and looked at it personally. I saw caribou near the existing pipeline near ANWR. The environment in Alaska can be protected consistent with our laws and values.

Second, ANWR exploration can be part of our overall effort at oil independence. We should be doing a lot more, and I have led the fight on conservation measures. While debating energy policy during the 107th and 108th Congresses, I supported significant increases in renewable energy, generated from wind, the sun, biomass, water and geothermal sources. I have also supported expanding tax credits for clean coal technologies, and I led efforts to mandate a reduction of U.S. oil consumption by one million barrels per day by 2013.

It is only through concerted efforts to reduce projected U.S. oil consumption and to utilize domestic energy resources that our Nation will be able to become energy independent. If we do not take the steps I have outlined, our dependence on OPEC will grow. While fighting for these energy policies, I have pressed for the U.S. to sue OPEC under antitrust laws. I have urged the current and former administrations to take OPEC to the U.S. Federal courts for conspiracy to limit oil production and raise prices. This cartel has manipulated the oil markets in violation of U.S. and international law, and it should be pursued.

We must take action to address the rising costs of home heating oil, diesel fuel, gas at the pump, and our long-range national security needs. I believe that ANWR oil and natural gas reserves can and should play a role in this effort. I look forward to working with my colleagues in the Senate to ensure that any such action only proceed in the most environmentally safe manner.

Ms. COLLINS. Mr. President, I rise today to express my opposition to drilling in the Arctic National Wildlife Refuge.

A sound energy policy is critical to our Nation's security. The United States is currently 57.8 percent dependent on foreign oil. By 2025, this number is expected to rise to 68 percent. At that time, more than 66 percent of our imports will come from OPEC nations, a prospect that causes great concern.

In light of these statistics, what course should the United States take? Should we open ANWR, using up what well may be the last major U.S. reserve of oil or should we pursue alternative approaches that will encourage conservation and the development of alternative technologies?

Instead of rushing to deplete our last major oil reserves, I believe we should develop energy efficiency and alternative technologies. Doing so will not only make more of an immediate difference than drilling in the Arctic, but also will ensure we leave our children with ample energy supplies and a broader array of energy options.

President Teddy Roosevelt once stated: "I recognize the right and duty of this generation to develop and use our natural resources, but I do not recognize the right to waste them, or to rob by wasteful use, the generations that come after us." That is sound counsel.

Americans have a right to develop our energy resources, but not to waste them. We could do far more to reduce our reliance on foreign oil by increasing the efficiency of our automobiles, which would save one million barrels of oil a day. Drilling in the Arctic National Wildlife Refuge today would be akin to wasting resources that should rightfully be there for future generations. We must embrace an ethic of stewardship of our most treasured national resources.

According to one scientist who testified before the Senate Government Affairs Committee several years ago, the United States could cut reliance on foreign oil by more than 50 percent by increasing energy efficiency by 2.2 percent per year. This is a much greater benefit than drilling in ANWR would provide, and the benefits could start almost immediately. The United States has a tremendous record of increasing energy efficiency when we put our minds to it: Following the 1979 OPEC energy shock, the United States increased its energy efficiency by 3.2 percent per year for several years. With today's improvements in technology, 2.2 percent is attainable.

America needs to both increase fuel supplies and decrease demand, but in our effort to meet current energy needs we should not use up our last major reserves. If we increase energy efficiency and further develop alternative energy sources, we will reduce our reliance on foreign oil, save consumers money, increase our economic competitiveness and military effectiveness, and protect the environment.

In his parting words from the Oval Office, President Dwight Eisenhower—who first set aside the Arctic National Wildlife Refuge—told the Nation: "As we peer into society's future, we . . . must avoid the impulse to live only for today, plundering for our own ease and convenience, the precious resources of tomorrow."

I call upon my colleagues to leave intact the Arctic National Wildlife Refuge. Let us instead develop a balanced energy policy that protects our environment, improves efficiency, and develops our renewable resources.

Mrs. FEINSTEIN. Mr. President, I rise today as a cosponsor of Senator CANTWELL's amendment to strike the reconciliation instructions in the budget resolution to allow for the opening of the Arctic Refuge.

I am strongly opposed to opening the Alaskan wilderness to drilling for oil. Stated simply we cannot drill our way out of this problem.

While I agree that we are too dependent on foreign oil, and need to reduce that dependence, drilling for oil in the Arctic National Wildlife Refuge is simply not the answer.

Reducing oil consumption is the answer and raising our corporate average fuel economy—or CAFE—standards is the superior route to energy security.

The bottom line is that, according to estimates from the United States Geological Survey, the Arctic Refuge would likely yield less than 10 billion barrels of economically recoverable oil—less than a million barrels of oil per day at peak production, or less than 4 percent of the country's projected daily needs and the oil would not flow for at least 10 years.

In contrast, simply raising average fuel economy standards for sport utility vehicles could save us more than a million barrels per day by 2020. The savings would come sooner than oil from ANWR, and unlike oil from ANWR, the savings would not run out. Raising the standards for all vehicles would reduce even further the amount of oil used in the United States.

The United States contains only 2 percent of the world's oil reserves and only 4 percent of the world population. And yet Americans consume 25 percent of the oil produced worldwide. Almost two-thirds of that oil goes to fuel the Nation's transportation sector.

Given our current level of consumption in relation to our domestic reserves, it is clear that modest increases in domestic production—as from ANWR—will not solve our energy problems. Reducing consumption is the key to increasing America's energy security.

Drilling in ANWR would not save consumers money because drilling would not decrease the quantity consumed and would not affect the world price of oil.

So, unlike increasing CAFE standards, drilling in ANWR would not significantly increase our energy security, would not fight climate change, and would not save consumers money.

The Arctic National Wildlife Refuge is a crown jewel of the National Wildlife Refuge system. It is the only conservation unit in the U.S. encompassing a complete range of arctic ecosystems and serves as critical habitat for caribou, muskox, snow geese, polar bears and other species.

The coastal plain, which proponents of drilling paint as small and relatively insignificant, is the ecological heart of the refuge and the center of wildlife activity.

Developing the coastal plain would threaten the refuge's abundant wildlife. The approximately 130,000 caribou of the porcupine herd rely on the coastal plain as a calving area. One hundred thirty-five species of migratory birds use the coastal plain during the summer.

The coastal plain provides critical habitat for many of the refuge's species.

Drilling would also threaten the traditional livelihoods of the Gwich'in people dependent upon the porcupine caribou for subsistence.

Proponents of drilling would have us risk all of this damage for a small

amount of oil that would not even begin to flow for 10 years and would barely reduce our dependence on foreign oil.

In short, the refuge's coastal plain is too precious, and contains too little oil, for us to allow drilling to take place.

Increasing fuel efficiency is the better solution.

Future generations will thank us for our foresight in protecting the coastal plain and its wildlife. They will thank us for finding other avenues to increased energy security.

I urge my colleagues to support Senator CANTWELL's amendment.

Mr. KOHL. Mr. President, today is a sad day for the environmental movement in this country. The Senate has taken the first step toward opening up the vulnerable Arctic National Wildlife Refuge by using an arcane budget maneuver that will protect this provision from a Senate filibuster. Supporters of drilling in the Arctic, knowing they could not defeat a filibuster, have shoehorned a provision into the budget process that goes against the spirit, if not the letter of the rules. This is a shame and sets a precedent that will certainly come to haunt this Chamber.

I oppose drilling for oil and gas in ANWR because of the irreparable damage that would be done to its fragile ecosystem that is inhabited by 45 species of land and marine mammals. I do not believe short-term economic considerations should take precedence over permanent damage to the environment. We only have to look at ANWR's neighbor in Alaska to see what environment cost drilling would have to this pristine landscape. At Prudhoe Bay, home to one of the world's largest industrial complexes, 43,000 tons of nitrogen oxides pollute the air each year. Hundreds of spills involving tens of thousands of gallons of crude oil and other petroleum products occur annually. Decades-old diesel spill sites still show little re-growth of vegetation. Why would this be different for ANWR if oil companies are allowed to drill there?

Along with the grave environmental impact drilling would cause ANWR the amount of useable oil is not sufficient to make a significant impact on oil prices. U.S. consumption of oil exceeds 18 million barrels per day, an amount higher than the yearly consumption for all of Europe, all of Africa, or all the States of the former Soviet Union. Based on the United States Geological Survey and Energy Information Agency, there are roughly 10.3 billion barrels of oil in all of ANWR's 19 million acres. Of this amount, only 2.6 billion barrels are "economically recoverable," the equivalent of a 6-month supply of oil. In addition, the cost of the infrastructure necessary to transport the oil to the lower 48 States makes this a money losing endeavor for the United States.

Supporters of drilling would have us believe that this oil will improve the

energy security of the United States, but this is not accurate. The oil companies that will drill in ANWR have no commitment to sell this oil in the U.S. In fact, the oil that comes out of Alaska will be sold on the world market to the highest bidder. No one who supports drilling requires that the oil that comes out of our soil stay in our country. We should not be surprised then when oil from Alaska ends up in China, Korea, and Japan instead of Wisconsin.

I think it is clear that drilling in ANWR will not provide enough domestic oil supply to minimize the control that OPEC has on the petroleum market. Insulating ourselves from the world prices of oil will not come from increasing domestic production. We cannot drill ourselves out of our oil dependency, there is simply not enough oil within our borders. Instead, the U.S. can reduce its vulnerability to oil price shocks by decreasing its demand for oil altogether. The way to ease the impact of high oil prices on consumers is to give consumers tools to reduce their demand for oil. Clearly this debate should be about alternative energy sources, such as ethanol or hybrid vehicle technology, and not wasting our time with an oil reserve were the costs outweigh the benefits.

Mr. LAUTENBERG. Mr. President, I rise in support of the Cantwell amendment to protect America's National Arctic Wildlife Refuge.

I traveled to Alaska in the aftermath of the Exxon Valdez spill in 1989. What I saw there was terrible. More than 11 million gallons of oil had spewed into the Prince William Sound. I saw animals covered in oil, many of them dead. I saw workers wiping oil off of birds and other wildlife. It was a devastating tragedy, and it made a big impression on me.

I thought about my children and grandchildren. I felt that they deserve to inherit the earth in its beautiful natural State not ravaged at the hands of man.

In 1990, Exxon released a video claiming that long-term effects of the massive oil spill were minor. That's what Exxon said in 1990. But today, 16 years after the disaster, nature tells a different story. Today, large portions of the Prince William Sound remain contaminated.

Several Alaskan families visited my office last year to tell their story. One old fisherman said, "My grandson will never get to fish for herring. We've been fishing for herring for three generations in my family. But since the spill, there is no more herring."

Even today, pools of toxic oil can be found just below the surface and sometimes on top the ground. In my office, I have a sample that the Alaskan families left with me when they traveled all the way to Washington to ask for our help. They found rocks drenched in oil just a few inches beneath the surface of the ground.

Some might say nothing on such a scale could ever occur in the Arctic

Refuge because the oil would be transported by pipeline, not tanker. But nothing built by humans is perfect or accident-proof. And even under a best-case scenario, drilling for oil could ruin the Arctic Refuge.

I had the privilege of visiting the Arctic Refuge a few years ago. It is a remarkable place where more than 100 species of birds breed. Caribou migrate 1600 miles to reach the Refuge, where they give birth to their calves.

Proponents of drilling in the refuge say it will have a negligible effect, barely noticeable in that vast expanse. I have seen the oil drilling complexes on the North Slope and I would hardly call them negligible.

The fact is the exploration for oil in the Arctic Refuge has already marred its pristine beauty. I visited there, I saw the debris of human intrusion, acres of rusting pipes and dilapidated structures. As my plane flew across Deadhorse, near Prudhoe Bay, I saw the tundra littered with refuse, oil rigs and other abandoned equipment.

This was left behind by the same oil companies that now promise they will be good stewards of the Arctic Refuge. Why would we risk devastating this national treasure? For what gain? Even under the most optimistic projections, the U.S. Geological Survey says the Arctic Refuge could provide about a million barrels of oil a day for 20 years. Compared to our total energy needs, this is not even a drop in the bucket it is a drop in the barrel.

There is a better way.

Simply by closing the loophole that exempts large SUVs from our fuel efficiency standards, we can save as much oil as the oil companies could possibly produce in the Arctic Refuge.

Mr. President, when President Eisenhower designated this special place as a Wildlife Refuge, our nation made a promise to future generations. We promised that some places on earth would always remain unspoiled by the hand of man.

Let's not break that promise. Let's not sell our children's birthright for a few barrels of oil.

Instead, let's develop a real energy strategy for the 21st Century—a strategy that uses oil more efficiently, and employs American know-how to harness new sources of energy.

Mr. President, the American people know what is at stake. My office has received 15,000 messages this week urging the Senate not to despoil the Arctic Refuge.

I will vote for the Cantwell amendment, and I urge all my colleagues to do likewise.

Mr. BUNNING. Mr. President, I rise in opposition to the amendment to strip ANWR from the budget resolution. I am pleased that ANWR is in the budget this year. As a matter of fact, I returned from ANWR just last week. After visiting it, I am even more confident in my support for drilling there.

I went with a group of Senators, Secretary Norton, and Secretary Bodman

to ANWR to see firsthand what all the talk was about. We met with environmentalists and villagers on the border of ANWR and talked to them about the United States' desperate need for more domestic energy sources. There were a few residents who expressed opposition, but they were in the minority. The majority of the people living near ANWR—more than 75 percent—support drilling in ANWR.

I know that there are some in the Senate who are desperate to stop us from opening ANWR. The facts about ANWR, however, are not on their side. Some of these facts I think need to be repeated, especially for those Senators who are new to the debate.

ANWR itself is roughly the size of South Carolina. It's absolutely enormous. It's 19.6 million acres or 30,000 square miles. But, when we talk about drilling in ANWR, we're talking about clean drilling in an area of less than 2,000 acres—that's 0.001 percent of the total acreage of ANWR. It's smaller than many airports.

To say that drilling in this limited portion of ANWR threatens the entire environment of the refuge is farfetched and just plain wrong. During my trip, I visited the sites at Alpine and Prudhoe Bay. There is now no doubt in my mind that we can develop ANWR in a safe and effective manner.

Drilling will only be a small footprint in ANWR that can be carried out in an environmentally sound manner. State of the art techniques will lessen the environmental impact. The old stereotypes of dirty oil drilling just don't apply anymore. In fact, if we do start drilling in ANWR, the drilling operations would be conducted under the most comprehensive environmental regulations in the world.

We all want to do what we can to protect the environment.

But it's just not credible to say that looking for oil in this small, limited part of ANWR is a dangerous threat to the entire region. I also think that many environmentalists fail to see that if we do not begin oil production in ANWR, foreign oil companies will take up the slack and drill in places such as the Middle East where environmental regulations are much less restrictive than ours. Opening ANWR could actually be more environmentally sound than the alternative.

We consume over 20 million barrels of oil a day and our consumption is expected to increase to 28 million barrels a day over the next 20 years. Yet, we haven't built an oil refinery in the last 25 years. We must increase our energy supplies to keep up with the demand of our growing economy.

ANWR is the most promising domestic source of oil that we have. If the Senate passes ANWR, it will make a huge difference for our domestic consumption. There are 10 to 30 billion barrels of oil recoverable in ANWR. Just to put this in perspective, that's enough to fuel all of Kentucky's oil needs for at least 79 years.

ANWR would boost Alaska's oil production. And with the new Alaska pipeline, we could get it quickly to the rest of the United States. It would provide the United States with nearly 1 million barrels a day or 4.5 percent of today's consumption for the next 30 years.

Drilling in ANWR would also take a tremendous strike toward ensuring our national security. We currently import more than 55 percent of the oil we use. The price of oil has remained at over \$50 a barrel. OPEC estimates that within 2 years the price of oil could jump to \$80 a barrel. These high prices mean we are just throwing money needlessly at other countries.

If we open ANWR for drilling, that would mean we would not be sending over \$800 billion to areas like the Middle East for our oil. Instead, we could be investing that money on American soil. Being dependent on oil imports from other regions of the world, puts America's energy and economic security at risk.

ANWR offers the realistic opportunity to produce enough oil to replace the volume we currently import from Saudi Arabia or Iraq for the next 25 years.

If the choice comes down to avoiding our domestic oil resources because of dated and irrational environmental concerns versus drilling in ANWR to lessen the chance that we will have to rely on undemocratic regimes in the Middle East for our oil, then there's no choice at all.

And ANWR would provide more than just oil to meet our energy needs. The region also has a vast amount of natural gas. We don't have enough natural gas supply in this country to meet our demand. Natural gas prices keep going up and up. In the area where drilling would take place, there is up to 10.9 trillion cubic feet of natural gas.

Right now, they are circular pumping the natural gas back into the reserves in Alaska.

Instead of pumping ANWR's natural gas back into the earth, we should use this for our energy needs. Opening ANWR up for drilling won't change our dependence on foreign sources of energy overnight. No single source can totally end our dependence on foreign energy.

But opening ANWR and boosting production will definitely be a huge step toward America becoming self sufficient for our own energy needs and strengthening our national security.

I urge my colleagues to vote no on this amendment and to support the energy independence which ANWR offers.

Mr. AKAKA. Mr. President, I rise today in support of Alaska's indigenous peoples, the Alaska natives. I will oppose the Cantwell amendment. My position is based on my experiences in Alaska when I visited the village of Kaktovik in 1995 and spoke to the Inupiat peoples who greatly desire this opportunity for economic self-determination. My position is not new—I have remained firm in the position for

the last 10 years. In developing this position I have met with individuals and organizations who have advocated on both sides of this issue.

For me, this vote is not a vote just about preservation of the environment versus development. It is a vote about the self-determination of an indigenous people and their homeland. The Inupiat, who live within the boundaries of the coastal plain, are a people with strong cultural values, and are deeply in touch with their environment and everything that lives there. It is the Inupiat who have been the caretakers of the Arctic region for thousands of years.

To some of my colleagues, the debate about ANWR is about energy. To others, it is about the environment. To me, ANWR is really about whether or not the indigenous people who are directly impacted have a voice about the use of their lands. The Inupiat know every mile, every curve in the landscape of the coastal plain, and every animal that must survive there, for their own survival depends on this. They have the greatest incentive of anyone to preserve their environment, including the plants and animals that live on the coastal plain, in order to maintain their way of life.

They too depend on the caribou and they have participated in the protection of the caribou while monitoring and working with the oil industry at Prudhoe Bay. Their experience has demonstrated that a careful balance is possible, and that preservation and development are not mutually exclusive. My colleagues, I do not live on the coastal plain. For that reason, I trust the wisdom and knowledge of those who have lived and cared for the land there for many, many generations.

I will vote to provide the Inupiat with the opportunity to provide for themselves and their future generations. They have spoken and have been steadfast in their position for many, many years. I am confident that they will protect their homeland and utilize its resources with the native values that have served them well since time began. Their position is supported by the Alaska Federation of Natives, which represents 110,000 Alaska natives, and the native village of Kaktovik.

This has not been an easy decision for me given the fact that this is one of the few times that I am not voting with the majority of my colleagues in my party. As much as I would like to vote with my colleagues, I must remain true to myself and my values. For me, this is an issue about economic self-determination. This is an issue about allowing those who have lived on the coastal plain and cared for the coastal plain for many, many generations, to do what they believe is right with their lands.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I don't know what all the fight is about. If the

comments are true, that they think no one will bid, why do they oppose this? I am interested in the Senator from Wisconsin and his great defense of wildlife refuges. This area we are talking about is not within a wildlife refuge. It is not wilderness. But in his State, he has three pipelines running through wildlife refuges. Wisconsin has stood aside for all that they want.

And as a matter of fact, the Senator from Washington, Ms. CANTWELL, said that only Alaskans benefit from oil development. This happens to be oil development on Federal land. It is not true that only Alaskans benefit from development of our State. We happen to have a unique State in that we share the income we get from royalties on oil and natural gas that came from Prudhoe Bay where the State owns the land.

Incidentally, I want to tell my friend, the former Presidential candidate, Mr. KERRY, I take umbrage at his comment that I am guilty of unethical conduct because I am supporting the budget resolution reported by the Budget Committee. That smacks very much of something that is a subject of personal privilege, and I shall consider that later. Maybe Senator KERRY would like to come explain why he has singled me out for unethical conduct. But beyond that, I must express my amazement that my colleague from Washington has offered this amendment.

In 1980, the former Senator from Washington and my good friend, Henry "Scoop" Jackson wrote a letter discussing the importance of ANWR and this 1.5 million acres. He said ANWR was:

... crucial to the nation's attempt to achieve energy independence. One-third of our known petroleum reserves are in Alaska, along with an even greater proportion of our potential reserves. Actions such as preventing even the exploration of the Arctic Wildlife Range . . . is an ostrich-like approach that ill serves our nation in this time of energy crisis.

That is the former Senator from Washington. Not only does ANWR serve our important national security interests, it serves the economic interests of the State of Washington. As a matter of fact, Washington gets a great deal more out of Alaska's oil development than anyone. The economic health of the Puget Sound is tied directly to Alaska, as is illustrated by a report commissioned by the Tacoma-Pierce County and Greater Seattle Chambers of Commerce. Of particular importance is the oil production from the North Slope. Washington's refining industry purchases almost its entire crude stock from Alaska.

The report states that:

Direct impact from the refining of Alaska crude oil within the Puget Sound region includes 1,990 jobs and \$144.5 million in labor earnings. In 2003, oil refineries in the Puget Sound imported \$2.8 billion worth of crude oil from Alaska.

Alaska oil provided 90 percent of the region's oil refinery needs. Oil development is a major contributor to the

health of Washington's economy. As oil wealth in the State of Alaska increases, so does demand for Puget Sound goods and services. That is why the chambers of commerce of Washington State support ANWR. They understand that with Prudhoe Bay declining—today it only produces about 950 thousand barrels a day; it used to produce 2.1 million barrels a day—additional oil resources must be developed to ensure the continued economic viability of the Puget Sound region. The Puget Sound region has the luxury of purchasing our oil. Otherwise it would be purchasing oil from distant foreign shores.

The development of Prudhoe Bay has contributed more than \$1.6 billion to the Washington economy. And ANWR alone is estimated to create over 12,000 new jobs in Washington State alone, in addition to the revenues it will generate. None of these benefits will take place if the Senator's amendment is allowed to pass. Not only are decreasing oil output and declining revenues affecting the health of Washington, its major businesses are feeling the heat, particularly the aviation industry.

The rise in fuel prices is greatly impacting Washington's aviation industry. Our airline industry has lost over \$25 billion in the last 3 years. Sustained high jet fuel costs of \$1.50 per gallon, which is almost three times that of 1999, continues to hamper the health of this critical industry. Every dollar per barrel the cost of oil rises costs the airline industry an additional \$2 million per month. High energy prices also prevent job creation in the transportation sector. The Air Transport Association estimates that for every dollar increase in the price of fuel, they could fund almost 5,300 airline jobs. That should be worrisome to a person who represents the area of the aerospace industry of this country and wants to deny us access to this oil.

Let me speak about access to this oil. Washington consumes 17.6 million gallons of petroleum per day, including 7.3 million gallons of gasoline and \$2.5 million for jet fuel. It produces no oil at all. Were it not for oil from my State, the Puget Sound region would be destitute.

Now, some people argue we should not develop ANWR because it would devastate the traditional lifestyle of Alaska's Natives. I think they do a disservice to the Alaskan Native people. They talk about the Gwich'ins. Let me be sure that everybody understands that the Gwich'ins, which the Democrats parade around this town, are from the South Slope. They are not in the North Slope. They have no traditional role in the North Slope. The only thing they share with the North Slope is the fact that the porcupine caribou herd, which comes from Canada up to the North Slope, goes through their area on up to the North Slope, and that is where they calve. But not every year. Some years they don't go. Why? Because their relatives in Canada kill too many.

The Gwich'ins hunt caribou in Canada and they can serve it commercially. For them, it is a sports animal versus a subsistence animal on our side. They have benefitted from oil production. They have provided revenues for schools, clean water, sanitation, electrical power, health clinics, roads, and Natives.

I don't think most people understand that because of the situation in terms of the Alaska Land Claims Settlement Act, when one region gets money from natural resources, it must share with the other 11 regions. The 7(i) concept is the most unique concept in America. That is why all of the Natives in Alaska have an interest in ANWR.

If the Natives of the North Slope get money—and they will—from this development, they must share that with the other 11 regions. I have worked closely with them to enact the strictest environmental standards on the planet, dealing with the developments on the North Slope.

People don't realize that the petroleum industry has been able to coexist with wildlife in the Arctic, and it really has the support of the Natives who live in that area. Thirty-three percent of unemployed Alaskans are Natives. Twenty percent of Alaskan Natives have incomes below the poverty line. Development of ANWR holds the potential to improve their situation. That is why they are in this city now trying to tell Members that they want ANWR developed.

We have been accused of trying to use strange procedures. I don't think it is strange. We had the same provision in last year and they were able to take it out. They knew they had the votes last year and they were not screaming like they are now. This year, things have changed. There has been an election.

Mr. GREGG. Will the Senator yield for a quick point?

Mr. STEVENS. Yes.

Mr. GREGG. Mr. President, I ask unanimous consent to have printed in the RECORD a list of the times the reconciliation process has been used for actions very similar to this, many of which were in periods when the Democrats controlled this Senate.

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

SAMPLE OF "POLICIES" ENACTED IN  
RECONCILIATION BILLS  
(Not an exhaustive list)

OMNIBUS BUDGET RECONCILIATION ACT OF 1982  
Froze dairy price supports  
Reduced COLAs for food stamps  
Required home buyers to pay a lump-sum premium for FHA mortgage Insurance

CONSOLIDATED OMNIBUS BUDGET  
RECONCILIATION ACT OF 1985  
Raised offshore drilling revenues  
Increased PBGC premium rate  
Made Medicare HI tax mandatory for State and local government workers

OMNIBUS BUDGET RECONCILIATION ACT OF 1986  
Required sale of government's share of Conrail

## OMNIBUS BUDGET RECONCILIATION ACT OF 1987

Required sale of federally-held loans for rural electrification, telephone bank, and water projects

Reduced agriculture subsidies and price support programs

## OMNIBUS BUDGET RECONCILIATION ACT OF 1989

Raised the SS wage base  
Increased broadcasting and nuclear regulating fees

Limited Medicare hospital and physician reimbursement rates

Reduced spending on farm programs and subsidies

Tightened student loan program to deal with defaults

## OMNIBUS BUDGET RECONCILIATION ACT OF 1990

Raised income taxes  
Raised gasoline taxes  
Extended unemployment insurance tax  
Reduced spending on veterans' compensation and pension benefits

## OMNIBUS BUDGET RECONCILIATION ACT OF 1993

Mandated auctioning of FCC licenses for spectrum

Reduced AFDC match rates  
Delayed military COLAs by several months

## PERSONAL RESPONSIBILITY, WORK OPPORTUNITY, AND MEDICAID RESTRUCTURING ACT OF 1996

Overhauled welfare (did welfare reform)  
Restructured supplemental security income

Put in place new procedures to establish paternity and enforce child support orders

Restricted benefits for legal and illegal immigrants

## BALANCED BUDGET ACT OF 1997

Set discretionary caps  
Established Paygo rules  
Raised the debt limit  
Significantly altered Medicare—expanded choice, created MSAs, changed payment rates, changed Medicare reimbursements to hospitals, reduced payments for physician services

Gave more flexibility to Medicaid to put enrollees in managed care

Created state children's health insurance (SCHIP)

Further reformed welfare  
Veterans cost savings  
Education cost savings  
Spectrum sales

Petroleum reserve—allowed foreign governments to lease unused space in Louisiana salt caves that stored the Strategic Petroleum Reserve

Mr. STEVENS. Mr. President, I am winding down. We have sent this item to the President to ask why we don't follow the usual procedures. President Clinton vetoed it on the request of the people on that side. We passed this in the Senate twice.

The trouble is, for 24 years we have tried to carry out commitments made by Senators Tsongas and Jackson that this area would be explored. For 24 years, there have been devices used by the other side to prevent it. But they forget even Congressman Mo Udall stated that nothing stops a future Congress from allowing exploration for these uses if they are of sufficient national importance. The question is whether they are of sufficient national importance.

Those who voted for this amendment will tell you they are voting against ANWR, but they won't tell you what they are for. Where are they going to

get the oil? A vote for this amendment is a vote for the status quo.

The PRESIDING OFFICER. The Senator has used 10 minutes.

Mr. STEVENS. I will use a couple more minutes off of our allotted time.

My friend Ronald Reagan used to say that "status quo is Latin for 'the mess we are in.'" A vote for this amendment closes our domestic resources to production. It is a vote for continuing our current policy of importing more than 60 percent of our Nation's oil. It is a vote for outsourcing more than 1.3 million American jobs a year. A vote for this amendment is a vote for increasing home heating bills and transportation costs. It is a vote to diminish our national security by relying on rogue nations, nations with unstable regimes.

I don't think there is a Senator in this Congress who would offer a bill that exports 1.3 million American jobs every year, will cost \$200 billion annually by 2025, and leaves our national security vulnerable to the whims of unfriendly foreign regimes. That is what this does.

A vote for this amendment is not just a vote against ANWR; it is a vote for closing our Nation's single greatest prospect for future oil development and backing out of the promise made to Alaskans in 1980—and all Americans—when Senators Jackson and Tsongas created section 1002 of the Alaska National Interest Lands Conservation Act.

A vote for this amendment is a vote against the people of Washington State, who rely almost completely on Alaska for their oil for their industrial base and energy consumption.

Above all, a vote for this amendment is against Alaska Natives who overwhelmingly support development in ANWR because they know they can balance stewardship and conservation with the development. Alaska Natives would use a portion of the revenues to finance schools, water systems, and health clinics while pursuing their way of life.

Again, every Alaska Native will share in the money that is received by the North Slope people. They all share because of the bill this Congress wrote, the Alaskan Native Land Claim Settlement Act.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Ms. CANTWELL. Mr. President, information was provided by the President's own economist and energy supply analysts who were asked recently about whether refuge drilling was going to have any impact on oil prices. Even the President's own economist at the Energy Information Administration found that opening ANWR will have negligible impact on prices.

I ask unanimous consent that a copy of the resolution by the National Congress of American Indians be printed in the RECORD.

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

## RESOLUTION #SD-02-108

Supporting the Subsistence Lifeways of Alaska Tribes, Gwich'in, Inupiat, Tlingit, Athabaskan, and Saint Lawrence Island Native Peoples, and of Related Indigenous Peoples in Canada and Russia, and Opposing Efforts by Multinational Economic and Political Interests that Would Endanger These Lifeways

Whereas, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States, to enlighten the public toward a better understanding of the Indian people and their way of life, to preserve Indian cultural values, and otherwise promote the health, safety and welfare of the Indian people, do hereby establish and submit the following resolution; and

Whereas, the National Congress of American Indians (NCAI) was established in 1944 and is the oldest and largest national organization of American Indian and Alaska Native tribal governments; and

Whereas, the subsistence traditions of Alaska Native peoples and other related indigenous peoples vary considerably among regions and cultures but are tied together by the common strands of their importance for indigenous cultural survival, and their vulnerability to attack from outside parties that lack respect for these subsistence traditions and would destroy or endanger these traditions in pursuit of their multinational economic or political objectives; and

Whereas, like the Yupik people of the Akiak Native Community and the Yukon-Kuskokwim Delta of Southwest Alaska, the Gwich'in Athabaskan people of Eastern Alaska and Canada's Yukon Territory, the Athabaskan nations throughout Alaska, the Inupiat people of northern and western Alaska, the Saint Lawrence Island Natives of the Bering Sea, the Siberian Yupik Familial Relatives of Saint Lawrence Islanders who live on the Russian side of the Bering Sea, and other Indigenous peoples of Eastern Siberia, all depend on the perpetuation of their various subsistence traditions across the generations for the very survival of their indigenous cultures; and

Whereas, legal barriers and ecologically destructive practices imposed by multinational economic and political interests can and have disrupted indigenous hunting traditions in places around the world, and even where these disruptive actions may have ultimately proven temporary in nature, they have interfered with the perpetuation of indigenous subsistence traditions across the generations, thereby threatening the very survival of indigenous cultures; and

Whereas, the cultural survival of the Gwich'in is so tied to the survival and continuation of the migratory cycle of the Porcupine Caribou Herd of Canada and Alaska that the Gwich'in are known as the "People of the Caribou"; and

Whereas, the Inupiat people have likewise been referred to as the "People of the Whale" because of their profound cultural relationship with the bowhead whale, which provides the foundation of their subsistence diet, and serves as a central organizing factor for a culture that is largely structured around whaling crew affiliations and associated familial relationships; and

Whereas, the Saint Lawrence Island natives are likewise dependent upon whaling

for their cultural survival, and the Native peoples of eastern Siberia, have only recently begun the difficult task of trying to reclaim and reinvigorate subsistence whaling traditions suppressed under decades of Soviet rule; and

Whereas, the people of Southeastern Alaska are likewise dependent on herring for their subsistence lifeways; and

Whereas, all Alaska Natives are dependent on the river ways for their traditional lifeways related to the Salmon; and

Whereas, all of these subsistence traditions are currently threatened by multinational political and economic interests that place them at risk; and

Whereas, the cultural survival of the Gwich'in people is threatened by multinational oil companies and pro-industry officials in the highest ranks of the United States government forces that would callously place the survival of the Porcupine Caribou Herd at risk, by gambling that oil exploration and development on the Herd's calving grounds in the Arctic National Wildlife Refuge of Alaska would not have the devastating effects on the herd that many biologists and people with indigenous knowledge of the Caribou believe such actions would; and

Whereas, the cultural survival of the Inupiat people, the Saint Lawrence Island Natives, and the indigenous peoples of Eastern Siberia are likewise threatened by recent development before the International Whaling Commission, where Japan succeeded in blocking the allocation of whaling quotas for Alaska Natives and indigenous Siberians, beginning in 2003, and did so solely out of a desire to retaliate against the United States for its opposition to the resumption of a commercial whaling industry in Japan, as well as offshore exploration and drilling, and

Whereas, it is morally wrong and a violation of basic human rights for multinational corporations and national governments to place the survival of indigenous cultures at risk, especially to pursue excess wealth or international political advantage, and it is important that the NCAI oppose these assaults on indigenous lifeways that are currently being perpetuated in the international arena.

Now therefore be it resolved, that the NCAI does hereby oppose the efforts of multinational oil companies and certain high ranking federal officials to open the public lands of the Arctic Refuge to 1002 area to oil exploration and development in complete disregard of the risks such action would create for the cultural survival of the Gwich'in People of Alaska and Canada, and calls upon the government of the United States to reject any and all proposals that might create such risks, excluding any interest in the 92,000 acres of Kaktovik Inupiat Corporation (KIC) privately held land; and

Be it further resolved, that the NCAI similarly opposes the efforts of commercial fishing interests which adversely affect the subsistence salmon and herring customary and traditional fishing rights of all tribes of Alaska, and

Be it further resolved, that the NCAI similarly opposes the efforts of the government of Japan and Japanese commercial whaling interests to play international power politics by shutting down indigenous whaling in Alaska and Siberia at the expense of indigenous cultures that must be allowed to survive and perpetuate their way of life, and that NCAI calls upon the governments of the United States, Russia, and Japan to take appropriate steps to end this callous and abusive mistreatment of indigenous cultures on both sides of the Bering Sea border; and

Be it finally resolved, that this resolution shall be the policy of NCAI until it is withdrawn or modified by subsequent resolution.

Ms. CANTWELL. We have heard a lot about tribes in Alaska. I want to point out to my colleagues that the National Congress of American Indians, an organization representing more than 500 tribes across the country, have previously opposed drilling in the wildlife refuge, and that certainly is what we are talking about—a debate of national significance.

I point out that many people in Puget Sound and across the country do believe this isn't going to do anything to meet our country's energy needs. This newspaper article says:

Drilling in the refuge would increase America's reliance on fossil fuels and do little to limit our dependence on imported oil.

Mr. President, I yield 6 minutes to the Senator from Connecticut, who has been so outspoken and important to this debate. I thank him for his leadership on this issue.

The PRESIDING OFFICER. The Senator is recognized for 6 minutes.

Mr. LIEBERMAN. Mr. President, I thank the Senator for her principled leadership on this fight.

Mr. LIEBERMAN. Mr. President, I come to this debate with some long history here, as other Members of the Senate have as well. This was one of the reasons I ran for the Senate. I was troubled by the plans to drill for oil in the Arctic refuge. It was an issue in my 1988 campaign. I have been battling this ever since.

Why does it matter so much to me? Sure, it relates to our national energy policy. Does it develop enough oil to really matter to price or availability? No. Can we drill our way out of energy dependence on foreign oil? No. We have to think and innovate and entrepreneurize our way out of it.

This all begins, for me, with the beginning—with the Bible and the instructions God gave to Adam and Eve that they should both work and guard the Garden of Eden, which is to say that they should develop and cultivate it but also protect it, because we are here for a short time. The Psalms tell us that the Earth is the Lord's and the fullness thereof. You have a responsibility to protect the beauty of nature that has been given to us for the generations that will follow us—to work and to guard.

Let me come to the North Slope.

We come to this day with a judgment having been made. Ninety-five percent of the North Slope in this part of Alaska is open for exploration, oil exploration and potential drilling. We drew a line. Our predecessors drew a line: This 5 percent should be preserved as a wildlife refuge; if you will, a small piece of Eden, preserved in this magnificent State.

Now we are going to break that line, we are going to destroy that remaining part and have an inevitable negative consequence, both on the wilderness, the wildlife there, and also on the native people who depend on it and of whose heritage it is part.

We can go back and forth about which side the native people are on.

I ask unanimous consent to have printed in the RECORD a letter from Robert Thompson, Kaktovik Arctic Adventurers, containing a petition drive, which has secured 57 signatures from the people in Kaktovik, likely a majority of the voting adults there—it sounds like Dicksville Notch, doesn't it?—who support Senator CANTWELL's proposal.

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

KAKTOVIK ARCTIC ADVENTURES,

*Kaktovik, AK, Mar. 14, 2005.*

TO THE SENATORS OF THE UNITED STATES: I am writing in regards to concerns relating to preserving the culture of my people, the Inupiat, and the culture of my friends, the Gwich'in.

There is an area that is being considered for oil and gas exploitation, the 1002 area of the arctic national wildlife refuge, for years there has been a perception that the Inupiat of the north slope were all in favor of this. Perhaps previously this was so as it seemed the oil infrastructure was far away and people benefited from it. This is changing rather dramatically. A recent petition drive in Kaktovik, which is still in progress, has secured 57 signatures, that is likely a majority of the voting adults in Kaktovik.

Such a small amount considering the larger population of the U.S. However if this drive were to have taken place a month ago it is doubtful that there would have been more than ten sign. We have had many events happen in the Bush administration that make people realize that we don't really count for much in their plan.

The ocean is aggressively being leased. On Feb. 22, Gov. Murkowski clearly stated the state's position on developing state near shore, off-shore areas. He implied that if the residents were told that restrictions to drilling during whale migrations were offered we wouldn't mind. He did not consult with us. Our concerns go way beyond that. Oil spilled in the arctic ocean can not be cleaned up to any standard that is acceptable to us.

Federal offshore areas are being offered to oil companies also. This is the area that is central to our culture, our whaling culture. People are realizing that the 1002 area being sold is the last 5% of our lands. Big oil has access to 95% of the north slope. Leases are happening at a very fast pace. If the 1002 area is leased, big oil will have almost 100% of the north slope to exploit. Why is almost 100% of the north slope being sold to the oil companies? And why can't we save the last 5%? The people should know there is an area that is 23,500,000 acres, the national petroleum reserve that has huge quantities of oil, that in addition to known reserves that are readily available.

I am honored to be part of this movement to save our land, our ocean and our culture. When a person realizes that those signing this petition did so with the full realization that in doing so they would possibly be losing a large amount of money, it is magnified to an honorable action, it is people standing with their people for the good of all. I am not in a corporation here so my involvement is not the same. The signors are doing it for the preservation of our culture for future generations. I hope that you senators will give full consideration to this event. We are attempting to use the democratic process to save our culture.

Before this it could be said and often was, that we wanted all that oil money. You are now facing a group of people who are saying that no amount of money is worth exchanging our culture for. However this goes, future

generations of Inupiat can look back and say, those people who signed tried to do the right thing. Somehow, I feel that it will be important to them to know that someone cared.

In closing I would like to thank our friends in Hawaii for their efforts to help us save our culture. I have visited there and have heard people talk about the large corporations that had adverse effects on their culture and their stated desire to help us prevent that from happening to us.

Your many efforts are sincerely appreciated.

mahalo,

ROBERT THOMPSON.

Kaktovik's people don't want development on ANWR. Petition has a large number of voting adults opposing opening of the Refuge for oil development.

No doubt the oil industry has become commonplace for the Inupiaqs of the Slope. A tolerant culture of the oil industry has long been acclaimed as a righteous society of the North Slope as a result of the oil boom over the past 30 years. No taking into consideration the impacts in regards to the traditional, subsistence & social lifestyle of the Inupiaq & the corruption of the subsistence lands that we use. People of the Slope have accepted the oil industry indoctrination's by allowing them to sponsor our village events & celebrations designed to foster this for revenue propaganda without willing to ask or examine if this is a desirable outcome for the Inupiaq. Oblivious to the oil industry's subtle invasion & eradication of our subsistence hunting lands, as well as our traditional & cultural practices.

Perhaps it was a good idea in the beginning to use the revenues of the oil industry for the economy of the North Slope. But the oil & revenues have declined & the "for profit firms" & those that have become dependent on the oil revenue are now going after the last 5% of the land that is not open to drilling. This beautiful Arctic ecosystem that has sustained & provided the Inupiaqs in many ways could possibly be replaced with an oil industrialized city. Which is now realized that this is precious to them in terms of their subsistence ways. No one wants to see oil rigs when they are out hunting or camping like some of the other areas across the Slope have seen, which has impacted their subsistence ways & social structure.

The people are realizing that ANWR may only bring temporary employment & revenue, for there may be no oil found in ANWR. Which will leave for our future generation the further despoilment of the land & subsistence lifestyle of the Inupiaq, if ANWR is opened up for oil development. Some no longer agree with the Government, the "for profit firms", or anyone's idea of trading the subsistence lands that the Inupiaq depend on for any amount of oil or revenue. We feel that it's not worth all in the long run for the future of generations of the Inupiaq. Our investment is in keeping the last remaining 5% of our land intact for our future generation to continue our subsistence & traditional way of life.

Because hunting and the relationship to the land are of profound cultural and spiritual importance to the Inuit of the North Slope. The meaning of life for most Inupiaq is still found in land and our subsistence lifestyle. Hunting off the land provides a link to the past and a cultural identity. It is valued for its contribution to independence, self-esteem, respect from others, psychological well-being, and healthy lifestyle. "Going out on the land" is a means of spiritual renewal and a method of re-establishing the ancient connection to the land that has sustained Inupiaq for thousands of years. A sense of

personal pride and fulfillment is gained from providing food from the land for family and sharing with others in accordance with age-old tradition.

With the increasing threat of offshore development, which a majority of Inupiaq whalers across the Slope oppose. Many are beginning to realize that opening of the Arctic Refuge will set a precedent to offshore development. The drilling proponents have said as recently as February 22 that the network of industrial base camps in the Arctic Refuge will provide the jumping off point to develop a ring of oil rigs just north of the Refuge off shore in the Beaufort Sea. In fact Governor Murkowski mentioned there is a good possibility that offshore will develop in the future but mentions the interest off the oil companies is to wait for the determination of ANWR by Congress. Offshore leases have been offered in the past by the State of Alaska, in which no oil companies bid. It is more profitable & less hazardous to have the ground to lay the infrastructure down permanently then go offshore from there. The Inupiaq people have had so much of their traditional lands & subsistence lifestyle divested; now even the whaling culture is at stake.

A petition being circulated has nearly half of the voting adults in Kaktovik opposing opening the Arctic National Wildlife Refuge to oil development. In fact we are still collecting signatures & we are only short a few signatures to make more than half of Kaktovik's voting adults that oppose oil development. We haven't seen other Kaktovik residents that are away from the village at this point. Many across the Slope are beginning to feel the land of ANWR is essential to the longevity of our subsistence livelihood & our traditional ways. For oil development will directly affect all those across the Slope, not only the residents of Kaktovik, but others as well. For the precedent it will set for offshore development. The message in the past has been that the Inupiaq want ANWR opened for oil development, which has been spoken mainly by the "for profit corporations" which are paid interests of Arctic power. The Regional Corporation have signed exploration and option agreements with oil companies, and these regional corporations have begun to appear to be politically aligned with their oil corporate partners. And often has been the voice in Arctic for oil development.

A protest was held against Arctic Power paid group (Gail Norton, Lisa Murkowski & other senators) on their visit to Kaktovik on March 6th. But we did not get much media coverage opposing ANWR development despite the fact that the media had accompanied the Senators. For another thing the coverage they let out is very misleading & let's not forget these reporters came up to Alaska with Arctic Power. Sean Hannity presented a series of misleading claims to advance the Bush administration's efforts to permit oil drilling in Alaska's Arctic National Wildlife Refuge.

The caribou herd is not our main concern, we know it is thriving. It's the land that will be overcome by oil rigs & restricting our subsistence lifestyle & the impacts of our social structure that we Inupiaq are worried about. And the impacts in the Arctic ecosystem as a result of the worsening global warming problem, as more fossil fuels are burned are a concern for us. As well as the health concerns of the future as pollution gets worse. We don't even care the amount of oil if there is any. We don't want any more of the oil industries impacts inflicted upon us as a whole. Especially for our future generation. The public didn't get much notice about Arctic Power & the Senators visit to Kaktovik to begin with. And due to the fact

that they came early on a Sunday morning, not many residents attended the meeting. Yet on their visit to Barrow Alaska, they did not even meet with the public. They only met with the for profit corporation entities that support oil development such as the ASRC representatives.—Mary Margaret Brower, Kaktovik, Alaska.

#### PETITION

The following residents of Kaktovik, are opposed to oil development in the 1002 area of the Arctic National Wildlife Refuge: (SIGNED BY 50 PEOPLE).

Mr. LIEBERMAN. Let me come to the process. While I am on the Bible, I was taught as a kid those famous words:

Justice, justice shalt thou seek.

Why the double mention of justice? Because, I was told, you have to pursue what you believe is justice in a just way.

We have different ideas of what justice is, what a good result is here. But I want to speak to the method, and that is to do this as part of a budget resolution, which clearly is an end run around the existing rules, an end run around the healthy fair fight we have been having for a lot of years about whether oil drilling should be allowed in the Arctic Refuge and the 60-vote requirement that has stopped that from happening.

That is why the filibuster is there. People talk about the "nuclear option" with regard to judicial nominations. We have been looking over in this direction. The nuclear weapons have been fired from over here. This is the nuclear option. It sets a precedent. It allows anything that generates revenues, whether incidental or at the heart of the purpose, to be attached to the budget resolution and only require 51 votes.

Just listen to the advocates, my dear colleagues and respected friends, proponents of the drilling in the Arctic Refuge. They are not talking about generation of revenue as its main purpose. They are talking about the provision of oil, provision of jobs, energy independence. We can debate that. But the revenues obtained here are incidental, and our rules make clear that when that is so, this kind of provision should not be on this budget resolution.

It does set a precedent, where anything else, where the generation of revenues is merely incidental, whether on environmental matters or anything else, and something that has not been able to obtain the supermajority 60 will be able to be adopted by 51, when put on a budget resolution.

Incidentally, one effect of this budget process in Congress is the budget process has broken down. We do not pass a budget resolution anymore. If we start putting what I believe respectfully are extraneous amendments, substantive battles on to the budget resolution, it is going to be harder and harder to follow the orderly budget process that the law and our rules provide.

So for reasons of substance and reasons of procedure, I ask my colleagues to support the Cantwell amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Ms. MURKOWSKI. Mr. President, I yield 3 minutes to my colleague from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 3 minutes.

Mr. CRAIG. Mr. President, let me thank the Senator from Alaska for those few moments to speak to what I believe and many of us believe to be a phenomenally important issue for the Senate to be addressing. Let me try to set the record straight.

I believe it is now the noon hour, in the middle of the day. The Sun is up. The lights are on in this Chamber of the Senate. We are in the middle of a workweek. And somebody says this is not the place or the time to debate this issue? It is not midnight. It is not in a smoke-filled room. The lights are not turned down. C-SPAN is on and the American public is watching and you darned well bet this is the right place and the right time to debate a critical issue for the American people. So don't suffer the illusion or play the rhetorical game that says, "ain't never happened before."

The chairman of the Budget Committee has just submitted a long list of times when the other side used the budget resolution to produce major public policy. So it is the right time, the right place, the middle of the workweek; and we are doing the job of the American people, to debate this very critical and important issue.

I am always amazed when someone takes the coastal plain of Alaska, where today it might be 60 below and the wind may be 40 miles an hour, and calls it an Eden. That is not my vision of Eden. I am not suggesting it is not a rare place—it is. It is unique to the world, and we recognize that, and all of the environmental safeguards are in place. If we are allowed to go there and find oil and bring it to the lower 48, there will not be any damage to the environment. That is a fact for anybody who has been there.

Let us adjust the vision of Eden just a little bit. I don't think we are allowed to interpret it every way every day.

My last thought is quite simply somebody said—I believe the Senator from Washington just said—it will not bring down the price of oil. It probably will not. What it might do is stop the price of oil from going up. I just paid \$2.11 a gallon for regular gas in the District of Columbia. I drive a very efficient small car. It still costs me \$25 to fuel it. I have the good fortune of having a pretty-good-paying job, but there are a lot of Americans who do not. Just keeping the price of oil down, not letting it go up, would be a major victory for energy policy in this country. And it would fill the refinery at Anacordis

that is now operating at 50-percent capacity. It would provide the jobs in the State of Washington that the Senator from Alaska spoke to. That is the reality of what we are talking about today—getting our country back into the business of producing energy for every American, whether they have high-paying or low-paying jobs. We live on our energy and it is time we put our country back into full production. I strongly support the resolution.

The PRESIDING OFFICER. Who yields time?

Ms. MURKOWSKI. Mr. President, how much time is remaining on our side?

The PRESIDING OFFICER. There remains 19 minutes 50 seconds.

Ms. MURKOWSKI. I ask the Chair to let me know when I have used 9 minutes.

The PRESIDING OFFICER. (Mr. CRAIG). The Senator will be notified.

Ms. MURKOWSKI. Mr. President, it is important that we do attempt to set the record straight. It is interesting to listen to the back and forth that goes on across the aisle. If Alaska were not my home, if I were not born and raised there, if I had not had an opportunity to know and understand all parts of my incredibly beautiful and diverse State, I would think that they were talking about another place, another world that I was not familiar with. So I feel compelled as an Alaskan to stand before you and talk about the reality of ANWR, the reality of the world that exists up North.

The Senator from Massachusetts made a statement. I apologize if it is not exactly as he stated it, but the inference was that wilderness can't exist with industry, and that is why we should not move forward with opening ANWR to exploration.

The area we are talking about exploring is not in a protected wilderness area. It is in an area that has been designated "reserved," if you will, because of its vast potential oil and gas reserves. It has been recognized by the Congress, by the executive branch, for its potential. It is not in wilderness status. It is not in wilderness status like the 8 million acres directly below the 1002 coastal area. It is not in wilderness status like some 58 million acres of wilderness that are currently in the State of Alaska. The 1002 area is not wilderness.

Therefore, don't mix it in up. Don't make that suggestion.

Others have said we are talking about exploring and drilling in a wildlife refuge. As my colleague from Alaska mentioned to the Senator from Wisconsin, in his State of Wisconsin there are pipelines going through three separate wildlife refuges. There are currently nearly 400 producing wells in the national wildlife refuges nationwide.

The National Audubon Society has received \$25 million in royalties from oil development in its sanctuary in Louisiana. It has been receiving this money for decades.

There is nothing unusual nor improper about allowing careful development in a refuge.

We are using 21st century technology. I haven't seen this wildlife refuge which the National Audubon Society has in Louisiana, but I am certain they are making sure, if they are developing it, that they are doing it in concert, in balance with the environment. That is exactly what we will be doing if we are given permission to go forward in ANWR. How can I tell you we will do that? Because we have been doing it up North for 30 years. We have been refining the technology, the Arctic engineering and technology that goes with extraction of a resource in a pretty harsh environment. Yet, as harsh as it is in the wintertime, it is a very fragile environment during those summer months. Alaskans appreciate our climate and our geography. We figured that we have to do it right or we could cause harm to the environment.

When we talk about the roadless areas we have available for exploration, we mean it. We do mean that we are going to put down an ice road that will disappear when the summer comes. In fact, we are so rigid on it, we don't even lay the ice road for the following year in the same area just so there is no impact to that tundra, no impact to that area.

I take great offense to the preliminary implication that some of my colleagues have made that, somehow or other, the North Slope is some industrial wasteland. They made the comment that the air and the skies were like the pollution in Washington, DC. Let me tell you, as an Alaskan, I am outright offended at that kind of a comment.

You come up North, you look at the air, and you breathe the air, if it is not too cold. The fact is, we have put environmental safeguards and standards on our industry unlike any other place in the world. I have seen what we have done in the lower 48. Quite honestly, I can understand why some of my colleagues are concerned about industry in Alaska, because they have seen it in their States. They have seen what they can do. But we have said no. We have learned from your mistakes. We are going to make sure that when you have a vehicle, you put a diaper under that vehicle. It sounds crazy, but we are not going to accept any kinds of spills. We are not going to accept any kind of environmental degradation. We have controls over it. We are going to make sure we do it right.

When they talk about the spills—I mentioned yesterday on the floor that we have spills. We require in the State of Alaska that everything you drop on the ground is reported. Do you know what is mostly reported? It is the seawater, the saltwater that is used to inject. Whether it is a spill of saltwater, whether it is a spill of chemicals, or a gallon of oil, hydraulic oils, you have to report it. You report it, and you clean it up.

When I took these colleagues North with me 2 weeks ago, they were amazed at the environmental culture within the industry. It is not necessarily because the industry has said we should do it; it is because we in Alaska care, and we are going to make sure you are going to do it right. If you are not going to do it right in our State, you are not welcome to do business. It is more expensive to do business in Alaska because we are a long way away, which sometimes makes it difficult. Part of it is we demand that you do it better.

Where does that put us? We are a nation reliant on oil. We are 58 percent reliant on foreign sources of oil. Oil just hit 56 bucks a barrel, and we are 58 percent reliant on foreign sources.

We have an opportunity to make a difference in this country.

I have had some of the opposition suggest there is not really that much there. Let us take the median. Let us just assume for purposes of discussion here today that we are able to get a million barrels of oil a day. At the height of the Prudhoe fields, we were at 2 million barrels a day through our pipeline. We were providing 20 percent of America's domestic needs.

What is a million barrels? Aside from the fact that you get a million barrels 365 days a year, what is it? It is enough fuel to run the State of Maryland for 100 years. It can fuel every car in every home in Washington State for 68 years. It is enough fuel to replace all of our imports from Saudi Arabia for 25 years—25 years. It is enough fuel to double all of the oil taken out of Texas for the past 75 years. It is enough oil to save America from writing a \$54 million check to OPEC every day at the current prices. Fifty-four million dollars is what we are writing to OPEC today. Actually, I think that number goes up because the price of oil has now bumped up to \$56 a barrel.

The fact is, it is not just about increased domestic production. We need to have balanced our energy policy. We know we can't drill our way out of it. We know we can't conserve our way out of it. We know we have to work on balance, promote conservation, efficiency, developing alternatives, but it has to also include more domestic production to reduce our dependency on OPEC and other unstable regimes.

We have to do more.

I used the phrase yesterday: We have to think globally and act locally. Let us not export our issues overseas. Let us not be reliant on Russia, Columbia, Africa, or Venezuela. We need to recognize, though, if we park every single car in America today and say that is it, we are going to take a step, we are not going to be so reliant on oil, the fact is we would still need oil, whether it is for Band-Aids, CDs, or heart replacement valves. We use oil every day in our world. We need to do what we can at the domestic level to meet our energy needs to the fullest extent possible. ANWR offers us that opportunity.

Please give us in Alaska the chance to show you how we will continue to do it right for years to come.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Ms. MURKOWSKI. Mr. President, I yield 10 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator controls 8 minutes.

Ms. MURKOWSKI. I yield the remainder of the time to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time is on the other side?

The PRESIDING OFFICER. The other side has 5 minutes.

Mr. DOMENICI. Thank you, Mr. President.

(Ms. MURKOWSKI assumed the Chair.)

Mr. DOMENICI. Madam President, let me say to Senator STEVENS that it has been a pleasure working with him on this issue.

Some people have asked: Why don't we listen to the people of Alaska? It is their livelihood. They live there. I had the pleasure of going up there and talking with them. I can tell the Senate without any doubt that the overwhelming majority—maybe 70 to 75 percent—of Alaskans wants this to be developed. I think that means, at a minimum, they have seen some development, they have seen the benefits of it, and they have assured themselves that it can be done in such a way that it will not harm the environment which they so much cherish and in which they live. They don't want it to be destroyed.

Now, I want to talk about some comparables. Many ask—not that there is a direct relationship—why don't we do more in renewables? I want to talk about what 1 million barrels of oil a day means compared to a renewable source of energy such as wind production. For those that say we ought to do more in renewables like wind, to make sure we do things in an environmentally sound way, here is the evidence. One million barrels of oil a day is the equivalent to 24,000 megawatts of powerplant production per day. That equals 24 powerplants, which in turn equals 92,500 windmills. The anticipated production from ANWR would be the equivalent of 5,781 square miles of windmills, the combined size of the States of Rhode Island and Connecticut. And 70 percent of the surface of the State of Massachusetts would be covered with windmills in order to equal 1 million barrels a day in electric generating capacity.

I want to talk about a couple of things. First, how important this production is and that we proceed with it. The United States of America is in a state of crisis. Some people wonder whether this is serious. Indeed, it is. We do not know what to do and how to get out of our need for oil and oil prod-

ucts for American's daily lives, for our economic well-being, and for our transportation needs. I don't have an answer to that. We will all work hard to try to change that, but it will take many decades to change.

Some say we ought to conserve more and they say we should conserve instead of producing this oil. I can only say we need to do everything. We are in such a crisis we have to conserve and we have to produce where we can, because right now the United States of America is absolutely vulnerable to the fact that we import oil from a dangerous and fragile world.

What happens if oil is denied America by unfriendly foreign countries? Would you believe that this big superpower called America will be brought to her knees? We talk about our future security. We will not be a world power if somebody decides to deny us oil. I regret to say we are there now—not 10 years from now, today. And it will only get worse.

Alaska, of course, is a State in our great Union. This is not a foreign country. It is part of the United States. And we have by far the most promising site for onshore oil in the United States in this 1.5 million acres in the State of Alaska. You can call it what you want, but it says in the law that this 1002 area is open for exploration if Congress wants to so vote. That is what we are talking about here. We are not here to destroy anything. We are here to vote on the proposition that Congress originally set this 1.5 million acres aside for—to go and look for oil. The laws says Congress will make the decision. We are making the decision here today. Do we want to do that or not?

Let's talk about the United States and what a predicament we are in. The American reserves of oil, the entire reserves in all of our States, is 21.9 billion barrels. That is terrible. We are the 11th in the world for oil reserves. According to the estimate arrived at by the United States Geological Survey, the area at issue contains 10 billion barrels of oil. The USGS did a similar estimate for Prudhoe Bay but they underestimated it by 30 percent. But let's just use their numbers, which I call low: 10 billion barrels. With the oil estimated from ANWR, America's total reserves would be over 30 billion barrels of oil. That means this particular part of America contains one-third of the total reserves of oil of the United States of America.

Imagine saying we don't need it. Opponents want us to do something else instead.

Senator Everett Dirksen used to say about dollars, a billion dollars here and a billion dollars there and pretty soon it adds up. I can say to Senators and those listening, as far as America's energy future, a million barrels here and a million barrels there really adds up. And pretty soon it is terribly important to America's future. That is the first point.

No one knows how to get off this dependence. We have to find ways to minimize the damage while we conserve, change our ways and go to hydrogen cars, but none of that will happen for a long time.

In the meantime, we send all our money overseas, to foreign countries. The distinguished junior Senator from Alaska was talking about how many dollars a day we send out. On a yearly basis this 1 million barrels adds \$18.6 billion to the merchandise trade deficit; that is, the trade deficit between us and the world. What we pay for foreign oil is almost 26 percent of the trade deficit. But it is not important, say some, that we increase our reserves by 10 billion barrels, which is adding one-third to our reserves for the future.

My second point has to do with the fact that some say this is not the right way to do it, that we should not be using a budget resolution. I said last night it happens to be that this Senator knows a little bit about budget resolutions. I know a little bit about reconciliation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMENICI. I ask for 1 minute off the resolution.

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

Mr. DOMENICI. And I want to make sure our Senator, the senior Senator, speaks in wrap-up.

I close by saying there is no doubt in my mind that America must do something. This is an opportunity to do something very significant. We are not going to damage anything.

This is a picture of a production well. All of that is done off of ice roads. When we are finished, we take it away and you see the little speck is what remains, the end product of an exploratory well. You can go there and prove up the reserves and leave that speck in a 1.5-million-acre piece of America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I ask for 2 minutes off the resolution.

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

Mr. STEVENS. For the information of Senator KERRY, British Petroleum is currently investing over \$500 million annually in Alaska and is drilling now over 100 new wells.

I hope my colleagues consider this amendment. What I really want to ask, finally, is to vote no. I have been fighting now for 24 years to get Congress to keep its word. In a fight such as this, the Senator really learns and realizes who his true friends are. I know those who vote against this amendment are doing so because it is the right thing to do for the country. But I count you among those of us from the World War II generation who understood that oil is ammunition and understand what it means to keep a promise. And I shall not forget it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. How much time remains?

The PRESIDING OFFICER. There are 5 minutes remaining. The Republican side has no time remaining.

Ms. CANTWELL. As we close debate on the Cantwell amendment, which I hope my colleagues will support, I feel we have had a hearty discussion this morning about what America should do as it relates to the Arctic Wildlife Refuge but, more importantly, what we should also do about planning for America's future.

I point out that today a Gallup poll was released that shows where the American people are. We may be very divided in the Senate, but the American public is consistent in its concern about and interest in conservation. In fact, Americans by a 2-to-1 margin say the United States should emphasize greater consumer conservation over existing energy supplies, rather than production of oil, gas, coal, or other supplies.

Now, that is what the American public wants. That is certainly what people in the State of Washington want. That is certainly what the people in Puget Sound want. I say that because I think they are like many Americans in that they want to reduce CO<sub>2</sub> emissions. They want to do something about global warming. They want to do something about diversifying our nation's energy supply. We have great companies in my state that are adding to the Washington economy, and they want to diversify into various energy technologies that will help us in the future.

So, no, the majority of Washingtonians do not want to see drilling in the Arctic National Wildlife Refuge. They want to see it protected. In fact, it is the one thing I think they feel most strongly about; that is, they want to lead the way on a new energy economy and show that we can have higher CAFE standards, produce alternative fuels, make a dent in our gasoline use by blending it with ethanol, and get energy conservation plans moving.

But when it comes to gasoline prices, I think they are like every other American, they are darn concerned about the high gasoline prices in America and wonder why they are so high when four refineries are located in the State of Washington. And for a market that was manipulated on electricity prices, and with very little help from the other side of the aisle in getting those market manipulation contracts voided, the Puget Sound economy remains concerned about why the price of gasoline, which is a commodity that is refined so close to home, is the highest price in the country.

Now, there is nothing in the budget resolution language that says that oil produced in the Arctic National Wildlife Refuge will stay in the United States. That is right, no guarantee at all. The oil will be exported to other

countries. So as the President's economist has said, it will have negligible impact on the price of gasoline. To open up a wildlife refuge for a minimal amount of oil, that even the President's economist says will have a negligible effect on price and supply, is an ill-advised plan.

My colleagues have already talked about the pollution and the environmental problems caused by drilling. But I want to point out, America does have a different future. I will work with my colleagues from Alaska on a proposal that is three times the job creation for us and for Alaska—the Alaska natural gas pipeline.

America was smart enough, in the 1970s, to get off our dependence on home heating oil because we decided as a country we could not continue to be held hostage by Middle East oil policy. We had a 35-percent reduction in home heating oil use. It is time to do the same with gasoline, but not by producing more oil, but by changing and focusing on developing alternatives.

We can focus on building a pipeline to capture Alaska's natural gas; it is the equivalent of 6 billion barrels of oil. We can focus on efficiency and renewables. We can focus on ethanol. We can focus on improvements in efficiency of transportation, of tires, and increasing the fuel efficiency of our cars, which some of the speakers on the other side, I should note, do not support a higher automobile fuel efficiency standard. That would be a great way, by reducing the need for 10 billion barrels of oil over the next 10 years, of saving and getting us off of our overdependence.

A young woman who came in to see us yesterday presented us with a tire gauge, and she showed us that if Americans had the right level of inflation in their car's tires it could save over 200,000 barrels of oil a day.

So we have a choice. We have a choice about whether we are going to continue down this road of a fossil-fuel economy to the degree that we are going to say it is even worth it, it is even worth it to go into a wildlife refuge to find oil, or we are going to move our country forward on a new energy plan.

I encourage my colleagues to support the Cantwell amendment and strike this language from the budget resolution.

The PRESIDING OFFICER. All time has expired.

Ms. CANTWELL. Madam President, I ask unanimous consent that Senator SNOWE be added as a cosponsor of the amendment.

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

Ms. CANTWELL. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENTS NOS. 171 AND 149

The PRESIDING OFFICER. There will now be 35 minutes of debate on the

veterans amendments No. 171 by Senator ENSIGN and No. 149 by Senator AKAKA.

Who yields time?

The Senator from Hawaii.

Mr. AKAKA. Madam President, I ask unanimous consent for 10 minutes of time to make this statement about my amendment.

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

Mr. AKAKA. Madam President, the budget resolution fails veterans. It is that simple. I am pleased to stand with my colleagues who joined me in offering this veterans health care amendment to add \$2.85 billion for VA health care.

Let me say that I agree with the President on the overall amount needed for VA health care. But we differ in where to get the funding. And I must say, I enjoy working with my friend, the chairman of the committee, Senator CRAIG, and we both feel this committee needs more funding than it has. We are offering different amendments to try to reach that funding.

The President asks veterans to shoulder the burden with a higher copay for medications and a new user fee for middle-income veterans. I disagree. I am pleased that the Budget Committee summary rejected the President's proposals. As my colleagues pointed out last night, unfortunately, funds have not yet been included to compensate.

How did we arrive at this amount of \$2.8 billion? The answer is that it comes directly from the administration's own estimates. VA needs \$1.4 billion just to cover inflation. The level in the budget resolution before us does not even come close to covering that amount.

And VA requires funding to absorb new patient workload. The budget resolution before us doesn't contain funding for this.

We also need to reverse the President's decision to cutoff enrollment to middle-income veterans. To date, 200,000 veterans have been turned away—10 percent of whom live in Nevada, Louisiana, and Texas.

Our amendment provides the money to make the system truly accessible. It is just wrong to differentiate between veterans entitled to care. It is dangerous to say that some veterans deserve more than other veterans. This sends the message that serving during peacetime is not as important as going to war, or being drafted to serve is not as noble as volunteering to serve. Everyone who has served in our Armed Forces has contributed to our national security and to protecting the principles on which our Nation is founded. Needless to say, the budget resolution before us does not maintain open access for all veterans.

The other side of the aisle has offered an amendment, as well. In doing so, we at least are hearing for the first time an acknowledgment that the President's budget and the budget resolution before us do not go far enough.

Unfortunately, neither do the amendments that are being offered.

The amendment on the other side adds \$410 million for VA care. This is simply not enough to avoid the drug copay increase and the user fee for middle-income veterans. And it is not enough to avoid the President's cuts to nursing home beds. And the Ensign amendment will not help the 21,000 veterans who were turned away for care in Nevada, Louisiana, and Texas. All told, the Ensign amendment is nearly \$2.5 billion short of what is needed.

The amendment on the other side can be considered a gesture. And since the Ensign amendment takes the money from global health accounts, it is a gesture that will likely hurt worldwide AIDS programs and other humanitarian assistance.

The President saw the value in this global health account and chose to increase spending for it. The Ensign amendment cuts funding for this account. Instead my amendment closes corporate tax loopholes rather than cutting funding for needed programs.

I would also like to say a word about the record when it comes to veterans funding. The Bush administration and my colleagues in the majority have stated that veterans funding has increased 47 percent during this President's tenure.

While funding has increased, it has been based on the efforts by Congress in supporting amendments such as the one I am offering. The simple fact is that the administration has requested less than half of the new funding made available to veterans during its tenure. Congress, by approving amendments to increase VA funding, has added another 39 percent of funding. Even with a 47 percent increase since FY 2001, this is an average annual increase of less than 10 percent to accommodate high medical care inflation and high annual growth in patients. It is a fact that per patient resources have increased by about 13 percent while the number of patients has increased by 25 percent since FY 2001. That means that the growth in the number of patients is almost twice the amount of growth in resources. These facts underscore the need to support my amendment.

We have an opportunity to fund the veterans health care system—to protect veterans from waiting times for appointments, from harsh new fees, and from cuts in long-term care. Let us go more than half-way to meet veterans' needs. Let us do the right thing. I ask all of my colleagues to join me in voting to provide the funds necessary to care for our veterans.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Will the Chair notify me when I have consumed 10 minutes of time?

The PRESIDING OFFICER. I will.

Mr. CRAIG. Madam President, we are on the floor today debating a very important portion of the budget resolution for the Senate. That is the money

that will fund the Veterans' Administration and serve the millions of America's veterans who are in need of this service and new veterans coming in out of the Iraq/Afghanistan wars.

All of us who serve on that committee and examine the needs of our veterans recognize the importance of new dollars and the importance of sustaining what we have been able to do effectively over the last 4 or 5 years, to tremendously increase the quality of health care coming from the Veterans' Administration and increase enrollment.

The question is, when you look at the Murray amendment versus the Ensign amendment, how much is enough? How much is enough to sustain the work and the quality of work that goes on and to accept the incoming veterans who are truly needy of and deserving of the services provided by the Veterans' Administration?

Let me show a couple of charts that are fundamentally important and that many fail to recognize. Because the Senator from Hawaii is absolutely right: In 4 years we have increased spending in the Veterans' Administration by 43 percent. During that time enrollment has gone up from 4.9 million to about 7.7 million from October 1, 2000. And the quality of health care has gone right along up. Now the veterans health care facilities are rated as some of the finest in the Nation, ranking with the quality delivered from some of the top private health care facilities.

Here are the numbers: Medical care, 2001, \$21.07 billion; 2005, \$29.64 billion, a phenomenal increase, not millions, not hundreds of millions, but billions of dollars that the American taxpayer has committed to the quality care of veterans.

Let's look at the other portion of the veterans budget called discretionary spending. We have not been absent from that either. During the Bush years, 2001–2005, \$25.7 billion up to \$37.1 billion, again, billions of dollars. What was happening during the Clinton years? In two of those years, 1998 and 1999, the Clinton administration said: Let's cut veterans. Congress said no. Bush said no. We said no. We plused up what our President offered us. This President's budget is an increase. But we don't like the level of increase or how he has arrived at the increase. So we are changing those numbers substantially.

But the bottom line still remains, how much is enough to sustain this quality, to assure the door remains open, to assure that our veterans are served effectively? Do we throw money at it or, in a tight budget environment, do we constrain ourselves a little bit? Do we shape the issues? And in so doing, do we sustain levels of increase?

Here is what has happened in the last 4 years. Those are the numbers—a 43-percent increase. Probably no other area of the Federal Government has gone up that much outside of defense,

and it hasn't, to my knowledge, gone up that much. But it does show a clear recognition on the part of Congress as to the importance of veterans to all of us.

If I may, for a few moments, I will break down the reality of what we are doing because we recognize, as certainly the Senators from Hawaii and Washington, that there are needs out there and that those needs must be met. We recognized in the President's budget that there were items we simply would not advance—copays, a non-starter. I was willing to look at fees for sevens and eights in certain categories with higher incomes. But collectively Congress says, at least on this side of the Rotunda, no to that also. I accept that.

Here is what I recognize and here is what the Ensign amendment does. The President pluses up the budget by \$751 million. The chairman's mark pluses it up again by \$40 million. The Ensign-Craig-Vitter-Hutchison amendment pluses it up another \$410 million, a net increase without reconciliation instructions. And that is very important. While that may be inside language for those of us who work the budget, it is very important to know that those are real dollars hitting the ground, not compromised, new money to the Veterans' Administration. Total it all up, between the President, the chairman's mark, and the Ensign amendment, and you have \$1.201 billion, a 3.7-percent increase in a tight budget year.

I must say, this is one chairman of what I believe is an important committee who says that is responsible. That is the right thing to do. And we don't raise taxes to do it. We go inside Government spending and find the resources. And we have offset them appropriately in an account that last year increased 12 percent.

The irony is in the fact that in attempting to undo the President's proposal to charge additional fees on higher income vets, the Murray amendment charges another type of fee on veterans—and all Americans, for that matter—in the form of higher taxes. The Ensign-Craig amendment goes elsewhere inside current levels of spending. It does not do that. Yes, veterans do pay taxes. They are out there, hard-working Americans like nearly everyone else. And if you raise taxes, you raise it on them, too. I don't dispute the worthiness of the argument. I do dispute the resources involved and whether they are actually necessary in a very tight budget year when we are struggling to keep this economy alive, rewarding that economy that more money stays out there in it that stimulates job growth. And it has and it has proven that it is working because those numbers keep coming up in America as more Americans go back to work.

We ought not penalize that sector of our economy while we are truly trying to help a sector of our economy that is less fortunate and, most importantly, that has served this country well.

The men and women in uniform of our services, who stood in harm's way, we recognize their service but we also recognize there are limits within the budget. In those limits, we will have to say there are certain things we will do and certain things we cannot do. That is the choice, and it is a tough choice that we as Senators are asked to make when we shape budgets. But it is a necessary and a responsible choice. So we have said no to the enrollment fees, no to the copays.

We have also said no to something else very near and dear to the heart of the Senator from Washington, the Senator from Hawaii, and me, and that is State homes. Those beds, 20,000 across the Nation, with 285 in my State, are a cooperative relationship between the State and Federal Government in assuring that the truly needy of our veterans have a place to go—in their final years, in many instances. The administration had asked to drop that per diem. We said no to that and ensured the stability and the strength of those homes, at a time when States' budgets are tight—certainly in many instances tighter than ours. So I believe that was the right and responsible thing to do.

Last week, we heard extensively from all of the service organizations. What were their greatest frustrations? The fees, copays, and the homes. What have we done? We have taken all three of those major frustrations away because we listened to the service organizations. We heard them during that series of bicameral hearings, held both in the House and Senate.

Let me go back to my original statement. The question remains, whether you are looking at the amendment of the Senator from Washington or the amendment of the Senator from Nevada, how much is enough? Is a 1.201 plus-up, with no reconciliation instructions, enough? Does it sustain this quality of health care? Yes, it does. Or do we go further by asking the American people to pay higher taxes for more money that is questionably necessary? We could throw a lot more money at the Veterans' Administration, and we might get greater results. But we would be going beyond what I think is necessary and appropriate today, and I think most of my colleagues agree with me.

So we sustain the work we have done. I ask my colleagues in the Senate to support the Ensign amendment, support the work of the committee, sustain the vibrancy of the veterans health care system, and to vote down the Murray amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, I yield 6 minutes to the Senator from Illinois.

Mr. OBAMA. Mr. President, I rise to discuss an issue on which I hope we can find common ground. Today, we have thousands of brave men and women risking their lives for us halfway around the world. At home, we have

millions more who were equally courageous in defending our freedom during generations past. When it comes to honoring these soldiers and these veterans, there is never any shortage of words and praise from leaders of both parties, and there should not be.

I commend the previous speaker, the outstanding Senator from Idaho, who is also chairman of the Veterans Committee, for his deep concern and regard for our veterans. But I have to contest some of the statements that were made because, unfortunately, based on our analysis, this budget has a very real and unacceptable shortage of funding for the benefits and health care that our heroes have earned.

Make no mistake, these are not just complaints coming from Washington; these are complaints we are hearing from veterans all across the country—in Illinois, Washington, Hawaii, and Idaho.

Senator ENSIGN's amendment increases the veterans health care budget by \$410 million. That is a modest improvement and to be commended, compared to the original budget offered by the President. Yet, these dollars, I should point out, come directly out of important international programs that fund child health care, global AIDS assistance, disaster, famine assistance, and more. We can have a further discussion as to whether it is wise for us to rob Peter to pay Paul. But even if we go ahead and take this money from these vital programs and place it into veterans, it is still \$2.5 billion short of sufficiently funding veterans health care services.

That is why I am joining my colleagues on the Veterans' Affairs Committee, ranking member AKAKA and Senator MURRAY, to support an amendment to increase funding for veterans health care by \$2.85 billion.

Today, the state of care for America's veterans is not worthy of their service to this country. There are roughly 480,000 compensation and pension claims still unprocessed. This budget provides for 113 new employees to help deal with this backlog.

There are thousands of veterans who cannot afford to get the health care they need, and I am glad to see the Ensign amendment eliminates the copayments. But the budget in front of us still tells veterans who make as little as \$30,000 a year they are too wealthy to enroll in the VA health care system.

There are VA hospitals on the brink of closing down around the country. But this budget cuts \$351 million in funding for veterans nursing homes and eliminates more than \$100 million in State grants that are desperately needed by VA facilities. When the troops who are fighting bravely in Iraq and Afghanistan return home as veterans, what kind of care will they find? Already we know that soldiers are coming home with post traumatic stress disorder, with traumatic brain injury that could lead to epilepsy, and with conditions that may result in over

100,000 soldiers requiring mental health treatment when they come home. If we cannot care for the veterans who are already here, how will we take care of the veterans who will be returning in a few years?

I urge my colleagues to join me in sending veterans the right message. Our amendment will provide funds for VA staff so veterans who are waiting to file disability claims are not waiting months to have their case heard. It will provide adequate funding so that veterans of all incomes can access the VA system, as was promised.

When it comes to America's veterans, it is not only our patriotic duty to care, it is also our moral duty. When our troops return from battle, we should welcome them with the promise of opportunity, not the threat of poverty.

Senator ENSIGN's amendment is a modest improvement over the President's original budget. But as Senator AKAKA has already stated, it still leaves the veterans short. It is time to reassess our priorities. A budget is more than a series of numbers on a page; it is the embodiment of our values. The President and everyone in this Chamber never hesitate to praise the service of our veterans and acknowledge the debt we owe them for their service, and I commend my colleagues and the President for that. But this budget does not reflect that praise or repay that debt. Neither does the budget resolution on the floor today.

Mr. CRAIG. Mr. President, I ask what time remains on both sides?

The PRESIDING OFFICER. The majority has 7 minutes. The minority has 4½ minutes.

The Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, I commend my colleagues from Hawaii and Illinois for standing up for veterans in this country and for their passion for their States and the people they represent.

We are here this afternoon because veterans throughout our country are waiting for the health care they have been promised, and it is our responsibility to make sure it is delivered. They are facing understaffed and overcrowded VA hospitals. They are dealing with paperwork and redtape, and they are not getting the service we promised them when we sent them to fight for all of us.

Every day the system is getting more and more crowded and the waiting lists are growing longer, and this body has to do something about it. I have heard several claims from the other side, and I want to take a few minutes to refute a few of them.

They claim we are going to be raising taxes. I remind you there will be \$65 billion in this budget for tax cuts when our amendment passes. I believe we have a responsibility in this country to make sure we keep the promise to our veterans, and that is why I believe our amendment is responsible in its funding mechanisms.

Second, we have heard our opponents say that veterans funding has gone up by 43 percent, so veterans do not need another dime. I remind my colleagues that the number of veterans in VA care has gone up by 88 percent at the same time that medical inflation has gone up 92 percent. Inflation is rising, the cost of care is rising, and the number of veterans is rising. Forty-three percent is commendable, but it does not meet the promise we made to our servicemen when we sent them overseas that we would care for them when they returned.

Another claim we have heard over and over again is that the VA is sitting on \$500 million. That does not stand with this Senator. I believe the VA officials here in Washington, DC, have a responsibility to get those funds out to our veterans across this country. They are in waiting lines. We do see clinics that are not opening or are closing. Our veterans need the services and the VA should not be withholding that money and it should go out there.

We have also heard from our opponents that veterans funding has increased by \$900 million. That is simply not true. We had printed in the RECORD last night the true cost, which is \$80 million, far less than the \$900 million we have heard on this floor.

Let me just say I know veterans organizations across this country—VFW, AMVETS, Paralyzed Veterans of America, Disabled Veterans of America, American Legion, Vietnam Veterans—many other veterans organizations are watching us. They know there is a difference between the amendments offered on the Republican side and Democratic side. On the Republican side they are offering an additional \$410 million; on our side, \$2.85 billion—the difference between serving 68,000 additional veterans and 475,000 veterans; the difference between telling veterans, some of them, that they will be in waiting lines or will not get their service, and the ability for us to serve all of them.

Let me end my time today on this amendment by reminding all Senators what George Washington said back in 1789. I think it holds true today more than ever.

The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional as to how they perceive the veterans of earlier wars were treated and appreciated by their country.

These words hold true today. Voting for our amendment on our side will assure that we show these veterans that we appreciate and support their service. It will send a message to the next generation of young men and women we are asking to serve that we keep the promise.

I appreciate the Senator from Idaho, the chairman of the Veterans' Affairs Committee, for offering his amendment. But I say the veterans will know which amendment will make a dif-

ference in the lives of veterans across this country and I urge my colleagues to support the Akaka-Murray amendment.

Mr. JEFFORDS. Mr. President, I rise today to express my support for the Akaka amendment #149 to add desperately needed funds to this budget for veterans health care. I am pleased to be a cosponsor of this amendment.

The spending level in this budget for veterans health care defies logic. We are 2 years into a war. Yet this budget fails to provide adequate resources for those who have served this country so valiantly. American servicemembers are wounded in Iraq each day. Thanks to new advances in battlefield medicine, more wounded soldiers than ever before live to return home. But in a greater percentage of cases, they come home with horrific wounds, both visible and invisible. The Department of Defense should be commended for keeping wounded soldiers in its medical system for longer periods of time and for shouldering a greater share of the costs. However, the long-term costs of health care and rehabilitation still fall heaviest on the Veterans Administration. This budget responds to those needs by underfunding the VA by almost \$16 billion over the next 5 years. This is simply not acceptable!

Over the past year, unprecedented numbers of National Guard and Reserve troops have been mobilized. When these Guard members and Reservists come off active duty, they are entitled to 2 years of access to the VA health care system. In my home State of Vermont, over 1400 National Guard members have been called to active duty. While I am incredibly proud of the White River Junction VA Hospital, which has done award-winning work in their field, even they cannot be expected to handle this new influx of veterans without additional funding. We owe it to both the veterans and the VA employees to provide them with the funding and services they require. The Akaka amendment would provide an additional \$2.85 billion to the VA for just this mission.

A significant number of Iraq veterans have complex and long-term care issues. Improved body armor has saved many lives, but among the wounded, we now see a higher percentage of lost limbs and head injuries. These traumatic injuries have a significant emotional component to their care. It has been estimated that as many as one-third of all returning service members have some type of mental health needs. VA hospitals are working hard to ensure these needs are met immediately, before they develop into more serious manifestations such as post-traumatic stress disorder. It has become increasingly clear that we need a better understanding of the emotional and mental health aspects of both the war and traumatic injury. I believe that we must increase VA research on mental health and post-traumatic stress disorder, research that is critical to both

the Department of Defense and veterans health care. The National Center on Post Traumatic Stress Disorder is doing excellent work along these lines, but a great deal remains to be done. We must pass the Akaka amendment if we hope to do better on this score.

The Budget Committee thankfully removed two provisions from the President's budget that have caused a great deal of concern among veterans. The President proposed to charge some veterans a \$250 fee just to enroll in the VA health care system. The President also put forward an increase in the co-pay for prescription drugs from \$7 to \$15. I am pleased that the Budget Committee saw the error in both of these provisions, and cut them out of its budget.

Mr. President, it is critical that we pass the Akaka amendment. This should not be a partisan vote. Support for our troops is not a partisan matter. Taking care of their health care needs should not be a partisan issue either. If we cannot come together on this fundamental issue of fairness, what can we agree on? For the sake of our veterans, and in honor of their service, I urge all my colleagues to support the Akaka amendment. We owe our veterans this, and more.

Ms. MIKULSKI. Mr. President, I rise in strong support of the Akaka amendment to increase funding for VA medical care.

When America is at war, there should be no greater priority than to sustain our brave men and women in uniform. And just as we owe a debt of gratitude to those brave men and women that are fighting to keep us safe in Iraq and Afghanistan and the far corners of the world, we owe that same debt to the veterans who served before them. We need to get behind our troops and our veterans, and use this budget to support them. Our veterans need to know that America is behind them, and behind their families, 100 percent.

As the former ranking member on the VA-HUD Appropriations Subcommittee, I fought to add more than \$1 billion to last year's Presidential budget to make sure our veterans had the health care and benefits that they earned. Yet as Yogi Berra would say, we have *deja vu* all over again with this year's budget resolution.

Once again the White House has sent us a budget that does not keep the promises we made to our veterans.

At a time when private insurance is failing and the cost of prescription drugs is skyrocketing, the VA's 2006 budget request puts new toll charges and means tests on our veterans. It fails to fully cover the costs of medical inflation, and it cuts back on services for vulnerable veterans. And it fails to do enough to expand care for veterans returning from the Middle East—especially those with special mental health or prosthetics needs.

Specifically, the budget proposes four things. First, the budget proposes to keep the VA closed to Priority 8 veterans. These are veterans who are not

disabled as a result of their service, whom the VA considers to be higher income.

Second, the budget proposes a new \$250 enrollment fee for middle-income veterans in Priority Groups 7 and 8. Third, the budget proposes to increase prescription drug copayments from \$7 to \$15 for these same veterans. These two measures have been twice rejected by Congress, yet the administration included them yet again in the 2006 budget.

Finally, the budget proposes to slash long-term care availability for veterans in Priority Groups 4 through 8 who are not "catastrophically disabled." What does this mean? That means that VA won't provide long-term institutional care for many veterans, even some who are below the poverty line or have serious medical conditions that are not service-connected. The VA budget shifts the cost of paying for long-term care to Medicaid, Medicare, and private insurance, leaving some of the most vulnerable veterans without a safety net.

More than 2 years ago, the VA health care system stopped accepting new Priority 8 veterans. Manufacturing is failing and private health insurance is failing. And many of those affected are Priority 8 veterans. Many corporations involved in manufacturing had defined benefits plans that included health plans with guaranteed retiree coverage. For these veterans, VA healthcare is their last safety net, until they turn 65 and are eligible for Medicare.

Many of my colleagues have heard me talk about the plight of veterans who worked for the former Bethlehem Steel Corporation—in Maryland there are more than 10,000 Bethlehem Steel retirees alone. Their situation sums up the needs that too many of our Nation's veterans face.

Many former Bethlehem steelworkers are Vietnam veterans. They came back from serving their country at war, and they continued to fight for America's national and economic security by working in our steel mills. But now, many have lost their health insurance because of Bethlehem Steel's bankruptcy. They are not eligible for Medicare yet. Under this budget, many will be turned away from VA—the safety net they counted on will not be there because VA will continue to shut out Priority 8 veterans.

Bethlehem Steel's veterans, and other veterans who worked in manufacturing or for other businesses that don't offer health insurance, fought for their country and now they will have to fend for themselves on the open market for health insurance. I am deeply concerned that this policy and many other potholes in VA's budget leave our veterans paying toll charges, standing in lines, or without any health care at all.

In the last 5 years, the VA-HUD subcommittee has provided large increases for medical care—\$1.3 billion in 2001, \$1 billion in 2002, \$2.4 billion in 2003, \$3

billion in 2004, and \$1.2 billion in 2005. We did this to honor our commitment to our veterans, to give them the health care and benefits they have earned on the battlefield. We did it because our veterans didn't stand in waiting lines when they were called up or they volunteered to serve our country. So they shouldn't have to stand in line to see a doctor, and they shouldn't have to face toll charges to get the health care that is owed to them.

Mr. President, I urge my colleagues to support our veterans in this budget by supporting the Akaka amendment.

Mr. SALAZAR. Mr. President, I rise in support of amendment No. 149 by Senators AKAKA and MURRAY and to praise them for their years of work on veterans issues.

This is a needed amendment because the budget resolution, as written, will break our promises to America's veterans.

The budget resolution closely tracks an administration request that will do little to meet growing costs and will force the VA to continue to ration care.

I am angry that thousands of veterans are being turned away from the VA. This represents a fundamental breach of trust with our fighting men and women. Since January 2003 when the VA announced suspension of enrollment of new Priority 8 veterans, 192,000 veterans across the country and 2,000 Colorado veterans have sought VA care and been turned away. The administration's new budget hopes to kick 1.1 million more so-called low-priority veterans out of the system next year with draconian cuts in service and increased fees.

The administration's budget also would kick thousands of veterans out of nursing homes. It would limit the VA's per diem reimbursement to State VA nursing homes to priority ones, twos, and threes. These heartless cuts could kick 80 percent of State nursing home residents out onto the street. Last week, I met with the administrator of a State nursing home in Walsenburg, CO. She told me that these cuts would force her to kick out 93 of her 100 residents. State administrators tell me that these cuts could force the entire system to go under. These are our most vulnerable veterans, who often have no place else to go.

Another problem is waiting periods. Administrative backlogs at the VA have been reduced, but there are still 321,000 veterans waiting for disability and pension claims to be processed. At the VA clinic in Grand Junction, there is a 400-person waiting list. That is a 4 to 5-month wait. Just last week I asked Secretary Nicholson to explain to me why numerous Coloradans are waiting months to get their GI bill benefits, forcing them to miss tuition deadlines. This budget agreement will do little to cut these administrative backlogs.

Senator AKAKA's amendment would go a long way to restoring needed funding and I urge my colleagues to support it.

Mr. BYRD. Mr. President, this budget comes to Congress from the White House at a time when our country is fighting two wars. In Iraq and in Afghanistan, the young men and women of our Armed Forces are on the front lines, risking life and limb in service to our country.

These troops follow in a proud tradition that stretches back for generations. The troops who now serve in Baghdad or Kabul may well have fathers who served in Saigon or the Mekong Delta. The fathers of these fathers may have fought at Okinawa or Normandy, and their fathers might well have served in the second battle of the Marne. But no matter where these troops were sent to defend our country, no matter when they served our country, they have all earned the title, veteran.

Veterans have sacrificed for this country, but the budget proposed by the Bush Administration, and the budget resolution being debated on the floor of the Senate, forces more sacrifice upon our veterans. This budget short-changes veterans health care by billions. This budget would force many veterans to pay \$250 dollar annual enrollment fees. This budget would require veterans to pay more for prescription medicines.

In fact, this budget is intended to drive so-called "low priority veterans" out of the VA health care system. The Department of Veterans Affairs budget documents foresee a 16 percent reduction in the number of "low priority veterans" that can receive care in VA hospitals.

What a shameful phrase that is: "low priority veteran." There were no "low priority soldiers" during the Tet offensive. There were no "low priority sailors" at the battle of Midway. There were no "low priority Marines" at the battle of Fallujah.

But when these same soldiers, sailors, and Marines go to the VA hospital to get the health care they earned through serving our country in times of war, the Bush Administration is trying to give some of them the brush-off: "Go somewhere else," this budget says to hundreds of thousands of veterans. "Your health care is a low priority for the U.S. Government."

It is no wonder that the Disabled American Veterans call the Bush budget proposal "one of the most tight-fisted, miserly budgets for veterans programs in recent memory."

I stand shoulder-to-shoulder with our nation's leading veterans service organizations, as I have always stood with them, in calling for Congress to correct the President's ill-considered budget proposal that under funds veterans health care and raises fees for millions of so-called "low priority veterans."

During markup of the budget resolution in the Budget Committee, I voted

for an amendment offered by Senator MURRAY to increase spending on veterans health care by \$2.85 billion in the next fiscal year. This amendment would have provided the funds necessary to reverse the administration's policy on cutting access to VA health care by certain veterans. It is shameful that this amendment fell victim to a party line vote. Providing adequate funds to support our veterans should never be a partisan issue.

Mr. President, I am proud to once again support an amendment to add \$2.85 billion to the veterans health care budget. I commend Senator AKAKA and Senator MURRAY for bringing this important amendment to the floor of the Senate. I stand with the veterans of West Virginia and the 49 other States of the Union in supporting these funds that are owed to those who have served our country in times of war, and I urge my colleagues to support this important amendment.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I have 7 minutes remaining?

The PRESIDING OFFICER. That is correct.

Mr. CRAIG. Let me again thank all who participated in this debate. There are differences as to how we approach providing for our veterans. You see those differences embodied in part in the two amendments that are before us, either the Murray amendment or the Ensign amendment. I think it is important, though, that we do, for the record, correct or at least add information to some of the statements. My colleague from Illinois is concerned, as we all are, about PTSD. The Ensign-Craig amendment would provide an additional \$100 million that can be devoted to, of course, mental illness. It is of great concern to us as our veterans come home from Iraq, Afghanistan, possibly whole in body but not whole in mind. That is recognized both by the President, by the Veterans' Administration, and by all of us, and we plus up that budget substantially to do so.

Another area that has not been mentioned that is critically necessary for rural veterans who find themselves in an emergency environment and need to gain access to emergency rooms of the hospital and the community and not a veterans facility—we have \$43 million in the budget to ensure that veterans who seek emergency care in non-veteran facilities are treated exactly the same as they would be as if they were in veterans facilities.

Let's do the numbers. The Senator from Washington says the President's numbers only include \$80 million. That \$80 million is general revenue and the balance is in collections and that is real money and that is there all the time and that is in the budget and that is \$751 million. You have to do all the math, all the time. That is what we are doing here to make sure the numbers are accurate.

So you take the \$751 million in the President's request, general fund rev-

enue and collections, and you take the chairman's mark of \$40 million, and you take the Craig-Enzi amendment or Enzi-Craig amendment of \$410 million and add it up and it is a 1.201 increase, health care, 3.7 percent increase over last year. It is not a tax increase.

I always find the rhetoric interesting. My colleague from Washington says there are \$70 billion worth of tax cuts in this proposal. They are not tax cuts. If you don't enact it, it is a tax increase. Those cuts are already in place. This is the assurance of the continuum of those tax cuts. Take them out, it is a tax increase. It is a matter of semantics. It is also a matter of fact. What is being offered by the Senator from Washington, as she pluses up the veterans budget, is gained by tax increases.

Let me put it this way: Taxes that would be asked to be paid by working men and women, America's workforce, America's veterans. They are not paying them now. They would pay them then. My suggestion is that is a tax increase.

Let me close with a couple of more analyses. We are mighty proud of what our President and what we have done over the last 4 years for the veterans of America and for the quality of health care and service delivery of the Veterans' Administration. Here it is, a 43-percent increase. We have gone from \$48.8 billion in 2001 to \$69.8 billion in 2005, and we are now plusing that up into the \$70-plus billion range, \$71 billion. That is total spending.

Let's look at health care for a moment. There are substantial increases there. We increased health care when veterans were asking for it. They went from over 4 million vets into the services in 2001 to now almost 8 million vets, and we have an increase from \$21 billion in 2001 to \$29.6 billion. In doing so, America now says the veterans health care service is one of the finest health care delivery services in the country.

The test for Senators ought to be: Do we damage it? No, we do not. Do we assure those coming out of Iraq and Afghanistan with the true needs of the services provided have access? Yes, we do. No question about that.

The President assured it. He approached it a different way. We assure it by approaching it from within the Federal budget instead of raising taxes to accomplish that.

I believe the Enzi-Craig-Vitter-Hutchison amendment does exactly what most Senators would want to ask of us in relation to the care for our veterans. It is a responsible approach. It is clearly a defensible approach. We believe that we have approached it in the right manner to solve the problems and retain the consistency of quality, of improvement and access to the veterans health care system.

I believe all time has expired.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator yields the remainder of his time. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent that prior to the vote which is about to occur on the amendment by Senator BYRD, there be 1 minute on both sides.

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

Mr. GREGG. I also ask that be applied to the next vote, which will be on ANWR.

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

The Senator from Mississippi.

AMENDMENT NO. 158

Mr. LOTT. Mr. President, I rise in opposition to the Amtrak amendment and would use the 1-minute time I believe was just allocated. Is that appropriate parliamentary procedure at this point?

The PRESIDING OFFICER. The Senator is correct.

Mr. LOTT. Mr. President, I have a long history of being supportive of Amtrak. I was chairman of the Surface Transportation Subcommittee when we passed the last reauthorization. I have the honor of serving there again this year. I am committed to trying to find a way to get a reauthorization and get a reliable stream of funds for Amtrak so its future can be certain and so this does not have to depend just on annual appropriations.

We are going to get that done. This puts the cart before the horse, before we get a reauthorization. We are going to designate more money for it.

To make matters worse, the \$1.2 billion, while it is significant, will just continue the drip, drip, drip of funds for Amtrak but yet not enough for them to do what they need to do in track improvements and capital improvements.

I believe this is the wrong place to do this amendment.

Last but not least, it does it by raising unspecified taxes.

While I support the intent of the Senator from West Virginia and I support Amtrak and I am determined to get this job done, we shouldn't do it in this way at this point.

I yield the floor.

Mr. OBAMA. Mr. President, I rise today to urge my colleagues to support the Byrd amendment to restore funding to Amtrak—a critical mode of transportation in Illinois.

I want to emphasize that there are serious inefficiencies with Amtrak operations. I do not support the restoration of Amtrak funding because I believe in a return to the status quo. I do believe, however, that the elimination of all funding, as the President has proposed, and as this budget resolution reflects, will lead Amtrak not to reform but to ruin.

A strong national rail system is not just a convenience for travelers. It also serves other important national objectives, such as ensuring multiple travel options in the event of regional or national emergency, reducing our heavy dependence on foreign oil, and improving air quality. In recent years, Am-

trak has increased the number of trains it operates and has achieved a record level of ridership, with more than 25 million passengers using Amtrak last year.

In Illinois alone, more than 3 million people use one or many of the 50 daily Illinois trains, including business leaders traveling to and from smaller cities and towns; tourists who visit Illinois attractions, and students who attend world-class Illinois colleges and universities.

Responding to calls for reform, Amtrak's leadership has streamlined its operating costs, engaged in ongoing discussions to evaluate current policies and increase efficiency, and created a strategic plan for future improvements. The proposed cuts in Federal funds would cripple Amtrak beyond repair.

We cannot—and should not—allow that to occur. I urge my colleagues to support the Byrd amendment and restore Federal funding for Amtrak to this year's budget.

Mr. JEFFORDS. Mr. President, I stand today to speak in support of Senator BYRD's amendment to restore funding for Amtrak. The amendment would increase funding for Amtrak by \$200 million over last year's level of \$1.2 billion.

Starving Amtrak into bankruptcy may appear to be the quick and easy solution to the bleak picture that some have imposed upon this fundamental element of America's transportation system. Nonetheless I remain convinced that the simplest and most effective answer lies with the amendment before us. I join my esteemed colleague Senator BYRD to insist that we fully fund rail travel in this country and guarantee Amtrak the opportunity to secure its future in the 21st century.

In just over three decades, Amtrak has grown to encompass a passenger rail network that connects 46 States, including my home State of Vermont. Through the years Amtrak has stood resilient in the face of financial peril and today it carries 24 million passengers annually and employs 22,000 Americans.

Amtrak serves a diverse ridership that depends on the continued existence of safe and reliable transportation. Amtrak shuttles commuters to their jobs, brings college students home for the holidays, and increases mobility for the elderly and the disabled. In urban areas, passenger rail relieves traffic on overcrowded highways. In rural States like Vermont, passenger rail ensures access to metropolitan centers and provides public transportation to regions where it might otherwise be too costly or unavailable.

As fuel prices remain unstable and our Nation's highways and airports suffer ever-increasing congestion and delays, Amtrak offers an invaluable alternative upon which Americans have come to rely.

I think one of my Vermont constituents expressed this sentiment best in a

letter I recently received. Colby Crehan of Burlington, Vermont wrote of her Amtrak trip across the United States: "I was able to travel safely and comfortably on a train while seeing the beautiful landscape that covers so much of this country. Amtrak introduced me to the rest of America in a way that a car or plane trip could never do. These trips confirmed my feeling that train travel is the safest, most convenient and relaxing way to travel perhaps you can share my story."

Our choice today is clear. We can forfeit our prior investments and the investments of State and local governments back home, or we can uphold our responsibility to ensure that passenger rail remains an integral part of our Nation's transportation system. The future of passenger rail in this country belongs in the hands of Congress, not in the bankruptcy courts. I urge my colleagues to vote in favor of this amendment.

Mr. BIDEN. Mr. President, I am pleased to join Senator BYRD and my other colleagues to offer this amendment, to repair a major flaw in the budget resolution.

I was shocked when the President sent his budget here earlier this year, without a dime for intercity passenger rail. Not a dime. Not one red cent.

How could they possibly refuse to fund our passenger rail system, that carries 25 million passengers a year? What are they thinking? Where will those 25 million travelers go? Back onto our overcrowded highways? Should they take a place in the security lines in our airports?

We know what they are thinking, Mr. President. We have been told, in many public statements by the administration, that they intend to blackmail us in the Congress into accepting a plan to breakup Amtrak, in exchange for the funds the system needs to keep running.

Instead of fixing that problem, this resolution repeats the blackmail threat: breakup the system, or no funds.

No passenger rail system in the world operates without support. Almost no passenger rails system in the world operates on the low level of support inflicted on Amtrak over the years.

We have starved the system of one of its most basic needs: capital. From the day we created it over 30 years ago, Amtrak has been put in the impossible position of trying to increase its ridership, to increase its own revenues, while we have refused to provide it with the resources needed to do the job.

Railroading is a classic capital-intensive industry. The huge costs for the right of way itself, which Amtrak owns all along the Northeast corridor, the costs of maintaining the locomotives and passenger cars—those are the costs that virtually every other advanced industrial economy in the world undertakes today.

They don't do it out of nostalgia for the golden age of rail. They don't do it because they lack other kinds of transportation. They do it because modern economies need a full mix of transportation options, a balanced system. They do it because it takes pressure off highways and airports, because passenger rail is clean and safe.

Here on the Senate floor, we are told: Don't worry, we aren't serious. We didn't mean it when we refused to put a dime in this budget for passenger rail.

But the administration put it differently in its budget. They actually propose zeroing out Amtrak with the goal of causing a bankruptcy, which, and I quote, "would likely lead to the elimination of inefficient operations and reorganization of the railroad through bankruptcy proceedings."

That is their idea of reform. That is their idea of how to make transportation policy: Let a bankruptcy judge figure it out.

They are creating a crisis, and using the threat of bankruptcy to force changes on the system.

What is their plan? What do they propose?

First, they want to push more costs off onto the States. That is a theme we are seeing throughout the budget. It looks like saving money, but it simply shifts costs. Ask our mayors, ask our Governors what they think of the Federal Government shifting costs onto them. That is not a plan that will work.

They also want to break Amtrak up into capital and operating units. They tried something like that in Great Britain, and they regret it. Then they want to let other companies come in and bid to run operations on the most profitable lines. That is a formula for breaking up the system, encouraging cherry-picking, tearing up contracts with the unions, and leaving passengers stranded.

That is not reforming a national passenger rail system; that is breaking up the system we have.

This is no way to accomplish reform.

Right now Amtrak has a growing ridership, for good reasons. With security concerns and hassles, with the cost-cutting and crowding, air travel is less attractive. Our highways are already congested.

Amtrak has earned that new ridership, with its new fleet of high-speed Acela trains, with a commitment to maintaining and upgrading equipment. A lot of that work goes on in my State of Delaware, at our shops at Wilmington and at Bear.

But by starving the system of the capital it needs, we have put it into crisis. Without more investment, it cannot attract riders. Without more passengers, it cannot earn more money. The way out of the impasse is to make the investment in the passenger rail system our Nation needs.

Amtrak has a 5-year capital plan that could attract more passengers,

and earn them more operating revenues, but they have not received the funding they need to make that plan work.

Starved of the capital they need to succeed, then blamed for not making money, now Amtrak is facing black-mail and bankruptcy under this budget.

Senator BYRD, who is our leader on this amendment, knows the history of Amtrak's funding problems. His amendment is not extravagant; in fact, it is less than we should be giving Amtrak as it struggles to improve. I am sure Senator BYRD feels the same way. But the \$1.4 billion this amendment would provide would remove the threat of bankruptcy and keep the system running.

It is the only responsible answer to an irresponsible budget.

While I am speaking Mr. President, there is one other aspect of passenger rail I want to mention: security. In the aftermath of the tragic events of September 11, over 3 years ago, I came to the floor with an amendment to the \$15 billion airline bailout and security spending bill. That amendment would have begun the process of raising security on our rails, just as we recognized the need to increase security on our airlines.

In deference to the emergency in the airline industry, I withdrew that amendment. In the years since, I have tried, with the help of Senators MCCAIN, HOLLINGS, CARPER, SCHUMER, CLINTON, and others, to move legislation to upgrade rail security.

Over 3 years later, in the face of explicit warnings and evidence that terrorists are targeting passenger rail here in our country, a year after the tragic bombings in Madrid, we have done virtually nothing about Amtrak's security needs.

It should be a scandal that this Congress and this administration have not even authorized, much less spent a dime for, a plan to secure our rail system.

More people pass through Penn Station in New York City than through La Guardia and JFK airports combined.

Union Station, just two blocks from here, is the busiest site in Washington, DC, with 25 million people passing through.

Amtrak is expected to patrol those sites with its own meager forces. In Penn Station, only six to eight security guards patrol on weekdays. And they have the weekends off.

Whatever you think of passenger rail, it is unconscionable to propose no money—zero, nothing—to increase the security of the 25 million Americans who ride Amtrak every year.

This amendment by itself will not take care of those security needs, but it will address the basic needs of passenger rail in our country. I urge my colleagues to support it.

The PRESIDING OFFICER. Who yields time? The Senator from West Virginia.

Mr. BYRD. Mr. President, for fiscal year 2006, the President's budget seeks the complete elimination of direct subsidies for Amtrak. The budget resolution presumes enactment of the budget proposals for transportation which would result in bankruptcy for Amtrak. My amendment, which has co-sponsors on both sides of the aisle, would increase Amtrak funding by \$1.05 billion in fiscal year 2006.

If Senators really desire all Amtrak services to come to an immediate and grinding halt for lack of a Federal subsidy in 2006, they will vote against the amendment. Across the Northeast corridor, the busiest urban transportation corridor in the Nation, elimination of Amtrak's premier service would be a transportation disaster. Elimination of Amtrak service would have disastrous results in both rural and urban America.

The elimination of an Amtrak subsidy is not a recipe for a streamlined railroad; it is not a recipe for a more efficient railroad. It is a recipe for a dead railroad—a dead railroad, dead, dead, dead railroad.

I urge Senators to vote for my amendment.

I thank the Chair.

The PRESIDING OFFICER. The question is now on agreeing to the Byrd amendment No. 158.

Mrs. MURRAY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The clerk will call the roll.

The assistant journal clerk called the roll.

Mr. DURBIN. I announce that the Senator from Arkansas (Mr. PRYOR) and the Senator from Rhode Island (Mr. REED) are necessarily absent.

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

The result was announced—yeas 46, nays 52, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—46

Akaka	Dorgan	Lincoln
Baucus	Durbin	Mikulski
Bayh	Feingold	Murray
Biden	Feinstein	Nelson (NE)
Bingaman	Harkin	Obama
Boxer	Inouye	Reid
Byrd	Jeffords	Rockefeller
Cantwell	Johnson	Salazar
Carper	Kennedy	Sarbanes
Chafee	Kerry	Schumer
Clinton	Kohl	Snowe
Collins	Landrieu	Specter
Conrad	Lautenberg	Stabenow
Corzine	Leahy	Wyden
Dayton	Levin	
Dodd	Lieberman	

NAYS—52

Alexander	Cochran	Frist
Allard	Coleman	Graham
Allen	Cornyn	Grassley
Bennett	Craig	Gregg
Bond	Crapo	Hagel
Brownback	DeMint	Hatch
Bunning	DeWine	Hutchison
Burns	Dole	Inhofe
Burr	Domenici	Isakson
Chambliss	Ensign	Kyl
Coburn	Enzi	Lott

Lugar	Santorum	Thomas
Martinez	Sessions	Thune
McCain	Shelby	Vitter
McConnell	Smith	Voinovich
Murkowski	Stevens	Warner
Nelson (FL)	Sununu	
Roberts	Talent	

NOT VOTING—2

Pryor Reed  
The amendment (No. 158) was rejected.

AMENDMENT NO. 168

The PRESIDING OFFICER. There will now be 2 minutes of debate equally divided on the Cantwell amendment No. 168.

The Senator from Alaska. Ms. MURKOWSKI. Mr. President, I urge my colleagues to vote against the Cantwell amendment. We have an opportunity today to open a very tiny portion of Alaska's coastal plain to exploration and opportunity. This is an opportunity for us to focus on energy security, economic security, and environmental security. The price of oil just bumped up to 56 bucks a barrel this morning. What we are talking about in terms of the security for domestic reserves is on average a million barrels of oil per day.

The other side has said it doesn't mean much. Let me tell you what it means. It is enough fuel to run the State of Maryland for 100 years. It is enough fuel for every car and every home in Washington State for 68 years. It is enough fuel to replace all of our imports from Saudi Arabia for 25 years. It is enough fuel to double all of the oil taken out of east Texas in the past 75 years. This needs to be part of an overall energy plan.

I urge the Senate to oppose this amendment.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Mr. President, I urge Members to support the Cantwell amendment. It is clear what our options are today. We can continue this proposal to try to drill in the Arctic Wildlife Refuge, even though Congress previously has said let's not do that and let's preserve the wildlife. We know that the amount of oil generated, according to the President's own economic advisers, will have a negligible impact on oil prices. Maybe that is because there is no guarantee that the revenue collected from this or the oil from the Arctic Wildlife Refuge will be kept in America. This oil will be exported, part of international markets, and do nothing to help us get our overdependence on oil off this track and on to the right track.

I urge my colleagues to turn this argument down and to start on an energy future that is about renewables, about conservation, about new energy technologies.

Our legacy on this floor is not going to be a pipeline in Alaska but preserving a wildlife area and getting on with an energy future that America wants and needs.

The PRESIDENT pro tempore. The question is on agreeing to amendment No. 168.

The yeas and nays have been ordered. The clerk will call the roll. The legislative clerk called the roll. The result was announced—yeas 49, nays 51, as follows:

[Rollcall Vote No. 52 Leg.]

YEAS—49

Baucus	Dorgan	Murray
Bayh	Durbin	Nelson (FL)
Biden	Feingold	Nelson (NE)
Bingaman	Feinstein	Obama
Boxer	Harkin	Pryor
Byrd	Jeffords	Reed
Cantwell	Johnson	Reid
Carper	Kennedy	Rockefeller
Chafee	Kerry	Salazar
Clinton	Kohl	Sarbanes
Coleman	Lautenberg	Schumer
Collins	Leahy	Smith
Conrad	Levin	Snowe
Corzine	Lieberman	Stabenow
Dayton	Lincoln	Wyden
DeWine	McCain	
Dodd	Mikulski	

NAYS—51

Akaka	Dole	Lugar
Alexander	Domenici	Martinez
Allard	Ensign	McConnell
Allen	Enzi	Murkowski
Bennett	Frist	Roberts
Bond	Graham	Santorum
Brownback	Grassley	Sessions
Bunning	Gregg	Shelby
Burns	Hagel	Specter
Burr	Hatch	Stevens
Chambliss	Hutchison	Sununu
Coburn	Inhofe	Talent
Cochran	Inouye	Thomas
Cornyn	Isakson	Thune
Craig	Kyl	Vitter
Crapo	Landrieu	Voinovich
DeMint	Lott	Warner

The amendment (No. 168) was rejected.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

Mr. BENNETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. May we have order in the Chamber.

The PRESIDING OFFICER (Mr. ISAKSON). The Senate will come to order.

The Senator from North Dakota.

Mr. CONRAD. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CONRAD. Is it the understanding of the Chair that all time has been used or yielded back on both sides on the three pending amendments; that is, the Akaka veterans amendment, the Ensign veterans amendment, and the Specter amendment on NIH?

The PRESIDING OFFICER. It is the Chair's understanding that is correct.

Mr. CONRAD. That is very helpful to us. I yield the floor. I think the chairman has a unanimous consent request.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, it is now our plan to move to what is known in the vernacular as the pay-go amendment, which Senator FEINGOLD is going to offer. We are going to spend an hour and a half on it.

I ask unanimous consent this amendment be in order for an hour and a half with the time equally divided.

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

The Senator from Wisconsin.

AMENDMENT NO. 186

Mr. FEINGOLD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. CHAFEE, Mr. SALAZAR, Ms. COLLINS, Mr. CONRAD, Ms. SNOWE, Mr. LIEBERMAN, Mr. VOINOVICH, Ms. CANTWELL, Mr. OBAMA, Mrs. FEINSTEIN, and Mr. HARKIN, proposes an amendment numbered 186.

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

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

The amendment is as follows:

(Purpose: To fully reinstate the pay-as-you-go requirement)

On page 57, after line 2, insert the following:

SEC. 408. PAY-AS-YOU-GO POINT OF ORDER IN THE SENATE.

(a) PAY-AS-YOU-GO POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—For purposes of Senate enforcement, it shall not be in order in the Senate to consider any direct spending or revenue legislation that would increase the on-budget deficit or cause an on-budget deficit for any one of the three applicable time periods as measured in paragraphs (5) and (6).

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection, the term "applicable time period" means any 1 of the 3 following periods:

(A) The first year covered by the most recently adopted concurrent resolution on the budget.

(B) The period of the first 5 fiscal years covered by the most recently adopted concurrent resolution on the budget.

(C) The period of the 5 fiscal years following the first 5 fiscal years covered in the most recently adopted concurrent resolution on the budget.

(3) DIRECT-SPENDING LEGISLATION.—For purposes of this subsection and except as provided in paragraph (4), the term "direct-spending legislation" means any bill, joint resolution, amendment, motion, or conference report that affects direct spending as that term is defined by, and interpreted for purposes of, the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) EXCLUSION.—For purposes of this subsection, the terms "direct-spending legislation" and "revenue legislation" do not include—

(A) any concurrent resolution on the budget; or

(B) any provision of legislation that affects the full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990.

(5) BASELINE.—Estimates prepared pursuant to this section shall—

(A) use the baseline surplus or deficit used for the most recently adopted concurrent resolution on the budget; and

(B) be calculated under the requirements of subsections (b) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal years beyond those covered by that concurrent resolution on the budget.

(6) PRIOR SURPLUS.—If direct spending or revenue legislation increases the on-budget

deficit or causes an on-budget deficit when taken individually, it must also increase the on-budget deficit or cause an on-budget deficit when taken together with all direct spending and revenue legislation enacted since the beginning of the calendar year not accounted for in the baseline under paragraph (5)(A), except that direct spending or revenue effects resulting in net deficit reduction enacted pursuant to reconciliation instructions since the beginning of that same calendar year shall not be available.

(b) **WAIVER.**—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(c) **APPEALS.**—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) **DETERMINATION OF BUDGET LEVELS.**—For purposes of this section, the levels of new budget authority, outlays, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(e) **SUNSET.**—This section shall expire on September 30, 2010.

Mr. FEINGOLD. Mr. President, I am pleased to offer this amendment with the Senator from Rhode Island, Mr. CHAFEE, and a bipartisan group of other Senators. Our amendment is the same amendment we offered last year and that this body passed with bipartisan support. It would simply reinstate the pay-as-you-go rule that had been such an effective restraint on the fiscal appetites of both Congress and the White House.

Over the past 4 years, we have seen a dramatic deterioration in the Government's ability to perform one of its most fundamental jobs, and that is balancing the Nation's fiscal books.

We are all familiar with the history. In January of 2001, the Congressional Budget Office projected that in the 10 years thereafter, the Government would run a unified budget surplus of more than \$5 trillion. Little more than 4 years later, we are now staring at almost a mirror image of that very positive 10-year projection, except that instead of healthy surpluses under any reasonable set of assumptions, we are now facing immense deficits and a backbreaking debt.

This has to stop. We have to stop running deficits because they cause the Government to use the surpluses of the Social Security trust fund for other Government purposes rather than to pay down the debt and help our Nation prepare for the coming retirement of the baby boom generation. We have to stop running deficits because every dollar we add to the Federal debt is another dollar we are forcing our children to pay back in higher taxes or fewer Government benefits.

When the Government and this generation choose to spend on current consumption and then to accumulate debt for our children's generation to pay, it

does nothing less than rob our children of their own choices. We make our choices to spend on our wants, but we saddle our children and our grandchildren with the debts that they have to pay from tax dollars, their tax dollars, and their hard work.

We all know that is not right. That is why I am offering this bipartisan amendment to fully reinstate the pay-go rule. We need a strong budget process. We need to exert fiscal discipline.

Mr. President, you remember when the pay-go rule was in effect, tough fiscal discipline governed the budget process. Under the current approach, it is pretty much the opposite, it is the other way around. What happens now is the annual budget resolution determines how much fiscal discipline we are willing to impose on ourselves. This just hasn't worked. When Congress decides it would be nice to create a new entitlement or enact new tax cuts and then adjust its budget rules to permit those policies, we are really inviting a disastrous result, and that is just what we have seen happen.

As an example, if somebody wants to lose weight, you set the total number of calories you are allowed to consume first, and then you try to make the meals fit under that cap—not the other way around. Imagine if you tried to lose weight by deciding what you want to eat first and then setting a calorie limit to accommodate your various cravings. If you want to eat cake, fine, you just dial up that calorie intake limit and you are all set. If you want a couple of extra beers, that is fine, too, under this kind of system; you just raise the calorie limit accordingly.

It may taste pretty good at the time, but you will probably end up gaining weight, just like this Nation is racking up debt because this ill-advised diet is exactly how the current mutated version of pay-go works, and we have seen the results—the debt we are leaving our children and our grandchildren has been putting on massive amounts of weight. This amendment would simply return us to the rule by which Congress played for the decade of the 1990s, and that was instrumental in balancing the Federal budget.

Let's remember, that was not an era where one side had control of all the Government or the other side did. For most of the nineties, most of this time, we had a Democrat President and Republican control of both Houses, and we all agreed and we all worked together on the principle that the pay-go rules were helping us move toward the goal—in fact, the achievement—of having a balanced budget by the year 2000, by the time President Bush took office.

Many of us here lived under that rule, and we know just how effective it was. If this budget does nothing else, it should reinstate the classic, the old pay-go rule. If we do that, maybe we can begin to turn these annual budgets around and stop racking up these deficits and adding to the already enormous Federal debt.

I urge my colleagues to support this commonsense, time-tested fiscal discipline.

I reserve the remainder of my time.  
The PRESIDING OFFICER. Who yields time? The Senator from Arizona.  
Mr. KYL. Mr. President, I ask the Presiding Officer to let me know when I have spoken for 5 minutes. I would appreciate that.

This amendment should be opposed primarily because there is a big difference between requiring offsets for spending increases and requiring offsets for tax cuts. They have dramatically different effects on economic growth. The goal here should be a strong private sector economy.

Let's go back to basic principles. Money does not belong to the Government, so we should not be concerned about how much a particular policy "costs" the Government. Money belongs to the people and when allowed to work in the private sector economy it can become a powerful engine for economic growth and job creation and a better standard of living and productivity for all Americans. And one more thing: it could really help the Federal Government because the more wealth that is produced, the more that is taxed, and the more revenues go to the Federal Government as taxes. So a growing, vibrant economy not only helps us all as individuals and families, it helps the Federal Government, too, because there is more economic growth and revenue and wealth to tax.

The key here is to keep economic growth going strong. We are also concerned about the size of the deficit, and that is why we have the so-called pay-go rule for spending. If we are going to raise spending in one area, what the budget says, and correctly so, in another area is we need to reduce it someplace else because we need to net it out at an even amount. We don't want to go above the spending level in the budget that the President and the Budget Committee have set. That makes sense.

But with respect to tax cuts, what is the purpose of a tax cut? The purpose of a tax cut is to ensure that we can continue to sustain economic growth, to create jobs, basically to provide more capital to be invested into businesses which can hire more people, can produce more goods, which can create more revenue. And again, what happens with that growing economy—revenue increases to the Treasury.

The purpose of the tax cut is to keep all of that going.

Suppose you had a pay-go rule that said you have to "pay" for tax cuts by giving the Federal Government an equivalent amount of money that you are reducing as a result of the tax cuts; in other words, that somehow the money belongs to the Federal Government, and if you are going to let people keep more of their own money somehow that has to be made up to the Federal Government.

That makes no sense at all. That is basically robbing Peter to pay Paul by

taking money out of one pocket and putting it into another pocket—basically saying if we reduce taxes in the private sector in order to stimulate economic growth, somehow we have to go back in that private sector and pull an equivalent amount of money out to give it to the Federal Government to make up the difference. It makes no sense at all.

All you have do in that case is reduce the amount of money in the private sector, producing revenue by reducing the amount that goes to the Federal Government in revenues. This has been demonstrated. As a matter of fact, since the tax cut of 2003, if you judge the year from 2003 to 2004 in the same period, we saw an increase in revenues to the Treasury from taxes of 10.5 percent compared to the same time in 2003. The aftertax revenues to the Government were more than before we cut the tax rates.

How could that be? In economic theory—we know this to be true—take the case of capital gains taxes. Since both dividends and capital gains tax reductions are presumed to be included in this budget cut, we know that when the tax rates on capital gains were high, people didn't sell their assets. They didn't turn them over because they would have to pay a big tax. As soon as we reduced the tax rate on capital gains, it had an unlocking effect in the economy, and then people were willing to sell their assets because they did not have to pay nearly as much taxes on the gains.

Conversely, it is also true that the higher the rate, the less economic activity.

There was a direct relationship between reducing the taxes and increased revenue to the Treasury. The Nobel Prize economist, Dr. Edward Prescott, who teaches at Arizona State University, got his Nobel Prize for pointing out the same being true with respect to individual income tax rates. It is not true that the higher the income tax rate, the more revenue you bring in.

Suppose you had a 100-percent tax rate on your income. How many people would work? You are working the entire amount of time for the Federal Government. The highest possible income tax rate produces the least possible income tax revenue.

Instead, what you need is a rate at which people would feel they can continue to work and make enough money for themselves so it is worthwhile to continue to work. But at a certain point, you are taxing that next dollar earned at a point at which people will no longer work.

That is what has happened to the European economy. Their higher tax rates over there have resulted in less work, less productivity, less income to their treasury as a result of their taxes.

Pay-go works perfectly fine for the increases in spending that need to be offset, but it doesn't work at all—in fact, it is counterproductive—with respect to reductions in taxes, which is

what we are trying to preserve by the budget by the reconciliation construction.

I reserve the remainder of the time on this side.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I yield 2 minutes to the Senator from Colorado who cosponsored this amendment.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes.

Mr. SALAZAR. Mr. President, I rise in support of the classic pay-go amendment and commend my colleagues, especially Senator FEINGOLD for his leadership on this issue.

We took the first step in opening one of the country's most pristine areas for potential development. I would have preferred to have given my daughters Melinda and Andrea that choice to make in the future.

Let me put it plainly. I do not want to let my daughters down again. When we pass budgets with enormous deficits, that is the same as taxing our children and our grandchildren. They will be taxed to pay for our spending. They will be taxed to pay for our unwillingness to say that enough is enough.

Our kids and grandkids don't get to vote for the Senators and Congressmen who are imposing these future taxes on them. That is taxation without representation, and that is something the leaders of our War for Independence had some thought about.

It is wrong and it is un-American to impose taxes on our children and our grandchildren to pay for the spending spree of the Federal Government. It is long past time to restore to Congress the same commonsense budgetary approach that every family in America has to live by. That approach is simple. If you can't pay for it, don't spend it.

I yield the floor.

Mr. FEINGOLD. Mr. President, I thank the Senator from Colorado who made an important connection between the last vote on the Alaska refuge and this amendment.

On the Alaska amendment, one side became frustrated, so they decided to change the rules. We are going to decide that instead of having 60 votes for a normal procedure on an energy bill, we will go with 51 votes using the budget process, which I think is inappropriate. They won. Now we see a different attempt to deal with the rules.

We had rules on paying in the 1990s that worked, and worked very well. Both parties came together. We balanced the budget.

When the rules get in the way, apparently, they do not want to have any rules, any procedure, any discipline when it comes to either mandatory spending or tax cuts. They want to make sure they achieve their objective, regardless of rules.

That is a serious problem. It is a serious problem for this institution, it is a

serious problem for this country, and as the Senator from Colorado said so eloquently, it is going to be a serious problem for our kids and grandchildren who will be bound by the kind of decision we make about the Arctic Refuge and having to acquire this huge debt which this Congress is refusing to address.

This Congress is, frankly, becoming openly hostile to the principle of fiscal discipline—openly hostile.

I thank the Senator from Colorado very much for his remarks.

I yield 5 minutes to the Senator from North Dakota and thank him for his great leadership on these issues.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank the Senator from Wisconsin. He has been the leader on pay-go and budget discipline that says no spending and no tax cuts. You can have them, but you have to pay for them. There is a novel idea around here. You have to pay for them.

Our colleague from Arizona indicated this concept—that if you cut taxes, you get more money. The only problem with that concept is it doesn't work in the real world. It is a wonderful idea. I wish it were true. But it isn't true.

Here is what happens with revenues as a percent of our national income. In 2000, we were getting 20.9 percent of gross domestic product in Federal revenue. We passed a series of tax cuts, and what happened to revenue? It plunged to the lowest since 1959.

That is what happened when we cut taxes. We got less revenue. The revenue side of the equation simply dropped out. That is why the deficits have exploded.

I can remember so well back in 2001 when the Congressional Budget Office told us the range of possible outcomes on the deficits was expressed by this chart, which I call the fan chart. This was what would happen on the low end of their forecast, and this is what would happen on the high end. They chose the midrange, as did the President, which told them we were going to get \$5.6 trillion of surpluses over the period.

When I said to my Republican colleagues, let's not be so sure of that, let's not bet the farm on that, they assured me: Kent, you are being much too conservative. Don't you understand with the tax cuts we are putting in place we will get much more revenue? We are not going to be at the midpoint of the range, we will be above the midpoint of the range.

We can go back now and look at what actually happened. Here is what actually happened. We are not at the bottom of the range, we are below the bottom. Here is what happened in reality: we are way below the bottom.

All these tax cuts, what did they lead to? They led to less revenue, and coupled with the increases in spending for defense and homeland security as a result of September 11, the deficits exploded.

Here is what has happened: our Republican colleagues, who used to be fiscally conservative, have now become borrow-and-spend advocates. They have no intention of doing anything about these budget deficits except add to them. Here is what that policy has achieved: record budget deficits.

The question of pay-go, which is the budget discipline we had back in the 1980s and 1990s that helped us turn record deficits at that time into record surpluses, pay-go is a budget discipline that has worked, and the budget discipline that was in effect then is the budget discipline being offered by the Senator from Wisconsin now.

This is the Federal Reserve Chairman on the question of restoring real pay-go. Congressman SPRATT on the House side asked:

Is it still your position that if we renew the paygo rule it should apply to both; that if we have tax cuts including the renewal of the expiring tax cuts in 2010, that these should be fully offset?

Chairman Greenspan:

It is still my position. That we have some form of paygo system, which is agreed upon by the Congress, in my judgment, is the overriding consideration here, because, as you point out, it's been quite effective in actually stemming budget inefficiencies and expansion during a period that it was law.

Federal Reserve Chairman Greenspan:

All I'm saying is that my general view is I would like to see the tax burden as low as possible. And in that context, I would like to see tax cuts continue. But, as I indicated earlier, that has got to be, in my judgment, in the context of a paygo resolution.

When further asked, the Chairman made clear a pay-go approach that applies to both spending and to taxes.

The pay-go ledger in the Senate GOP budget allows massive deficit increases. It allows a \$33 billion increase from 2006 to 2010. It allows almost a \$260 billion increase in deficits in the period 2011 to 2015.

Finally and in conclusion, the Republican budget before the Senate is advertised as cutting the deficit in half over the next 5 years. But the Republicans' own budget document shows something quite different from their assertions.

On page 5 of the Republican budget document they provide their forecast of how the debt will increase every year for the next 5 years. Here is what it shows: A \$669 billion increase in the debt this year, a \$636 billion next year, \$624 billion the year after that, \$622 billion in the fourth year, and \$611 billion in the fifth year.

Those are the Republican estimates of the increase in debt if we pass their budget. That is a \$3 trillion increase in the debt of the United States if this budget is passed. There is nothing in there that is going to protect us from massive increases of deficit and debt.

The opportunity to be fiscally disciplined is the opportunity offered in the amendment of the Senator from Wisconsin. I urge my colleagues to support it.

Mr. KYL. Mr. President, I yield 10 minutes to the chairman of the Finance Committee, the Senator from Iowa.

Mr. GRASSLEY. I rise in opposition to the Feingold amendment. I do that with a realization that there is a great need for deficit reduction. Who can find fault with the objectives of Senator FEINGOLD's amendment? Those objectives are good.

I am going to demonstrate that his proposal is not realistic. It also ignores the reality of the tax relief of the current law. It unwisely ignores a bipartisan will to maintain current tax relief for millions of taxpayers. Without maintaining existing tax policy, if we would just let that expire, we would have the biggest tax increase in the history of the country without Congress acting. It seems to me if we are going to have the biggest tax increase in the history of the country, Congress ought to make the decision to do it.

I will talk about how the Senate Finance Committee approaches tax policy. We have used pay-go on taxes, but we do it outside of the budget. Two kinds of tax relief bills have come out of the Finance Committee in the last 4 years. One set of bills contained widely applicable tax relief. Those bills, if you take them together, and they were done under reconciliation, were bipartisan. I emphasize that because everyone around the country thinks everything around here is partisan. But these tax cuts were bipartisan and they were net tax cuts for virtually every American taxpayer. Those bills enacted in 2001 and 2003 did not contain offsets.

The secondary category of bills our committee works on would cover all other bills coming as part of our committee business. Those bills dealt with specific categories of tax relief. I will give some examples: A charitable giving tax bill, the bill to deal with exports in manufacturing, a bill to deal with the Armed Forces tax relief for our folks in Iraq putting their lives on the line—there are many other examples of tax relief fully offset by our committee.

In a few rare cases, such as the energy tax relief, for example, bills were partially offset. Now, this pattern is applicable during my chairmanship of this committee, and it is fair for me to say there was a similar pattern occurring when my Democratic colleague and counterpart, Senator BAUCUS, was chairman of the Senate Finance Committee.

By and large, then, the Senate Finance Committee, when dealing with tax policy, has produced revenue-neutral bills. The exceptions occurred when there was bipartisan support for widely applicable tax relief. And I emphasize the word "bipartisan."

By the way, had we not responded with that bipartisan tax relief, there would have been no widespread economic stimulus that resulted. In other words, the economic depression that set in with the NASDAQ losing half of

its value in the year 2000, and then with the September 11 attack on New York City and the resulting downturn in the economy, we would not have had in place an economic stimulus to bring back economic growth to where we are now.

Chairman Greenspan said tax relief was responsible for the economic turnaround.

Also, we had the most recent Nobel economic prize winner tell us that our tax relief in 2001 and 2003 was not as big as it should have been to get the maximum economic stimulus. But we have had an economic turnaround justifying, without question, those tax relief packages.

So let me be clear. With tax policy outside the budget, the Finance Committee has, in effect, operated on a pay-go basis. The exceptions were built into the budget, and those exceptions had bipartisan support.

I would like to challenge any of the critics of this budget to show the same record on the spending side. No, it seems like others want to spend. And all of these amendments that are being offered are adding up to positive proof that the same people who are against tax relief do not want to reduce the deficit. What they want to do is spend more money.

If I could ever find from the other side how high taxes had to be, how high they had to be to satisfy their appetite to spend money, I might go that high, if I knew I never had to go any higher. But I cannot ever get any consensus about that. So the only conclusion you come to: taxes can never be high enough.

The other point is, I might be willing to vote for some increase in taxes if every dollar increase in taxes resulted in a lower deficit, went to the bottom line to lower the deficit. But, no, every time we raise \$1 of taxes around here, it is a license to spend \$1.10, \$1.20, and sometimes more. So we need out of the other side the same concerns about spending.

The Feingold amendment is not realistic about current tax relief. Senator FEINGOLD's amendment would undo the tax policy resources in the budget. Let me explain why. The budget's tax cut number covers expiring tax relief. It extends all widely applicable tax relief. It includes it all. The number covers dividends and capital gains. It also covers, through the year 2010, provisions the critics say they support: tuition deduction, low-income savers credit, small business expensing. The number also covers for 1-year provisions critics say they support: business extenders such as R&D, sales tax deductions, the alternative minimum tax hold harmless.

The number includes offsets that will get us \$20 to \$30 billion. So we are talking about \$70 billion net. I repeat, that is \$70 billion net. It covers a gross tax cut of \$90 to \$100 billion. That number covers all of the items that folks, particularly on the other side of the aisle, say they are for.

Now, critics cannot say they are for these items and not provide room in this budget for those tax cuts. You cannot have it both ways. So a vote for the Feingold amendment is a vote against expiring tax relief that a lot of these folks say we ought to pass.

Realistically, there is probably around \$30 billion in offsets. Realistically, there is about \$100 billion in costs. That is a realistic position. For instance, we have heard a lot about the alternative minimum tax. "When are you going to do something about it?" is a question from the other side. The cost of a 1-year hold harmless on the alternative minimum tax is \$30 billion. That is \$30 billion for AMT for 1 year alone. So don't tell people back home you are for AMT relief if you vote for the Feingold amendment.

Let's go through some of these other expiring tax relief provisions. Deduction for State and local sales tax: It is covered in the number in the budget. It is important for States such as Nevada, Washington, Florida, and South Dakota.

Mr. President, could I have more time?

Mr. KYL. Mr. President, I yield the chairman of the Finance Committee another 5 minutes, if that is sufficient.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GRASSLEY. Thank you.

Mr. President, we have a savers credit, an incentive for low-income savers. It is covered in the budget number. Deduction for college tuition: It is covered in the budget number. Extension of research and development tax credit—it is important to lots of States—it is covered in the budget number. Extension of wind and alternative energy tax credit: It is covered in the budget. I know that is important to a lot of people, a lot of people who are critics of this budget.

So you cannot have it both ways. If you exclude room in the budget for tax relief, you cannot say you support that same tax relief. The two positions are not in sync. The budget resolution provides room for tax relief. So a vote for the Feingold amendment is a vote against expiring tax relief. You cannot have it both ways. Either you are for a budget that has a realistic plan to maintain current tax relief—and this budget has that realistic plan—or you are for the Feingold amendment, which means you are not serious—not serious—about maintaining current tax relief levels.

Now, the Feingold amendment is also a stealth tax increase. The premise of the Feingold amendment is that tax relief should be treated less favorably—less favorably—than spending. How can that be, you might ask? Well, here is the answer. Entitlement spending such as Social Security and Medicare and discretionary spending can grow under the Feingold notion of pay-go. Contrariwise, much of the current law of tax relief expires, and in some cases tax relief, such as the AMT hold harm-

less, runs out after year's end. That is 9 million tax filers, mostly middle-income families, who are hit by the Feingold regime.

There is no comparable hit on the spending side. See the bias for tax increases automatically, and no bias against spending increases. Entitlement spending would continue to grow without limit under the Feingold amendment. So the Feingold amendment backstops runaway entitlement spending. Taxpayers are left out. Taxpayers are out in the cold under the Feingold regime. A vote for the Feingold amendment is a vote against status quo tax relief and a vote for status quo spending. That does not sound like evenhanded fiscal discipline to me.

So I urge a vote against the Feingold amendment because it is defective on these several points. And most importantly for me, as the chairman of the Senate Finance Committee, it ignores the Finance Committee's prudence under both Democratic chairmanship and Republican chairmanship. It ignores the reality of current tax relief which is expiring. It contains a stealth tax increase on at least 9 million taxpayers who are going to be caught up in the alternative minimum tax. It creates a double standard by treating a dollar of out-of-control spending more favorably than a dollar of current tax relief.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I appreciate my colleagues engaging in a debate on this amendment. But I have to say, how did something that both of these Senators, the Senator from Arizona and the Senator from Iowa, supported vigorously in the 1990s suddenly become a Feingold regime? These are the pay-go rules of the 1990s. This is not some new scheme or new approach. These are exactly the rules we had before that both parties worked together on and used to balance the budget.

Both Senators suggest that this is going to prevent tax cuts. I ask them: How in the world, then, did we have the 1997 tax cut bill? If this regime, as they call it, prevents tax cuts, how did that happen? These rules were in place at that time.

These rules don't prevent tax cuts. These rules just say, either you pay for them or you get 60 votes. Last year there were a number of middle class tax cuts I supported. They received something like over 90 votes. We didn't prevent those tax cuts. They simply met a standard that was easily met of 60 votes.

The Senator from Iowa has mischaracterized this amendment grossly when he says it doesn't affect spending. It is my amendment that puts some rules back on mandatory spending. It is my amendment that covers mandatory spending. The reason why we had a \$400-billion unfunded Medicare bill last year is because the current rules were in place rather than

the amendment I have offered. This relates to spending as well as taxes.

The entire argument that somehow this isn't evenhanded, that it only applies to taxes and not to spending is absolutely false. That might be why we have four or five Republican cosponsors because they would never support something that favors spending over tax cuts.

It is very troubling when we have a debate and the debate is not about what is actually before us. What is before us is rules that have worked before, rules that relate to spending and taxes and merely require us to be responsible.

I now very happily yield 15 minutes to my cosponsor, Senator VOINOVICH.

The PRESIDING OFFICER. The Senator is recognized.

Mr. VOINOVICH. Mr. President, I rise in support of the Voinovich-Feingold amendment to restore integrity to our current pay-go process.

These are not ordinary times and it is not a time for business as usual. The United States is the largest debtor Nation in the world, and our trade deficit is the worst it has ever been. The U.S. dollar is weak, and too much of our debt is in the hands of other nations.

Just 2 weeks ago it was rumored that the Japanese central bank was pulling their money out of dollars which sent a shiver of panic in the markets. Alan Greenspan and David Walker have served as modern-day Paul Reveres alerting us to the need to do something now before it is too late.

I recommend to my colleagues the pamphlet issued by the GAO entitled "21st Century Challenges, Reexamining the Base of the Federal Government." It is well worth reading.

This is the beginning of my second term in the Senate. One of the reasons Ohio sent me back here is because they know I am committed to doing something about balancing the budget and paying down debt, fundamental, sound Republican principles to which I have been committed throughout my career.

At this stage in my life, I am more worried than ever about the legacy that our country will leave our children and grandchildren. God has blessed my wife Janet and me with three living children and six grandchildren. My daughter Betsy is expecting her third child. What kind of world will they live in?

One thing I know is that it will be more competitive than ever before, and they will have to work harder and be smarter to maintain the standard of living to which Americans have become accustomed.

I am sure you are asking: What does this have to do with pay-go? It has everything to do with pay-go because pay-go is a tool which Congress can use to enforce fiscal responsibility. Without fiscal responsibility, without responsible stewardship of the public's money, the gathering storm clouds of deficit and debt will darken more.

That is why I encourage my colleagues to do the right thing and support the amendment offered by Senator

FEINGOLD and me to restore integrity to the current pay-go process. According to CBO estimates, the national debt increased by \$600 billion between 2003 and 2004 and will increase by at least the same amount before October 2005. This is a \$1.2 trillion increase in Federal debt in just 2 years.

Raising the debt limit has become an annual ritual. This chart shows where we are. It is interesting that some of the charts I have seen from some of my colleagues on my side of the aisle, all they show is that over the next 5 years we are going to bring the deficit down. But they never talk about the fact that our national debt is escalating up like a rocket. We are in trouble. Where is it going to end?

I am in favor of controlling spending. My votes in the Senate reflect that. This is a very tight budget when it comes to spending, and I support that. In fact, I commend Senator GREGG for producing the most fiscally responsible and honest budget resolution I have seen in 7 years in the Senate. I would like to point out, with all due fairness to my colleague from Wisconsin, that the fact is, in that budget are provisions that were in the Truth in Budgeting Act that Senator FEINGOLD and I introduced a week ago: Three-year discretionary spending caps; a new 60-vote point of order against legislation that would cost more than \$5 billion in any 10-year period between 2015 and 2055; a 60-vote point of order against unfunded mandates—I particularly appreciate this provision because I worked very hard to get unfunded mandate relief passed when I was Governor of Ohio and active in the National Governors Association—a 60-vote point of order against legislating exceeding appropriations spending limits; a \$23.4 billion cap on advance appropriations; limits on the use of emergency designations. All of these provisions were in the Voinovich-Feingold Truth in Budgeting Act. So we have those in the budget.

I only wish the budget resolution also forced us to make equally difficult choices about tax policy. None of us like to take tough votes on programs we believe in, but most of us are willing to cast the difficult vote if that is what it takes to get Federal spending under control.

I say to my colleagues, how can I or any of us stick to this tough budget that we have and at the same time say to people who are complaining: Senator, you are saying you want to do something about the deficit, but at the same time you voted to extend tax reductions. How do you justify these two positions?

I was interested to hear the chairman of the Finance Committee indicate that we are going to deal with AMT. I would like to remind my colleagues that that is not in the budget. AMT will be on the floor of the Senate before the end of this year. And the allegation that the Feingold-Voinovich amendment is going to prevent us doing any-

thing about AMT is poppycock. What it will require is that a budget point of order would be made against it. We would debate it, and if there are 60 votes to waive the point of order, that would go into effect.

Another issue that I know is going to be on the floor of the Senate where we are going to have to borrow money is in dealing with Medicare reimbursement. We all know that today Medicare reimbursement, if we don't do anything, will be reduced by 5 percent. None of us want that to happen. Again, that will be brought to the floor of the Senate.

This amendment does not prevent that from happening. It says: Pay for it or, in the alternative, debate it on the floor and get 60 votes.

Last but not least, this budget sets out \$50 billion for the war in Iraq and Afghanistan, doing things in Afghanistan. In my opinion, if you are realistic, it is not going to be enough money. We don't still know what the cost of this war is going to be to the American people.

One other aspect I have to point out is that this is against a backdrop in which most experts agree that by 2030, spending for Social Security, Medicare, and Medicaid alone will consume 18 percent of our GDP, about the same amount of money we are spending today for all operations of Government combined. That is why folks should read David Walker's pamphlet. It lays it out for us.

What does pay-go do? Pay-go forces us to stop and think before proposing legislation or amendments that will increase the deficit. Pay-go demonstrates the Senate is serious about reducing the deficit. Pay-go will provide a chance to stop and more carefully consider all alternatives before increasing spending or cutting taxes. Pay-go ensures that programs that will impose additional debt on our children and grandchildren must gain an overwhelming level of support.

Some of my colleagues wanted to ensure increased spending now or cut taxes now and hope that somehow the economy will save us or Congress will simply fix the problem. This would be a major mistake. Depending on the economy to save us from the impact of fiscal irresponsibility is like hoping that a hurricane misses your house.

Over the past 10 years, we have gone from having deficits to having surpluses and back to having deficits.

This is what has happened on this chart. During this period of time, we were running surpluses. We came here and then in 2003 we started to come down. Here is where we are now. The predictions are that they could go that way or that way.

I think all of us who are conservative would have to say that we have to prepare for this hurricane that may hit us and not take the rosy picture that everything is going to be all right; just keep reducing taxes, everything is going to be fine. We are going to grow

our way out of this problem. I remember that during the 1980s when we saw the deficit climb substantially, which required in 1991 and 1993 the fact that we had to raise taxes. Borrowing money to run the Government is the equivalent of a future tax increase for the American people.

I urge my colleagues to look at this from a fairness point of view, to eliminate from the budget resolution the \$70 billion that we have put in there to extend some of the taxes that are now in place. Let's pay for them. Alan Greenspan, David Walker, and Pete Peterson have all said the reduction on capital gains, on dividends, has helped the economy. But they all say pay for it. If you cannot pay for it, let's debate it on the floor of the Senate, as we did last year when we debated whether we were going to continue the marriage penalty relief, the lower marginal rates, the refundable child tax credit. But why sneak it into the budget resolution where we are only going to need 51 votes to get the job done? I think it is not fair.

I appeal to the common sense of my colleagues in the Senate. Here is where we are. We are putting this money in our budget resolution, instructions to the Finance Committee, to say \$70 billion, and you can extend these tax reductions. At the same time we are doing that, we are telling the American people that we are going to have a flat-funded budget.

My feeling is, let's just clean it out of there. Take these extensions that everyone thinks are wonderful for the country and let's debate them. See if we can get 60 votes. If they are so good, they will get 60 votes. If they are not, we will pay for them. I just don't understand how we can continue to go this way. I think we are living in a dream world. This deficit continues to grow. We are the highest debtor Nation in the world. Our trade deficit is one of the worst we have ever seen. Unless we start to understand the seriousness of the situation we have, we are in deep trouble.

Mr. President, I think we all care about our families. We have to think about our legacy. I am 68 years old and I am running out of time. I think this country is running out of time. It is up to our generation to leave a better legacy than what it appears we are going to be leaving. There has to be some Republican who says: George, I agree with you. Let's do it.

If they vote for this amendment, they are simply saying we are not going to put the money in the budget resolution to give the instructions to the Finance Committee to go ahead and extend taxes up to \$70 billion. What it will say is, Hey, guys, we are not going to do that. If we want to extend these, let's bring them up and debate them and let's either pay for them or waive the budget resolution and do it that way.

Thank you, Mr. President.

Mrs. FEINSTEIN. Mr. President, I rise today to join my colleague from

Wisconsin, Senator FEINGOLD, in supporting a real pay-as-you-go system in the fiscal year 2006 budget.

This amendment is about restoring fiscal common sense to the budget. It would require 60 votes for tax cuts and mandatory spending increases that increase the deficit.

The current budget proposes a flawed paygo rule that expires in 2008, even though this is supposed to be a 5-year budget. It also includes exemptions and holes that effectively amount to a "pay-if-you'd-like" approach, not a bonafide paygo system.

What we're proposing are sensible and responsible guidelines that will reduce the record red ink that we've accumulated in the past 5 years.

The Federal budget outlines not only revenue and spending, but more critically how the Federal Government ranks its programmatic priorities. This budget resolution reveals only a glimpse of the long-term fiscal outlook without telling Americans the hard truth about how tax cuts and spending run amok in Washington.

For example, the budget ignores large expenses such as the costs of military operations in Iraq and Afghanistan beyond September 2006, and long-term relief from the alternative minimum tax, which could affect 41 million taxpayers in 2013, if Congress does not act. These are imminent expenses that we would be remiss to omit from the budget. Yet the President excludes the costs from his budget blueprint.

And I haven't even mentioned the upwards of \$5 trillion in transitional costs over the next 20 years for the President's Social Security plan.

With regard specifically to paygo in the Budget Committee markup, one of my colleagues noted that a paygo rule that applies only to spending is akin to trying to keep a boat afloat by plugging one hole when, in fact, there are two holes in the boat. And this is precisely the case. That is precisely the fiction that this Budget Resolution promotes.

If made permanent, the tax cuts of 2001 and 2003 will cost the Federal Government \$11 trillion over the next 75 years. That's more than three times the shortfall of Social Security over that period. But the President's budget doesn't apply paygo rules to these tax cuts.

Studies show that 25 percent of these tax cuts went to the wealthiest Americans, those with the top 1 percent annual income. According to the Congressional Budget Office, 74 percent of our budget deficits since 2001 have been caused by decreased revenues. Only 26 percent is due to increased spending.

We ought to be honest with ourselves about this fact. In my view, a paygo system that ignores revenues is not a paygo system at all.

If the Senate is sincere about restoring fiscal discipline, then we ought to establish rules that say, "If your legislation is going to cost money, you've got to pay for it, or get 60 votes."

I believe that this amendment poses a crucial question to this body: Do we recognize that decreased revenues increase the deficit? I, for one, will not turn a blind eye to the real budget picture.

If we are to balance the budget—as we did during the Clinton administration—we should not do so solely through draconian cuts in critical programs. This budget cuts back on programs for working Americans and local governments that cannot run budget deficits as the Federal Government can.

I do not believe that fiscal responsibility necessarily requires us to shift the financial burden to our towns, cities and States as this budget does through cuts to Medicaid and the Community Development Block Grants, to name just two. As a former mayor, I know the value of these programs in California and throughout the United States.

Tax cuts for the wealthiest Americans should not take precedence over the needs of law enforcement, our children, the elderly, and veterans. If my colleagues agree, then I ask that they join me in supporting this amendment.

It is time to get our fiscal house in order, and to do so, we ought to reinstate a true paygo rule.

Ms. SNOWE. Mr. President, I rise today to speak in support of the amendment offered by my colleagues Senator SMITH and Senator BINGAMAN to strike the reconciliation instructions to the Finance Committee and replace them with a reserve fund for the Bipartisan Commission on Medicaid to undertake a comprehensive review of the Medicaid program and make recommendations to Congress within 1 year.

The Medicaid program provides essential medical services to low-income and uninsured children and their families, pregnant women, senior citizens, individuals with disabilities, and others. Last year, nearly 55 million Americans were enrolled in Medicaid, including more than 300,000 in Maine where one in five people now receive health care services through MaineCare, my State's Medicaid program.

Individuals who rely upon Medicaid-funded health services have no other option. Without Medicaid, they would join the ever growing ranks of the uninsured in this country, which now numbers an all-time high of more than 45 million Americans who lacked health coverage at some point last year. These two groups represent a total of 100 million Americans who would have no health insurance, were it not for Medicaid coverage which reaches just over half of them. And to the extent that the Federal Government reduces its support for Medicaid funding, the numbers of uninsured Americans will rise even more rapidly.

Medicaid is a critical part of our Nation's health care system. It provides health coverage for people in the doctor's office, rather than the emergency

rooms, where care is more expensive. It also plays a crucial role in preventing health care costs for the uninsured from being shifted to the private sector, which in turn increases hospitals' costs.

The economic downturn which state economies experienced several years ago, and from which many States are only now emerging, has continued to leave many families jobless and without health insurance, forcing them to turn to Medicaid. This has put an enormous strain on the states already strapped with budget scarcities. Many States reduced Medicaid benefits last year and even more restricted Medicaid eligibility in an effort to satisfy their budgetary obligations.

As the Senate considers the budget resolution for fiscal year 2006, I believe that we must take a balanced approach that is fiscally responsible yet reflects our long-standing commitments to provide health care for many of the low-income and uninsured through the Medicaid program. Decisions on Medicaid funding involve issues of fairness and balance, and it is our responsibility to balance these concerns on both the spending and revenue sides of the ledger.

I believe in fiscal responsibility, and I believe that reducing the deficit is critical for our Nation's fiscal health. We should not pass down a legacy of debt to our children. At the same time, we should do no less than to meet our obligations to our uninsured children and their families, senior citizens, and individuals with disabilities.

My home State of Maine is a relatively poor state which relies heavily on Medicaid matching funds. Maine's Federal match is roughly 65 percent, compared to the national average of about 57 percent. This means that for every dollar in State funds spent on Medicaid, the State receives nearly \$2 in Federal matching funds. Of the \$7.7 billion spent on health care in Maine in 2004, \$2 billion—26 percent—came from the MaineCare program. Of the \$2 billion in Medicaid spending, nearly two-thirds, or \$1.4 billion, came from Federal Medicaid dollars.

Maine has suffered disproportionately from a loss of manufacturing jobs—and the health insurance coverage that goes with them. Medicaid has helped cover those uninsured, allowing our overall rate of uninsurance in Maine to stay even or improve for those with income below 200 percent of the poverty level.

Medicaid is also an essential program for providing health services to children and other vulnerable populations. Children are nearly half—44 percent—of Maine's Medicaid clients yet they require less than one quarter of the funding, clearly a very cost-effective use of our health care dollars. Children need access to health care to do well in school, and to do well in life, and Medicaid plays a key role in narrowing the "achievement gap." Children who are

in pain, or sick, are not able to pay attention and learn, and those with untreated illnesses can develop long-term disabilities, such as hearing impairments, that require expensive special education and make it harder for them to do well in school.

It is crucial that we continue to provide sufficient Federal funding for Medicaid, a program which has worked extremely well since it began providing care for some of our most vulnerable populations 40 years ago. That's why I believe we must proceed cautiously before making significant changes that could damage the program.

As we debate the budget resolution and consider the instructions for spending cuts that the Finance Committee would be required to produce—with Medicaid squarely in its sights—we must recognize that the Federal Government cannot simply abandon its responsibility to help states provide health care to our most vulnerable citizens. Finding workable solutions on the financial sustainability of Medicaid will take time, expertise, and bipartisan consensus and are more appropriately the province of a bipartisan Medicaid commission than a budget debate.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Mr. President, how much time do both sides have?

The PRESIDING OFFICER. The majority has 24 minutes 40 seconds. The Senator from Wisconsin has 14 minutes 20 seconds.

Mr. KYL. Mr. President, I yield 15 minutes to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, we have had this debate before. Here we go again. I think it is an important debate and we need to think very carefully about it. I certainly agree with Senator FEINGOLD and Senator VOINOVICH that Congress has been spending money recklessly over the past few years. We need to restore fiscal discipline. Unfortunately, this amendment does very little to address that problem.

I cannot help but remember that during the late nineties and the early part of this century, we had a balanced budget for 4 years. We actually had surpluses. How did that happen? There was some fiscal responsibility. We forced President Clinton to join us in a balanced budget amendment in 1997. But we also cut taxes in a way that encouraged growth in the economy. We grew bigger.

That is one thing you need to think about. The economy is showing growth. It was pretty fragile last year, but it continues to show positive signs in terms of production, and unemployment is at 5.4 percent. It should be headed the other way. More people are being hired. There are positives in the economy. I talked to the experts about

how did that happen. Part of it happened because we did tax cuts where we let people keep more of their money instead of bringing it to this city and wasting it. We encouraged growth in the economy. We encouraged family tax relief, families with children, research and development, we cut taxes on dividends. We took some actions that made a huge difference. That is how we had balanced budgets and surpluses.

But then, for a variety of reasons, we started spending more and more again. A variety of things happened. First, we got used to having surpluses, so we started spending money, whether we should or should not. We made commitments on Medicare and Medicaid that we should have made, and then the economy started going down. Then, we had 9/11 and we have had all the extra spending for the defense of our country, our military actions in Afghanistan and Iraq, and we spent a lot of money on homeland security. We wasted a lot of it, in my opinion. But we are doing a better job and we are doing some things that had to be done. We are going to continue to have to spend money to try to make America safe against terrorists.

But the combination of overspending in the beginning of the century, a falling economy in 2000 and 2001, and 9/11, has led us to the deficits we now have. One of the interesting things to me about this is that the focus is on, by the way, you cannot let people keep more of their money unless you cut spending or raise taxes. The focus should be on how we control spending. Year after year, this administration, previous administrations, and we have spent more and more and more. I will be glad when we get to the point where you cannot raise spending for Amtrak or NIH or anything else that you don't offset in some way. We need fiscal responsibility, but this is not the way to get it, in my opinion.

On the floor this week, there have been amendments offered on the budget—mostly by Democrats, with the complicity of some Republicans occasionally—to add \$50 billion more in spending—just so far. By the time the smoke clears this week, there will be amendments that would add probably \$200 billion or who knows how much more than what the President budgeted, which is a significant budget; \$843 billion is not chicken feed. Then you add entitlements on top of that. So we have a problem.

Here is the real kicker. If we pass this amendment, this is really a tax increase. If we don't have the ability to extend some of these tax cuts that we already passed, we committed to the people—if you ask the experts what would happen if we didn't extend these tax cuts in these critical areas of capital gains and dividends, they would say: We are not worried about that. We have factored that into our economic thinking. You are going to do that.

Well, could we get 60 votes for it? Are we going to do that? Can we be assured

we are going to get that accomplished? This would lead to tax increases of \$70 billion on working Americans and families with children. That is why I cannot support it. You might say, well, I can go down the list and say one after the other to my colleagues on both sides, Do you think we ought to do something about the AMT tax relief problem, the fact that 9 million Americans are being forced into higher tax brackets because of the AMT that we got into years ago?

Do my colleagues think we should not address that? Why, the Senator from Ohio would say, we are going to have to do that; why, absolutely we are going to do that, and we should do that.

Does this mean we should not have money for the tax extenders for such things as R&D tax credit, the work opportunity tax credit which helps business employ millions of Americans who might not be employed otherwise? Oh, no, everybody says, no, I am for that.

Does this mean my colleagues do not want dollars for small business expensing, which is really a tax increase on small businesses? They are the ones where the jobs are really being created. That is where the real entrepreneurial spirit is. But most people say: No, no, I want to encourage small business, so I would want to extend that.

What about capital gains and dividends? Well, I guess some people in the Senate might say: I do not want to do that; that is the middle income or upper income people. Tell that to the millions of Americans now who do receive dividends, and they are not wealthy Americans, either.

So if we do not extend these, the result is going to be we are going to have a tax increase on millions of these working Americans. It would have a devastating effect on the economic growth that we are encouraging. There would be fewer jobs and even more dependency on the Government.

I have watched it over the years in my own State. Year after year we were one of the poorest States in the Nation. We thought we could spend our way out of poverty. We were not in debt because we had a constitutional amendment that said we could not do it. So we kept trying to spread money out to people, saying that if we keep supporting everybody—one-quarter of the entire population in my State is on Medicaid. Finally, a few years ago, we said: Wait, we are not going to be able to spend our way out of being the poorest State in the Nation. We are going to have to take some aggressive action to have better quality education, better infrastructure. We are going to have to go out there and create jobs, solicit jobs. We are going to have to have tax reform. We are going to have to cut taxes.

What has happened? We are creating jobs. We are not the poorest State in the Nation anymore. We are glad to give that title to another State, maybe South Dakota, West Virginia, or Arkansas. They can fight over that title.

We do not want it. We finally got up off our knees and said: We are tired of being poor. We want to grow the economy. We want our people to have an opportunity to get a good education, have jobs, and create jobs.

That is why we have Nissan, Textron, International Harvester, and FedEx in my State. Northrop Grumman has two different new plants in my State to build unmanned aerial vehicles. That is why Lockheed Martin, Boeing, and Eurocopter, and now the newest steel mill in America is in Mississippi, because we quit trying to spend our way out of poverty. We started trying to figure out ways to attract people and create jobs and allow people to make more money, have a decent paying job, and keep more of their own money. Yes, we cut taxes, and we started growing. Hallelujah. We also had tort reform to get these frivolous class action lawsuits under control.

So that is why I think this is totally wrongheaded, goes absolutely in the wrong direction. I hope my colleagues will not fall into this trap. The Finance Committee would have to come up with at least \$30 billion probably in revenue raisers over the next 5 years to cover dealing with these tax provisions. We would not really be getting anything for it in return.

Chairman GRASSLEY tells us that if we had to come up with this \$30 billion, it would basically max us out because that is the bare minimum we need to prevent a tax increase on Americans without looking at what we need to have some growth in the economy and help working families in America.

This is a responsible budget that we have come up with. We should not put this provision in it. Let me understand this. We want to discourage tax cuts on working people being able to keep their money, and instead we want to force tax increases and spending cuts? I like the spending cuts idea. That is the only part I really heard that I like, but we need to think about what we are doing.

Finally, maybe we can begin to top out this spending orgy that we have been involved in and begin to come down. By the way, everybody on the floor, we are all screaming and hollering: Oh, my goodness, you do not mean agriculture, do you? Oh, wait, you are talking about some of our beloved education programs? No, we did not mean that. You do not have money for Amtrak, you do not have enough money for shipbuilding, you do not have enough money for highways?

Everybody ought to have to ante up a little bit. The problem is not tax cuts and tax relief for working Americans and families with children; the problem is we cannot control our insatiable appetite for spending.

By the way, I acknowledge that I am guilty. I have been a participant. I tried to get more of my fair share in Mississippi because for 135 years we did not get our fair share. Why did we not get it? Because we did not stand up and ask for it. We did not play on the national team.

This is not the way to go. Senator GREGG has provided leadership and courage. I have been speaking against things today and over the last 2 weeks. I support Amtrak. I am from an agriculture State. I want more highway money anyhow, anywhere, any way I can get it, but at some point we have to ask, how much is enough?

There is an amendment to add money for NIH. I have been a part of the Republican commitment over the past few years to double the spending for NIH, and we have done it. Now we are being told that is not enough, we need \$2 billion. We need to sober up, and this resolution will help us do it. It is not going to be easy. We are going to have withdrawal pains, but we need to stop spending. We need to try to find some way to help reduce this deficit by encouraging growth in the economy.

I urge my colleagues, vote against this so-called pay-go provision, and let us go with this resolution the way it was written. I hope this time we can get a conference report, too, because if we do not, we are doomed around here. If we cannot do these little tiny cuts, some minimum reforms, wait until we really have to deal with the big choices. They are coming. They are coming down the road, and it is a Mack truck. Unfortunately, the roads are not in very good shape. I hope it does not fall into a pothole or a bridge before it gets here.

We need to pass a highway bill. As much as I would like for that highway bill to be \$318 billion, \$350 billion—we cannot come up with enough highway money to suit me—I am going to vote for some restraint. If it is over \$184 billion and it is not paid for in an appropriate way, I will vote to sustain a veto. We have to all do this. We talk about it.

The Senator from North Dakota knows we need to do this. He wants to do it. We have to have some help. We have to have some “followership” and courage. Now is the time to do it. This amendment is not the way to do it.

I thank my colleagues.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I am going to yield to a couple of colleagues, but first I will say that the Senator from Mississippi indicates we need to sober up on the issue. I suggest that anybody who believes this is a responsible budget needs to sober up. In the 12 years I have been here, this is the most obviously outrageous and irresponsible budget I have ever seen. The notion that this is a tough budget that seriously addresses our deficit in the coming years is, frankly, absurd. The Senator from North Dakota has done a wonderful job of making that point.

I will turn to my Republican colleagues who support this amendment and think it makes sense. I yield first 2 minutes to the Senator from Ohio and then 5 minutes to the Senator from Rhode Island, who has been one of the

true stalwarts on this issue and, frankly, the lead author, and has been with us all the way on the issue of pay-go.

The PRESIDING OFFICER (Mr. MARTINEZ). The Senator from Ohio.

Mr. VOINOVICH. Mr. President, I will correct the impression that my good friend, the Senator from Mississippi, shared with us. The fact is that this amendment would subject tax continuation to the same 60-vote point of order we have for spending. In other words, why should we not subject continuing tax reductions, two of which are not going to even be up until 2008, to a lesser vote than we do when we are talking about spending more money than what the budget provides?

Let us apply the same standard to tax extensions that we do to trying to spend more money on the Senate floor. It is not a tax increase. It absolutely is not. All it does is say that 51 votes can extend it. All we are saying is this: If we want to do that, then subject it to the same test that all of us are going to have to adhere to when someone tries to spend more money than what the budget provides. Fair is fair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I yield to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for up to 5 minutes.

Mr. CHAFEE. Mr. President, I rise today as a proud cosponsor of the amendment offered by the Senator from Wisconsin. I support this amendment because of my grave concern about our budget deficit. We in Congress have an obligation to put and keep this Nation's fiscal house in order. By passing this tough pay-go amendment, we can send a signal that we do not intend to shirk this duty.

I think all of the Members of the Senate know what this amendment does. It simply imposes a budget rule that requires any new tax cuts or entitlement spending to be offset. If no offset exists for new tax cuts or entitlement spending, then 60 Senators will need to vote to override the rule. In short, this amendment forces Congress to make the tough budget choices. There is no doubt that we would all like to provide the American people with more tax cuts. Many would also like to provide better and more efficient entitlement programs. Under the current budget rules, we are not forced to make many, if any, difficult decisions about our priorities. If we want more entitlement spending or tax cuts, we simply provide for them in the budget. That is no way to ensure fiscal discipline. I wonder what effect a true pay-go rule would have had on our debate regarding the new Medicare prescription drug benefit. Would Congress have thought the new benefit was so important that we were willing to re-prioritize and actually pay for it?

I have listened to distinguished Senators argue against this amendment because the economy is showing improvement. But, the fact that aspects

of the economy are improving does not mean that our Federal budget is in good shape. Forsaking measures that require budget discipline is the wrong policy. With all due respect, it is the type of thinking that got us into the current problem in the first place.

In 1990, Congress, which at that time included many of the same Senators here today, realized that Federal spending was out of control. Congressional will to control spending was not enough to put us on the path to fiscal responsibility. So, as part of the Omnibus Budget Reconciliation Act of 1990 Congress enacted some tough budget measures—including pay-go. Pay-go was extended in 1993 and again in 1997. Senators realized then that pay-go was a good idea and it was actually working.

We went from deficits and red ink “as far as the eye can see” in 1990 to an actual \$236 billion budget surplus in 2000. It is at this point that Congress thought the need for budget discipline had ended. So, when pay-go expired in 2002, it was not extended. This has led us to the point where we find ourselves today. In 2004, the Federal deficit was \$412 billion. In 5 short years, we have gone from a \$236 billion surplus to a \$412 billion deficit.

Pay-go is not perfect. Congress has found, and will continue to find if it is included in this budget, ways to get around it. But, despite its flaws, it does have a proven track record. It tests policies of both parties in the same way—pay for your priorities, or find 60 Senators willing to override the rule. This is the way it should be. At a time when our budget is awash in red ink it only makes sense to bring discipline and accountability back to the budget process. If new tax cuts or entitlement spending is so important, shouldn't we be able to find a way to address the costs? Including pay-go in the budget made sense in the 1990's, when the stock market was at historic highs and unemployment at historic lows, and, it makes sense today.

The PRESIDING OFFICER. Who yields time? The Senator from North Dakota.

Mr. CONRAD. Mr. President, we should follow the advice of the chairman of the Budget Committee on the matter before us. The chairman of the Budget Committee in a floor debate on June 5 of 2002 said this:

The second budget discipline, which is pay-go, essentially says if you are going to add a new entitlement program or you are going to cut taxes during a period, especially of deficits, you must offset that event so that it becomes a budget neutral event.

He went on to say:

... if we do not do this, if we do not put back in place caps and pay-go mechanisms, we will have no budget discipline in this Congress and as a result we will dramatically aggravate the deficit which, of course, impacts a lot of important issues but especially impacts Social Security.

That is the chairman of the Senate Budget Committee in 2002, saying pay-go ought to apply to both spending and

to taxes. He was right then. And it is the right position now. Pay-go should apply to both spending and taxes. That is what the amendment of the Senator from Wisconsin does. It deserves our support.

I want to say a word about the remarks of the Senator from Mississippi, who said it is time to get serious, it is time to get tough on deficits. He is right. But he is badly mistaken if he thinks this budget does anything about deficits. The only thing this budget does about deficits is to make them worse.

This budget before us increases the deficit by \$130 billion in excess of what would happen if we did nothing. If we just put this economy on autopilot, we would reduce the deficit by \$130 billion compared to this budget.

I see my colleague is holding up a chart over there that shows the deficit going down. But what he ought to do is take a look at their own budget document on page 5 where it reveals how much the debt increases if this budget passes. This is not my estimate. This is their estimate. It says the debt is going to increase by over \$600 billion each and every year of this budget resolution.

This is not a budget that does anything about reducing the increases in the debt, except to extend budgets that explode the debt.

They can put up all the fancy charts they want. This one shows the deficit being cut in half. The problem with it is it just leaves out things. The only reason they get to a reduction in the deficit under this plan is they just exclude things we all know are going to cost money.

I heard the Senator from Mississippi say we ought to do something about the alternative minimum tax. Indeed, we should. There is not a dime in this budget to do it—not a dime.

Under pay-go, you can have any tax cut you want. You can have any additional spending you want—if you pay for it or you get a supermajority vote. Paying for things, that is a new idea around here. Our Republican friends have adopted the policy of borrow and spend, borrow and spend, borrow and spend. They don't want to raise the revenue to cover their spending and they don't want to cut their spending to match the revenue they will support. Instead, they just want to put it on the charge card, run up the debt, shove it off on our kids and wait for the roof to cave in.

That is a mistake. Pay-go is restoring the budget disciplines that worked well in the past. We ought to adopt the amendment of the Senator from Wisconsin.

I thank the Chair and yield my time to the Senator from Wisconsin.

The PRESIDING OFFICER. Who yields time? The Senator from Texas.

Mr. CORNYN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Texas is recognized.

Mr. CORNYN. Mr. President, I want to speak briefly against this amendment. Really, what we are looking at is a tax increase unless this budget resolution passes. In other words, what they are saying is we are either going to have to find further cuts—and, of course, our friends on the other side of the aisle continue to oppose reductions in the rate of increase of entitlement spending like Medicaid or Medicare—but at the same time they say, in essence, you have to pay for these tax cuts. What they mean by that is you have to raise taxes to do so.

While I hate deficits as much as the next person, this budget actually works to reduce the Federal deficit by half, over the next 5 years.

We are taking a constructive approach to reduction of the deficit.

But let me point out that over the last 21 months since the last tax cut, we have seen 3 million new jobs in this country. Frankly, what our opponents are proposing is something that would raise taxes on the average American worker and kill the job creation engine that put America back to work.

Finally, in the short time we have, I want to speak briefly in support of an amendment that Senator HUTCHISON and Senator GREGG and others offered yesterday that would increase the number of Border Patrol agents to 1,000 per year for each of the next 5 years. Unlike some other amendments, this one is actually budget neutral because we find offsetting cuts to pay for it. Our security in this country ought to be and ought to remain our highest priority.

The fact is, our borders are uncontrolled and porous. While we know our Border Patrol agents do their job in a highly professional way with what they have, the fact is, they are under-equipped and outmanned. The fact is, our 2,000-mile southwestern border is open game for anyone who wants to try to come across, notwithstanding the good work that is being done. We have a lot more to do, but we are not there yet. We need the Border Patrol agents and the equipment to get it done.

The fact is, these porous borders not only admit people who want to come to the United States and work, people for whom I have a great deal of compassion and sympathy, and we need to find a way to deal with that in a realistic way—and we will—but it also allows entry into this country of people who want to come here to kill us.

Deputy Homeland Security Secretary Admiral James Loy said it is no secret that al-Qaida and other enemies of this country are going to try to take advantage of our porous borders, our lack of personnel and equipment to protect our borders, to try to infiltrate this country and commit another heinous attack on civilians as we experienced on 9/11.

It is absolutely critical that the Federal Government live up to its responsibility and not foist upon State governments that happen to have large

borders, such as Texas, Arizona, New Mexico, and California—it is absolutely essential that the Federal Government live up to its responsibility.

Only by adequately funding Border Patrol personnel, and only by continuing to deal with the porous nature of our borders can we be assured that we are doing everything humanly possible to protect America and to keep us safe.

I yield the remainder of my time to the manager.

The PRESIDING OFFICER. Who yields time?

The Senator from Arizona.

Mr. KYL. Mr. President, let me make a couple of comments, and then I think the other side will want to close the debate. I will reserve just a couple of minutes, if anyone else would like to speak on our side.

I think there is an important point that needs to be made. When we talk about pay-go, outside the Senate people might wonder what in the heck that means. On the spending side, when we increase spending, that means we also have to find a way to offset that. We have to find a revenue source or we have to cut spending somewhere else. So the net is the same. Just like in your household budget, you are going to spend money in one area, and you have to reduce the spending in another area so you can get back to even. That makes a lot of sense. But paying on the tax cut side is totally different.

Who pays to make up the lost revenue to the Federal Government? Taxpayers. So it is real easy for Senators to say, well, the taxpayers have to pay more money. But that is not right. It is their money. It is not ours. The Federal Government doesn't own any of that money.

When we make a deliberate decision to reduce taxes, our point is to let people keep more of their own money. It is not to have some new rule come in here and say, but however much you let people keep, you have to take from them some other way because the Government needs all of that money.

We are talking about the budget deficit. According to the Congressional Budget Office, which is the entity that does the scoring around here, under the assumptions of this budget, the green line is the deficit. You see it going from 2005, 3.2 percent of our gross domestic product, down to 2.8, 2.2, and 1.8. In less than 5 years, we cut the budget deficit in half. Those are under the assumptions that include the tax cuts that we passed in 2001 and 2003. We are going to reduce the deficit with the tax cuts in place.

What our colleagues on the other side are saying is, No, we have to let those tax cuts expire, creating the biggest tax increase in the history of this country because otherwise it won't be fair to the Federal Government. My concern is that we be fair to the taxpayers of this country. This budget assumes the tax cuts we want to continue, and that is the right way for us

to budget. That is what the budget assumes, that is why we should adopt the budget, and that is why we should reject the amendment that has been offered by the Senator from Wisconsin.

I reserve the remainder of the time.

The PRESIDING OFFICER. Who yields time? If no one yields time, the time will be charged to both sides.

Mr. KYL. Mr. President, let me respond to two other issues that have been raised by the proponents of the Feingold amendment. One was that these are the same rules we had back in the 1990s. The fact is, though, they didn't work the same way. In the 1990s, Congress passed spending increases, and we also passed some tax cuts. The result of that under the rule was we were supposed to sequester or to spread those spending increases and tax cuts out over the remainder of the budget at the end of the year. But it turned out that at the end of each year we passed a bill that said forget about it, and the President signed that into law.

The fact is, while the rule was in place, we violated that rule. We cannot say this is the same rule we have had forever.

Second, my colleagues, particularly the chairman of the Finance Committee, made the point that there are a lot of things people on both sides of the aisle would like to accomplish this year that they will not be able to do if the Feingold amendment is agreed to.

We are not going to be able to do the leasehold improvement depreciation, by the way, which is a great idea. The Senator from North Dakota sponsored the bill, S. 621, to make the 15-year life for qualified leasehold improvements permanent. I cosponsored that bill.

We are not going to be able to accomplish that, if this pay-go rule is adopted.

There are other things we wouldn't be able to do, such as the R&D tax cut. The cost of that is \$7 billion over 5 years. In fact, to extend the R&D tax credit for 1 year, just through 2006, is almost \$7 billion.

There are simply not enough loopholes to close or revenue to generate in order to pay for that.

The small business spending, so-called section 179 spending, allows small businesses to elect to deduct all or part of the cost of certain qualifying property in the year that it is placed in service instead of over a specified recovery period. This immediate extension has been critical to supporting economic growth and job creation by small businesses. They will not be able to do it.

By the way, the cost of that is over \$10 billion over 5 years.

The AMT relief we talked about before, there is enough within the budget to do some relief on AMT if we want to do it. Most of us would like to do that. We wouldn't be able to do it under the pay-go rule.

The State sales tax deduction that the chairman of the Finance Committee mentioned, the line deduction

for college tuition costs, the welfare-to-work and work opportunity tax credit—if you want to do those things this year, you have to vote against the Feingold pay-go amendment because we wouldn't be able to do that.

Not only is it important to keep the economic growth going by ensuring that we don't suffer the worst tax increase in the history of this country, if we are going to continue some of these tax policies that all of us would like to see extended, we are not going to be able to do it if we adopt the Feingold amendment.

I encourage my colleagues to appreciate that every one of us wants to ensure that we have the smallest deficit possible. Under this budget and under the President's budget, we are going to cut the deficit in half within 5 years. The chart I showed a moment ago demonstrates that. Those are the budget figures. Those are not made up. Those are the CBO numbers.

As a result, if we stay on this path, we are going to achieve deficit reduction. Part of the reason for that is because we assume the tax cuts are permanent. We assume they will continue to generate job creation, economic growth, more wealth in this country which, when taxed even at the lower rates than currently exist, produces more revenue.

I hope my colleagues will not get into this notion that somehow all of the money belongs to the Government and if we are ever going to give it back to the people, we have to have 60 votes to do that instead of a mere majority vote. The reason we let people keep more of their money in the way of tax cuts is because we understand not only is that the right thing to do, but it is the most important thing for the economy. We cannot have a rule around here that you can never have a tax cut, you always have to make the money up some other way, so you never can change the amount of taxes paid by the American public. We have put in place a rule that would be grossly unfair as well as unwise in terms of economic recovery and, as I said, unwise in wanting more revenue to be collected by the Federal Government because a smaller economy produces less revenue to be taxed.

I urge my colleagues to vote against the Feingold amendment.

I yield back any time that remains on this side.

Mr. FEINGOLD. First, let me ask Senator CARPER of Delaware be added as the 13th sponsor of this amendment.

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

Mr. FEINGOLD. Mr. President, it is false as speaker after speaker claims this pay-as-you-go rule prevents tax cuts. It is an absolute red herring. That is not what it does.

It says, if we are going to do additional tax cuts, either pay for it—and you do not have to pay for it through tax increases, you can pay for it with tax increases or spending cuts—or get 60 votes to allow it.

How can speaker after speaker come out and say this requirement of 60 votes to go beyond the budget is preventing a tax cut? That is not the fact of what has happened.

In 1997, under these very rules, significant tax cuts were enacted.

I correct the Senator from Arizona regarding his statement that the rule was different then. That is untrue. He was talking about the statute. This is the rule. It does not have sequestering. That is simply inaccurate.

Last year, when the question was, Do we continue the middle-class tax cuts, we voted on it, and I think it got 90 votes for the middle-class tax cuts, well over 30 votes over the 60-vote requirement. How can someone say a rule of 60 votes for tax cuts somehow prevents tax cuts.

The Senator from Mississippi talks about the need to deal with the alternative minimum tax. He is absolutely right. The Senator from North Dakota has pointed out that is critical for middle-income families. How many votes do you think that would get? Do you think it would be close? Do you think you would get 50 or 55 votes? That would get 90 or 100 votes.

There is no barrier whatever in this pay-go rule to tax cuts as long as you get enough votes or, better yet, if you pay for it.

What has happened in the leadership on the other side is they have become openly hostile to fiscal discipline; openly hostile to balancing the budget; openly hostile to anything that gets in the way of tax cuts regardless of what the consequences are for our budget and our economy. That is a sad moment. To paraphrase an old song, "where have all the deficit hawks gone."

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. 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. GREGG. 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. GREGG. Mr. President, it is now our plan to vote on four items in the following sequence: The first will be Senator FEINGOLD's amendment on pay-go; the second will be Senator ENSIGN's amendment on veterans; the third will be Senators MURRAY and AKAKA on veterans; and the fourth will be Senator SPECTER on NIH education. I ask unanimous consent that the time will run during the pendency of those votes.

Mr. President, I ask unanimous consent that the yeas and nays be deemed to have been ordered on all four amendments.

The PRESIDING OFFICER. The yeas and nays have been previously ordered on the Specter amendment.

Is there objection to ordering the yeas and nays on all three en bloc?

Without objection, it is so ordered.

Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. CONRAD. Mr. President, reserving the right to object, and I shall not object, I just want to make sure we have a couple of refinements to this. If we could; one, give people 2 minutes equally divided to describe their amendment before the vote; second, that after the first vote, the subsequent votes be 10-minute votes. And can we send a very clear signal to our colleagues. Some colleagues have been missing votes. We have to ask people to stay in the Chamber. Cast your vote. Make sure you do not miss a vote. Let's try to get these votes off quickly.

We have had a couple of votes that took 28 minutes. That just slows down the process for everybody. We should make our colleagues understand that at this moment we have 150 amendments that have been noticed to the leaders—150 between the two sides. At three votes an hour, that would be 50 hours of straight voting.

Now, if we want to subject ourselves and our colleagues to that, we will just stay on the current course. If, instead, we want to bring some discipline and some order, then we have to agree to a series of short time limits on votes.

What we would like to do is try to conclude work on the budget resolution by some reasonable hour tomorrow night, like maybe 10 o'clock tomorrow night. That could be done, but it is only going to happen if people cooperate. It is only going to happen if we show some discipline.

I urge my colleagues, if you sent a notice that you have an amendment, please, if there are amendments that are on a similar topic, join with others. Let's try to remove a substantial number of these amendments so that we can conclude at some reasonable time.

Mr. GREGG. Mr. President, let me enthusiastically second the fine comments of the Senator from North Dakota.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, on the floor right now we have the Republican leader, the Democratic leader, and the managers of the bill. What we have said is absolutely critical. We have the opportunity—but it is going to be very difficult and challenging to do—to complete this bill at a reasonable hour tomorrow night. But it is going to take the absolute discipline and cooperation of our colleagues.

Right now what that means is the next vote is going to be a 15-minute vote, but thereafter in this series of votes they will be 10 minutes, and we will be cutting the votes off. Therefore, stay in the Chamber. With that, we are going to be able to finish this bill at a reasonable time tomorrow night. Each time—even after 25 minutes we have

been cutting off the votes—people complain, saying: You shouldn't be cutting off the votes.

The message being sent from the leadership of both sides of the aisle and the managers is: We are going to adhere strictly to these time limits.

Mr. REID. Reserving the right to object, Mr. President, I ask unanimous consent that the request by my friend from New Hampshire be modified that there be no second-degree amendments in order regarding the Feingold amendment and that all votes be 10 minutes after the first one.

The PRESIDING OFFICER. Does the Senator so modify his request?

Mr. GREGG. Yes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 186

The PRESIDING OFFICER. The question is on agreeing to amendment No. 186 offered by the Senator from Wisconsin. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 50, nays 50, as follows:

[Rollcall Vote No. 53 Leg.]

YEAS—50

Akaka	Durbin	Mikulski
Baucus	Feingold	Murray
Bayh	Feinstein	Nelson (FL)
Biden	Harkin	Nelson (NE)
Bingaman	Inouye	Obama
Boxer	Jeffords	Pryor
Byrd	Johnson	Reed
Cantwell	Kennedy	Reid
Carper	Kerry	Rockefeller
Chafee	Kohl	Salazar
Clinton	Landrieu	Sarbanes
Collins	Lautenberg	Schumer
Conrad	Leahy	Snowe
Corzine	Levin	Stabenow
Dayton	Lieberman	Voinovich
Dodd	Lincoln	Wyden
Dorgan	McCain	

NAYS—50

Alexander	DeWine	Martinez
Allard	Dole	McConnell
Allen	Domenici	Murkowski
Bennett	Ensign	Roberts
Bond	Enzi	Santorum
Brownback	Frist	Sessions
Bunning	Graham	Shelby
Burns	Grassley	Smith
Burr	Gregg	Specter
Chambliss	Hagel	Stevens
Coburn	Hatch	Sununu
Cochran	Hutchison	Talent
Coleman	Inhofe	Thomas
Cornyn	Isakson	Thune
Craig	Kyl	Vitter
Crapo	Lott	Warner
DeMint	Lugar	

The amendment (No. 186) was rejected.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. ENSIGN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 171

The PRESIDING OFFICER. Under the previous order, there is 2 minutes of debate on the Ensign amendment.

The Senator from Nevada is recognized for 1 minute.

Mr. ENSIGN. Mr. President, very simply, the amendment I have offered

for myself, Senator CRAIG, Senator VITTER, and Senator HUTCHISON increases the spending for veterans medical care by \$410 million.

The President had increased \$751 million over last year's spending for veterans medical care, Chairman GREGG put in an additional \$40 million, and we put in an additional \$410 million, which in total is a \$1.2 billion increase for veterans medical care. We did it without raising taxes. We did it with no new copays for the vets, and we did not increase the deficit.

The Murray amendment increases taxes to provide for our veterans. We did it in a fiscally responsible way. We provide for our veterans. As my colleagues can see, the last several years we have dramatically increased spending for veterans and veterans medical care because we should do it. It is the right thing to do to make sure we take care of those who have sacrificed for you and me and for our freedom.

I urge a "yes" vote on this amendment.

The PRESIDING OFFICER. Who yields time?

The Senator from Washington.

Mrs. MURRAY. Mr. President, Senator ENSIGN's amendment is a nice gesture, but we all know that a wink and a nod is not going to make the waiting lines go away for the 700,000 veterans who are serving us honorably today. We all know about the understaffed and overcrowded VA hospitals. We know about the paperwork. We know about the redtape. We know our veterans are waiting for prescription drug coverage. They are waiting for posttraumatic stress syndrome treatment. That is for the veterans who have already served.

On top of that, we have new veterans coming home today, and it is our responsibility to make sure we do more than a gesture. That is what the Akaka-Murray amendment is that we will vote on after this amendment. I urge the adoption of the Murray-Akaka amendment. That would be the real vote to say whether we care for our veterans.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 171.

The yeas and nays have been previously ordered.

This is a 10-minute vote.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 96, nays 4, as follows:

[Rollcall Vote No. 54 Leg.]

YEAS—96

Akaka	Brownback	Collins
Alexander	Bunning	Conrad
Allard	Burns	Cornyn
Allen	Burr	Corzine
Baucus	Byrd	Craig
Bayh	Cantwell	Crapo
Bennett	Carper	Dayton
Biden	Chambliss	DeMint
Bingaman	Clinton	DeWine
Bond	Coburn	Dodd
Boxer	Cochran	Dole

Domenici	Kerry
Dorgan	Kohl
Durbin	Kyl
Ensign	Landrieu
Enzi	Lautenberg
Feingold	Leahy
Feinstein	Levin
Frist	Lieberman
Graham	Lincoln
Grassley	Lott
Gregg	Martinez
Hagel	McCain
Harkin	McConnell
Hatch	Mikulski
Hutchison	Murkowski
Inhofe	Murray
Inouye	Nelson (FL)
Isakson	Nelson (NE)
Jeffords	Obama
Johnson	Pryor
Kennedy	Reed

NAYS—4

Chafee	Lugar
Coleman	Voinovich

The amendment (No. 171) was agreed to.

Mr. CRAIG. Mr. President, I move to reconsider the vote.

Mr. CHAMBLISS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 149

The PRESIDING OFFICER. There are 2 minutes equally divided on the Akaka-Murray amendment.

The Senator from Washington.

Mrs. MURRAY. Mr. President, the Senate is now going to consider the real amendment on whether we are going to help our veterans. The amendment we just passed was a token amount of money to help our veterans—laudable but nowhere near what we need. The amendment we are now considering will provide the funding so the 700,000 veterans who are waiting will get the services they need.

Why do we need this? Because the number of veterans receiving veterans care has gone up 88 percent. Medical inflation has gone up 92 percent. We made a commitment to those who serve us that we will be there to serve them. That is our responsibility.

Across this country, veterans are calling to see if we keep our promise to America's veterans to fund health care now. That is what this amendment will do. It is our responsibility. It implies we will keep the promise we made when we asked young people to serve us overseas, that we will be there when they come home. It is the responsibility of this body, and I urge its adoption.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, fellow Senators, you just voted to increase the veterans budget by \$1.2 billion. A 3.7-percent increase over last year's spending meets all the service requirements, meets incoming new veterans out of Iraq, serves the needs of America's veterans. The amendment you are now being asked to vote on is nearly a \$3 billion increase, and a major tax increase to offset it.

If you want to raise taxes, if you want to go way beyond what is necessary to keep the quality of veterans

health care alive, you should vote for this. But I hope you would not only serve your veterans but would be fiscally responsible and wouldn't raise taxes on America's working men and women, especially America's working veterans.

We ought not have to tax them to serve them in their health care. But that is what the Akaka-Murray amendment does.

I ask for a "no" vote on this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll. The result was announced—yeas 47, nays 53, as follows:

[Rollcall Vote No. 55 Leg.]

YEAS—47

Akaka	Dorgan	Lincoln
Baucus	Durbin	Mikulski
Bayh	Feingold	Murray
Biden	Feinstein	Nelson (FL)
Bingaman	Harkin	Nelson (NE)
Boxer	Inouye	Obama
Byrd	Jeffords	Pryor
Cantwell	Johnson	Reed
Carper	Kennedy	Reid
Chafee	Kerry	Rockefeller
Clinton	Kohl	Salazar
Coleman	Landrieu	Sarbanes
Conrad	Lautenberg	Schumer
Corzine	Leahy	Stabenow
Dayton	Levin	Wyden
Dodd	Lieberman	

NAYS—53

Alexander	Dole	McConnell
Allard	Domenici	Murkowski
Allen	Ensign	Roberts
Bennett	Enzi	Santorum
Bond	Frist	Sessions
Brownback	Graham	Shelby
Bunning	Grassley	Smith
Burns	Gregg	Snowe
Burr	Hagel	Specter
Chambliss	Hatch	Stevens
Coburn	Hutchison	Sununu
Cochran	Inhofe	Talent
Collins	Isakson	Thomas
Cornyn	Kyl	Thune
Craig	Lott	Vitter
Crapo	Lugar	Voinovich
DeMint	Martinez	Warner
DeWine	McCain	

The amendment (No. 149) was rejected.

Mr. CRAIG. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. There is now 2 minutes of debate equally divided on the Specter amendment.

Mr. GREGG. Mr. President, I ask unanimous consent that we suspend that process for a second so I may make a request for a unanimous consent.

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

Mr. GREGG. Mr. President, at the conclusion of the Specter amendment, which is about to be voted on, we are going to proceed with a series of amendments and debate. We will begin a debate for an hour, hopefully, around 5:10, 5:15 on a Medicaid amendment by Senator SMITH. That will be followed by debate from 6:15 to 7 o'clock on the Carper amendment dealing with reconciliation, followed by debate from 7

to 7:30 on a Wyden amendment on bargaining, followed by debate from 7:30 to 7:45 on a Harkin amendment on education, followed by debate from 7:45 to 8:05 on a Hutchison-Ensign amendment on Border Patrol, followed by debate from 8:05 to 8:20 on a Landrieu amendment on—

Mr. CONRAD. National Guard.

Mr. GREGG. National Guard, followed by debate from 8:20 to 8:35 on a Santorum amendment on HIV, followed by debate from 8:35 to 8:50 on a Voinovich sense of the Senate on budgeting, and followed by debate from 8:50 to 9 o'clock on a Dorgan amendment on—

Mr. CONRAD. Dorgan amendment on runaway plants.

Mr. GREGG. Dorgan amendment on runaway plants.

Mr. WYDEN. Will the Senator yield?

Mr. GREGG. For?

Mr. WYDEN. For a question.

Mr. GREGG. Mr. President, I ask unanimous consent that be the order of the amendments.

The PRESIDING OFFICER. Is there objection?

Mr. WYDEN. Reserving the right to object.

Mr. GREGG. Yes.

Mr. WYDEN. I just heard in the cloakroom the amendment that I am involved in is the Snowe-Wyden amendment dealing with bargaining power with respect to holding down the cost of prescription drugs.

Mr. GREGG. That is the amendment we are presuming the Senator is going to be offering.

Mr. WYDEN. If it would be clear so colleagues understand that my colleague from Maine is the lead author of this amendment and I am her partner on our side. It will be the Snowe-Wyden amendment.

Mr. GREGG. All right. I will identify that from 7 to 7:30 the Snowe-Wyden amendment on bargaining relative to Medicare will be in order.

The PRESIDING OFFICER. Is there objection to the Senator's request?

Without objection, it is so ordered.

Mr. GREGG. At the end of this time, we will determine whether we are going to vote on these amendments tonight. I certainly hope we will.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, might I suggest one other refinement, that we agree on no second-degree amendments. That is the agreement we already made between us. Maybe that would give people some comfort.

Mr. GREGG. I think we have to see amendments first, but I presume there are going to be no second-degree amendments.

Mr. CONRAD. I think one thing we could say to people is, to make clear what we are trying to do between us, the managers. We are operating in some ways on faith here, faith of trust between us.

Mr. GREGG. There will be no second-degree amendments. We may have a side by side.

Mr. CONRAD. If we have a situation that requires a side by side, then the chairman and I will work it out so we get a side by side.

Mr. GREGG. Right.

Mr. CONRAD. All right.

Mr. REID. Has the unanimous consent been agreed to?

The PRESIDING OFFICER. The minority leader.

Mr. REID. Has the unanimous consent request been approved by the Chair?

The PRESIDING OFFICER. It has been approved by the Chair.

Who yields time?

The Senator from Pennsylvania is recognized.

#### AMENDMENT NO. 173

Mr. SPECTER. Mr. President, I ask unanimous consent to add Senators LINCOLN, TALENT, and CANTWELL as co-sponsors of my amendment.

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

Mr. SPECTER. Mr. President, this amendment provides for an additional \$1.5 billion for the National Institutes of Health. Unless this funding is provided, more than 400 applications will have to be rejected.

In 1972, President Nixon declared war on cancer, and we still have not made sufficient progress. In a budget of \$2.6 trillion, \$28 billion for NIH is not enough.

The amendment also adds \$500 million to education which would bring education up to level funding from last year. The Subcommittee for Labor, Health, Human Services, and Education has taken a reduction of \$2.2 billion. When you figure in inflation, it adds up to a cut of about \$6, \$7 billion.

Virtually everybody in this Chamber, if not everybody, comes to the subcommittee with special requests for programs and for funding on matters relating to safety, worker safety, health, and education. This is minimal.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SPECTER. I ask for your support.

The PRESIDING OFFICER. Who yields time?

The Senator from Wyoming.

Mr. ENZI. Mr. President, I ask Senators to oppose this amendment. It is something we would all like to do, of course, but we are in a budget crunch and need to make some small decisions on restraining the rate of growth. This is one of those places where we need to start. It is always nice to give away money, but \$1.5 billion on a fund where we met our obligation to double it is not appropriate at this time.

On the education front, we have taken a look at all of the funding that is needed. Of course, there are a lot of things we would like to do. I appreciate the Senator from New Hampshire allowing us a \$5 billion reserve for higher education reauthorization as well as some obligations in the budget process.

This amendment uses a little different process than the rest of them. It

is the first amendment we have had that balances out of account 920, which means there is no money in 920. It takes money from every other account and puts it in 920 so it can be used for this. So it would actually be stealing from every other priority you might have in the budget. I ask that Members vote against it.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 173.

The yeas and nays have been ordered.

The clerk will call the roll.

The result was announced—yeas 63, nays 37, as follows:

[Rollcall Vote No. 56 Leg.]

#### YEAS—63

Akaka	Dole	Mikulski
Allen	Dorgan	Murray
Baucus	Durbin	Nelson (FL)
Bayh	Feingold	Nelson (NE)
Bennett	Feinstein	Obama
Biden	Harkin	Pryor
Bingaman	Hatch	Reed
Boxer	Hutchison	Reid
Byrd	Inouye	Rockefeller
Cantwell	Jeffords	Salazar
Carper	Johnson	Santorum
Chafee	Kennedy	Sarbanes
Clinton	Kerry	Schumer
Coleman	Kohl	Shelby
Collins	Landrieu	Snowe
Conrad	Lautenberg	Specter
Corzine	Leahy	Stabenow
Crapo	Levin	Stevens
Dayton	Lieberman	Talent
DeWine	Lincoln	Thune
Dodd	Lugar	Wyden

#### NAYS—37

Alexander	Domenici	McCain
Allard	Ensign	McConnell
Bond	Enzi	Murkowski
Brownback	Frist	Roberts
Bunning	Graham	Sessions
Burns	Grassley	Smith
Burr	Gregg	Sununu
Chambliss	Hagel	Thomas
Coburn	Inhofe	Vitter
Cochran	Isakson	Voinovich
Cornyn	Kyl	Warner
Craig	Lott	
DeMint	Martinez	

The amendment (No. 173) was agreed to.

#### AMENDMENT NO. 204

The PRESIDING OFFICER. Under the previous order, there will be a period of debate equally divided until 6:15 p.m. on the Smith amendment.

Who yields time?

The Senator from North Dakota.

Mr. CONRAD. We are in a quorum call?

The PRESIDING OFFICER. No, we are not in a quorum call.

Mr. CONRAD. Mr. President, if I could just alert colleagues, if we could hear from Senator LIEBERMAN's office and Senator CLINTON's office about their being able to discuss their amendments tonight, that would help us reach a conclusion on tonight's activities.

I ask Senator GREGG if it would not be wise for us to alert colleagues with respect to votes tonight before we start on this hour of discussion?

Mr. GREGG. Should we go through the list?

Mr. CONRAD. Well, I think people know who is on the list. I have just asked Senator LIEBERMAN's and Senator CLINTON's office to get in touch

with us if they are able to proceed tonight, which I think they are. With respect to votes, if we could alert colleagues as to that, I think that would be useful before this discussion starts.

Mr. GREGG. Certainly. It is our expectation that we will run through these amendments this evening and have very vigorous debate on all of them, hopefully add a couple of other amendments, Senator LIEBERMAN and Senator CLINTON, and on our side hopefully Senator VITTER and Senator ALLEN will speak on their amendments. As a result, we will not have any further votes this evening, but my colleagues can expect that we will have a large number of votes tomorrow and plan to be here for awhile voting.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH. Mr. President, it is not easy for me to come to the Senate floor and propose an amendment that I know makes life difficult for my budget chairman. It is not easy for me to oppose the President of the United States, Secretary Leavitt, Dr. McClellan, or all those in the administration who are grappling with a budgetary tsunami approaching our country related to entitlements. I am brought here as a matter of conviction, conscience, passion, on a matter that I hold as a principle, that in good times and bad, the people we do not abandon or put at risk are those who are most needy in our society.

Twelve years ago, I first won public office as an Oregon State senator. By chance, I was given a seat on the Senate Health Care and Bioethics Committee. I went into that role knowing little about medicine and its many intricacies, knowing it only as a consumer and as a businessman trying to meet a payroll. I came to that committee at a time when Oregon was leading the country in many ways as a medical reformer, a pioneer.

Oregonians are used to blazing new trails, and the Oregon trail, in the spirit of my State, led to the creation of the Oregon health plan. The basis of that was to take the Medicaid resources, plus State revenues which we raised, to provide for the needy, the disabled, the chronically ill, the children of working but uninsured, preventive health medicine, and the most medical care available for the dollars available.

In the course of my service on that committee, I came to know quite a bit about Medicaid and about the plan that Oregon was developing. It has been with some consternation that I have watched, during the recent recession, Medicaid budgets all over this country pushed to extremes, and for that reason I was one of the Republicans on the Finance Committee last Congress to precondition my vote for tax relief with relief to the States to help try to find a bandaid so that we do not take the most vulnerable of our citizens, push them out of nursing homes, deny them the basic vaccines of preventive

medicine, take the chronically ill and particularly the mentally ill whose lives are often imperiled at their own hands, and put them in a position where their only recourse is the emergency rooms of our hospitals, where the care might be well meaning but the outcome is least effective, and the costs incurred then are shifted on to the plans of private employers, further making it difficult to expand health care and provide for the uninsured. So we grow the uninsured population at the expense of the private sector.

I speak to this from personal experience—trying to meet a payroll that provides health care that is growing at unsustainable rates.

Now comes along a proposal in this budget from men I care for and admire, for whom I have deep personal affection, and I understand that Medicaid is a \$300 billion annual bill. I understand that in the course of the next decade it is going to double. I also understand some States game the system. I understand wealthy people transfer their assets to their kids so they can get \$60,000 in Medicaid in a nursing home at our expense. I understand there are all kinds of abuses. I am committed to Medicaid reform. But what I am not prepared to do is to put the budget ahead of the policy, and that is what is going to happen if this budget contains this provision.

I already mentioned 60,000 Oregonians—Medicaid recipients under the Oregon health plan—already lost their coverage last year. Who are they? They are the most vulnerable Oregonians, with a few exceptions of those who defraud the system. They are people who have no other recourse. So when it comes to saying to this Senator, let us just close our eyes, hold our nose, and vote for this budget, it will be okay, there will be an agreement with the Governors, I have talked to the Governors. There is less unity on this issue among them than there is among us. Most of them do not know where they are going to go, except to push people into the ranks of the uninsured. What that means is private insurers, employers, will continue to withdraw health care coverage from employees. About 3 percent a year do that. And the Medicaid rolls will grow by 3 or 3.5 percent.

I have to say again publicly, I know President Bush's heart. I know Governor Leavitt. I know Dr. McClellan. These are good men. I know they do not mean ill to these people. But I have no assurance that ill will not occur to these people.

Some say we are just slowing the rate of growth. I agree. We will get the reform. But I would rather do this right than do this fast. I believe, given that we have not had a serious Medicaid commission since its creation in 1965, that we ought to have one so that the policy determines the budget. I don't know whether the proposed \$14 billion cut is too large or too small. Maybe it is too small. But I don't know that. And I don't know where the \$14

billion came from. But I know what it is going to mean: Another 60,000 Oregonians maybe losing health care, pressuring private plans, overwhelming emergency rooms.

I would rather let the policy determine the budget. I pled with my leader, whom I want to sustain, to create this commission, but take this number out of reconciliation. Put in there a number that puts pressure on the commission to do its job before our next budget cycle so we in the Finance Committee can respond quickly to the ideas that they agree upon and we can get working on this, making reforms that everyone can agree with. But I can't in good conscience vote aye and watch what happens, because I have seen what happens.

I plead with my colleagues, Republican and Democrat alike, to do this right and not just fast. We can do it right. We can help to mitigate this entitlement tsunami, and we can weed out the waste, the fraud, the abuse, the gaming of Medicaid. But we can do it with an eye to those who it is designed to serve. They are the elderly in nursing homes; they are the children of the working uninsured; they are the chronically ill, those too poor to deal with cancer, HIV/AIDS. They are the disabled.

I think if we are going to say Medicaid is off the table—I didn't do that. They said Medicaid is off the table; no touching it. That is fine. Social Security is all in the fight here. So let's go to the only thing that is left, and that is the most vulnerable Americans. I am simply saying: Not so fast and not in a way that will do real human damage to people who cannot fend for themselves.

What do I do with this commission? The commission consists of the following: It will establish a panel of 23 members: One member appointed by the President; two House Members, current or former, appointed by the Speaker and minority leader; two Senators, current or former, appointed by the majority leader and minority leader; two Governors, designated by the NGA; two legislators designated by NCSL; two State Medicaid directors designated by NASMD; two local elected officials appointed by NACo; two consumer advocates appointed by congressional leadership; four providers appointed by congressional leadership; two program experts appointed by the Comptroller General. They will have, hopefully in this budget cycle with other budgetary pressures that are already on Medicaid, all the impetus in the world to fix this program. But to include these people.

I ask unanimous consent to have printed a list I have of over 130 organizations that support the Smith-Bingaman amendment that are scratching their heads about what this means in human terms if we do not do this right.

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

MARCH 14, 2005.

Senator GORDON SMITH,  
U.S. Senate,  
Washington, DC.  
Senator JEFF BINGAMAN,  
U.S. Senate,  
Washington, DC.

DEAR SENATORS SMITH AND BINGAMAN: We, the undersigned organizations, strongly endorse the Smith-Bingaman amendment to the Senate fiscal year 2006 Budget Resolution, which would strike all Medicaid cuts. The elimination of such cuts is essential for the health care of Medicaid enrollees, the providers who serve them, and state and local units of governments.

We understand that the Senators' amendment will include the creation of a bipartisan commission in lieu of all cuts to consider the future efficient and effective operation of the Medicaid program. Medicaid is the essential source of health access for 53 million of our nation's most vulnerable citizens, and any changes to the program should be driven by policy and not by arbitrary cuts.

Sincerely,

AFL-CIO, AIDS Action, AIDS Alliance for Children, Youth & Families, Alliance for Children and Families, Alliance for Retired Americans, Alzheimer's Association, American Academy of Child and Adolescent Psychiatry, American Academy of Family Physicians, American Academy of HIV Medicine, American Academy of Pediatric Dentistry, American Academy of Pediatrics, American Association for Geriatric Psychiatry, American Association of Colleges of Pharmacy, American Association of Homes and Services for the Aging, American Association of People with Disabilities.

American Association on Mental Retardation, American College of Obstetricians and Gynecologists, American Congress of Community Supports and Employment Services (ACCSES), American Counseling Association, American Dental Association, American Dental Education Association, American Dental Hygienists' Association, American Federation of State, County and Municipal Employees, American Federation of Teachers, American Group Psychotherapy Association, American Medical Student Association, American Network of Community Options and Resources, American Nurses Association, American Podiatric Medical Association, American Psychiatric Association.

American Psychological Association, American Public Health Association, American Society of Transplant Surgeons, Association for Community Affiliated Plans, Association of Academic Physiatrists, Association of Asian Pacific Community Health Organizations, Association of Jewish Aging Services of North America, Association of Jewish Family and Children's Agencies, Association of Maternal & Child Health Programs, Association of University Centers on Disabilities, Asthma and Allergy Foundation of America, Bazelon Center for Mental Health Law, Catholic Charities USA, Catholic Health Association of the United States, Center for Law and Social Policy.

Center for Medicare Advocacy, Inc., Center on Budget and Policy Priorities, CHAMP (Community HIV/AIDS Mobilization Project), Children & Adults with Attention-Deficit/Hyperactivity Disorder (CHADD), Children's Cause for Cancer Advocacy, Children's Defense Fund, Children's Dental Health Project, Coalition on Human Needs, Council for Health and Human Service Ministries, United Church of Christ, Council of Women's and Infants' Specialty Hospitals, Disability Service Providers of America (DSPA), Easter Seals, Eating Disorders Coalition for Research, Policy & Action, Epilepsy Foundation, Families USA, Family Voices.

Gay Men's Health Crisis, Generations United, HIV Medicine Association, Housing Works Inc., Human Rights Campaign, Institute for Reproductive Health Access, International Association of Jewish Vocational Services, Jewish Council for Public Affairs, Kids Project, Lutheran Services in America, March of Dimes, Medicaid Health Plans of America, Medicare Rights Center, National Academy of Elder Law Attorneys, National Alliance for the Mentally Ill, National Alliance of State and Territorial AIDS Directors.

National Association for Children's Behavioral Health, National Association for Home Care & Hospice, National Association for the Advancement of Orthotics and Prosthetics, National Association of Community Health Centers, National Association of County Behavioral Health and Developmental Disability Directors, National Association of Mental Health Planning and Advisory Councils, National Association of People with AIDS (NAPWA-US), National Association of Protection and Advocacy Systems, National Association of School Psychologists, National Association of Social Workers, National Citizens' Coalition for Nursing Home Reform, National Committee to Preserve Social Security and Medicare, National Council of La Raza, National Council on Independent Living, National Council on the Aging.

National Education Association, National Family Planning and Reproductive Health Association, National Head Start Association, National Health Council, National Health Law Program, National Immigration Law Center, National Indian Health Board, National Medical Association, National Mental Health Association, National Partnership for Women & Families, National Puerto Rican Coalition, National Respite Coalition, National Senior Citizens Law Center, National Women's Law Center Paper, Allied-Industrial, Chemical & Energy Workers International Union (PACE).

Parents' Action for Children, Pediatric Medical Group, Presbyterian Church (U.S.A.) Washington Office, Project Inform, Racial and Ethnic Health Disparities Coalition (REHDC), Renal Leadership Council, RESULTS, Service Employees International Union, Special Care Dentistry, The AIDS Institute, The Alan Guttmacher Institute, The Arc of the United States, The Children's Partnership, The National Hemophilia Foundation, The Sexuality Information and Education Council of the United States.

Tourette Syndrome Association, U.S. Public Interest Research Group (U.S. PIRG), Union for Reform Judaism, Unitarian Universalist Association of Congregations, United Auto Workers (UAW), International Union, United Cerebral Palsy, United Jewish Communities, United States Psychiatric Rehabilitation Association, United Steelworkers of America, US Conference of Mayors, USAction, Voice for Adoption, Voice of the Retarded, Voices for America's Children, Volunteers of America, Welfare Law Center.

Mr. SMITH. They will come up with long-term goals. They will determine the populations that should be served and which ones should not. There will be financial sustainability in their work product, interaction with Medicare and the safety net providers. How about the dual eligibles? I don't have the answer to those things. That is why this amendment is so important. They will talk about quality of care and any other matter of importance to this program.

I heard from my friend, Mike Leavitt, that HHS currently deals with over 2,000 waiver requests from the

States every year—2,000. Those probably represent 2,000 really good ideas. If they are out there, let's put them down, weed them out, take the best, leave the rest, and come up with a program that learns from the laboratory of all the States, from all these waivers; find the efficiencies, get the technologies in there, determine the populations to be served. But let's do it right; let's not do it fast. Let's let the policy drive the budget.

When we look at all the spending we do around here, and a tough budget we already are voting over and over on—and I am determined to support my leadership on this budget—I am determined that we not leave out these most vulnerable Americans or do it in a way that in any way discounts their vulnerability and the inevitable cost shifts to the private sector that is already overburdened.

I have said it enough. I will be quiet, now, with this plea: Please vote for this amendment, the Smith-Bingaman amendment. It may well be a matter of life and death for thousands of Americans.

I am pleased to be joined on the floor, not just by my cosponsor, but also by the Senator from Minnesota, Mr. COLEMAN, and yield to him such time as he needs.

I ask him to yield then to Senator BINGAMAN.

Mr. COLEMAN. Mr. President, first, I am pleased to rise in support of the amendment offered by my colleague from Oregon, Senator SMITH, as well as Senator BINGAMAN. I appreciate the challenges faced by the Budget Committee. Finances are tight. Tough decisions have to be made. We understand that.

My dad is a carpenter. He builds with his hands. He is very good at it. I think in this case I am not so good and I think greatness skipped a generation. But my dad builds with his hands. Early on he tried to teach me: Measure twice before we cut once.

Medicaid is the Nation's single largest payer of children's health services. Medicaid accounts, on average, for nearly 50 percent of the patient care revenue in children's hospitals. One out of every four children in the United States relies upon Medicaid for health coverage. It is an essential partner in providing high quality care to all children.

Before we start restructuring or talk about cutting growth—which is what my colleagues who support the chairman's mark will say, that we are just cutting growth—I suggest that we measure twice and cut once.

Medicaid is a safety net program that is intended, as my colleague from Oregon talked about, to protect vulnerable children as well as adults struggling with severe chronic illness and disabilities and mental illness. I suggest we need to measure twice and cut once.

Minnesota's Medicaid Program is the largest health care program, providing

coverage for a monthly average of 464,000 low-income seniors, children, families, and people with disabilities. Families, children, and pregnant women make up the largest group, 69 percent, but only capped at 22 percent of expenditures. The majority of expenditures, more than 78 percent, are for people who are elderly or have a disability.

As I said, let us measure twice and cut once. What we are proposing is simply a commonsense approach to carefully consider an action of this magnitude before we are committed to it. With the commission, we stand a much better chance of doing the right thing, in the right way, with broad support.

Let us sit down at the table with all the stakeholders and together decide how to make Medicaid better.

We pride ourselves on being the world's greatest deliberative body. Yet today we are faced with the proposal that will substantially change and provide funding limitations impacting, as my colleague from Oregon said, the most vulnerable of Americans, the most vulnerable among us, and we are doing it without the kind of rigorous examination that this body should demand, should cry out for.

This amendment simply provides that kind of rigorous, vigorous examination—a year's worth—saying step back for 1 year, then put together a process that allows us to do the examination, deliberation, allow the commission to hold public hearings, conduct examination, issue its report and recommendations to the President and to the Congress and the public.

Let us do Medicaid reform. We need to do it. We need to get rid of the gaming. We need to get rid of those who are abusing the system. We need to cut the waste and the fraud, but let us do it in a way which ensures that any changes to Medicaid provide sustainability, promote access to health care, and doesn't hurt those who need the program the most.

Let us look before we leap. We need to look at Medicaid to be sure we are on solid ground.

I appreciate the tough challenges the Budget Committee is facing. I have deep respect for Chairman GREGG. He has a great heart. He wants the program to work. The chairman's mark is substantially better from where we began with this proposal.

Again, let us do the kind of review that needs to be done.

I urge my colleagues to vote for this amendment and establish a Medicaid commission to study this proposal before we act.

I urge my colleagues to support this thoughtful amendment.

I yield to my colleague who is a co-author of the amendment, Senator BINGAMAN.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

AMENDMENT NO. 204

Mr. BINGAMAN. Mr. President, I thank my colleague for yielding. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for Mr. SMITH himself, Mr. BINGAMAN, Mr. COLEMAN, Mr. BAUCUS, Mr. DEWINE, Ms. SNOWE, and Mr. CHAFEE, proposes an amendment numbered 204.

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

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

The amendment is as follows:

(Purpose: To create a reserve fund for the establishment of a Bipartisan Medicaid Commission to consider and recommend appropriate reforms to the Medicaid program, and to strike Medicaid cuts to protect states and vulnerable populations)

On page 4, line 7, increase the amount by \$1,784,000,000.

On page 4, line 8, increase the amount by \$2,479,000,000.

On page 4, line 9, increase the amount by \$3,252,000,000.

On page 4, line 10, increase the amount by \$3,589,000,000.

On page 4, line 11, increase the amount by \$3,932,000,000.

On page 4, line 16, increase the amount by \$1,784,000,000.

On page 4, line 17, increase the amount by \$2,479,000,000.

On page 4, line 18, increase the amount by \$3,252,000,000.

On page 4, line 19, increase the amount by \$3,589,000,000.

On page 4, line 20, increase the amount by \$3,932,000,000.

On page 18, line 16, increase the amount by \$1,784,000,000.

On page 18, line 17, increase the amount by \$1,784,000,000.

On page 18, line 20, increase the amount by \$2,479,000,000.

On page 18, line 21, increase the amount by \$2,479,000,000.

On page 18, line 24, increase the amount by \$3,252,000,000.

On page 18, line 25, increase the amount by \$3,252,000,000.

On page 19, line 3, increase the amount by \$3,589,000,000.

On page 19, line 4, increase the amount by \$3,589,000,000.

On page 19, line 7, increase the amount by \$3,932,000,000.

On page 19, line 8, increase the amount by \$3,932,000,000.

On page 29, strike beginning with line 23 and all that follows through page 30, line 3.

On page 40, after line 8 insert the following:

**SEC. . RESERVE FUND FOR THE BIPARTISAN MEDICAID COMMISSION**

In the Senate, the Chairman of the Committee on the Budget shall revise the aggregates, functional totals, allocations, levels in section 404 of this resolution, and other appropriate levels and limits for fiscal year 2006 and for the period of fiscal years 2006 through 2010 by up to \$1,500,000 in new budget authority for 2006 and the amounts of outlays flowing therefrom for an appropriations bill, amendment, or conference report that provides funding for legislation reported by the Senate Finance Committee authorizing and creating a 23 member, bipartisan Commission that—

(1) is charged with

(A) reviewing and making recommendations within one year with respect to the long-term goals, populations served, finan-

cial sustainability, interaction with Medicare and safety-net providers, quality of care provided, and such other matters relating to the effective operation of the Medicaid program as the Commission deems appropriate.

Mr. BINGAMAN. Mr. President, this amendment is being proposed by Senator SMITH and myself, Senator COLEMAN, Senator BAUCUS, and other cosponsors who are listed on the amendment.

I wanted to start by commending my colleague from Oregon for his leadership on this very important issue. He has made the exact, right points. I will be brief in my comments because other Senators are here wishing to speak as well. I want to give them an opportunity to do so.

Medicaid is the most important program that pays for health care coverage in my State today. There are over 400,000 people in the State of New Mexico who receive health care because of the Medicaid Program. As he pointed out, these are the people who are most in need of that care, who are least able to cover their own health care costs.

There are 53 million of our Nation's most vulnerable children, disabled, and elderly citizens that rely on Medicaid for their well-being and livelihood. And there are 45 million Americans without health insurance coverage.

The President offered a budget proposal that added \$140 billion for health care spending. Even with the proposed reductions in Medicaid spending, he was proposing a net increase of \$80 billion for health care.

In contrast, the budget before us provides no spending for the uninsured and a cut in Medicaid of \$15 billion over 5 years. This is important because the administration only got a scored savings of \$7.6 billion in Medicaid. So, it is \$140 billion short of the President's proposal on the uninsured and the cut for Medicaid is scored at twice the level of the President's budget, according to CBO.

This budget is seeking to reduce the deficit, but sadly at the expense of the uninsured and our Nation's most vulnerable children, elderly, and disabled citizens that rely on the Medicaid program.

As a result, I am pleased to be here today with my colleague Senator SMITH in support of the bipartisan Smith-Bingaman-Coleman-Baucus amendment to strike the Medicaid cuts and to replace it with a bipartisan Medicaid Commission.

Senator SMITH and I strongly believe that Medicaid needs reform and improvement. For years, Medicaid has been neglected. Democrats are often trying to push for universal coverage and neglect fixing issues with Medicaid. Meanwhile, Republicans have proposed block granting the Medicaid program without addressing reform. Just 2 years ago, that proposal was defeated on the Senate floor.

Sadly, we are here again with a proposal to cut Medicaid, but no thoughts

about how to reform and improve the Medicaid program. We are imposing cuts on Medicaid at twice the level the President proposed, as scored by CBO, with little more guidance than rhetoric about cutting “waste and fraud in the system.”

According to the Budget Committee staff document, “at least 34 States are estimated to be receiving up to \$6 billion a year in Federal Medicaid dollars inappropriately.”

Which States? I think we all deserve to know who they are and what they are doing before voting to cut funding to them. In the Senate Finance Committee, a bipartisan group of Senators asked the Secretary for that list and we still do not have it.

However, anybody that asks is being assured not to worry because their State is not the problem. How can we cut \$15 billion to the States without it seriously impacting any State or any of the 53 million people served by Medicaid? Even the best circus elephant or donkey cannot pull off such a feat.

To get scored savings, the Finance Committee will be forced to make major cuts in funding to the States. Let me emphasize, no State is protected.

Also, while some of the proposals have so little detail that we have no idea about the impact on individual States, we do know the budget assumes saving \$1.5 billion by dropping the matching rate for targeted case management in Medicaid from the current matching rate to 50 percent Federal and 50 percent State. Again, there is nothing about reform here. It is simply about cutting Federal funding to States. And, in this case, we do know which States, and they are the poorest States in this country.

It may come as somewhat of a shock to some in the Senate, but the cuts would fall disproportionately on the 28 States of Mississippi, Montana, Arkansas, West Virginia, New Mexico, Utah, Idaho, Louisiana, Alabama, South Carolina, Kentucky, Oklahoma, Arizona, North Dakota, South Dakota, Tennessee, Iowa, North Carolina, Indiana, Maine, Missouri, Oregon, Texas, Georgia, Kansas, Ohio, Nebraska, and Florida. President Bush carried 26 of the 28 States and those States have 43 Republican Senators and 13 Democratic Senators.

Simple mathematics tells us that will not fly in the Senate. So, two of the largest proposals for savings truly have nothing to do with Medicaid reform and one does not have enough details to allow CBO to provide scored savings and the other has enough detail that we know it will never be enacted.

So, what we have here are proposed Medicaid budget cuts in search of a policy.

It is with that in mind that Senator SMITH and I come to the floor today to actually attempt to reform and improve the Medicaid program in a systematic way. Our proposal is to strike

the arbitrary cuts in the budget before us and replace them with the establishment of a bipartisan medicaid commission.

Why a Commission? Just like Social Security, just like the 9/11 Commission which examined the intelligence system, and just like Medicare, we believe that Medicaid deserves a comprehensive and thorough examination of what is working and what is not by all stakeholders—federal officials, state and local government officials, providers, consumer representatives, and experts.

Medicaid is a very complicated program. In fact, it is not one program. It is really four programs.

First, it is a program that provides health insurance for 25 million low-income children.

Second, it provides a safety net of coverage to 14 million adults, primarily low-income working families that play by the rules and work but do not have access to or cannot afford health insurance.

Third, 42 percent of Medicaid spending is actually for what are known as “dual eligibles,” which are over 7 million elderly and disabled citizens that have both Medicare and Medicaid coverage. Therefore, Medicaid fills the holes in both Medicare and private insurance by providing acute and long-term care services that neither Medicare or the private sector is able or willing to cover.

And fourth, Medicaid serves as a critical payment system for our Nation’s safety net, including payments to disproportionate share hospitals for indigent care or to community health centers and other safety net providers. Without that funding, many of these critical community services would end.

Medicaid is a critically important health care safety net of four different programs that provides services to over 50 million of our Nation’s most vulnerable children, pregnant women, the elderly, and people with disabilities.

In New Mexico, Medicaid is, in fact, the single largest payor for health care. All told, Medicaid covers the health care costs of more than 300,000 New Mexicans—nearly one-quarter of our State’s population.

It is why I believe firmly we need to make sure that we do whatever we do right rather than quick. Medicaid is the back-stop to Medicare, the back-stop to private insurance, and the major funding source for our Nation’s safety net providers. Medicaid is, as Health Affairs has called it, “the glue that holds our Nation’s health care system together.” Therefore, we must make sure reform is done right and systematically, rather than quickly and without being thought through.

I would like to take a few moments to emphasize the importance of Medicaid to our Nation’s children. Again, over 25 million children receive health care services through Medicaid. This includes an estimated 42 percent of our Nation’s black children and 36 percent of our Nation’s Hispanic children.

Children covered by Medicaid are far less likely than uninsured children to lack a usual source of medical care or have an unmet medical, dental, or prescription drug need.

During the last presidential election, the President recognized that 9 million children lacked health care coverage and made a proposal that he called “Cover The Kids.”

In his own words:

We’ll keep our commitment to America’s children by helping them get a healthy start in life. I’ll work with governors and community leaders and religious leaders to make sure every eligible child is enrolled in our government’s low-income health insurance program. We will not allow a lack of attention, or information, to stand between millions of children and the health care they need.

The President put that proposal into his budget, but I do not see it in this budget. We should not be going backwards on children’s health, but we will in this budget unless this amendment we offer today passed.

We should take time and “first do not harm” to our Nation’s health care safety net. We have tried to enact reform quickly before and it has created many problems. For example, in the Balanced Budget Act of 1997, Congress cut funding for disproportionate share hospitals and Medicare physician payments in rather indiscriminate ways. As a result, the Congress has come back in 1999, 2000, 2001, and 2003 to make what are known as “provider give-backs.”

The cumulative pages of legislation to correct the Medicare and Medicaid changes from 1997 now far exceed the original legislation, the problems continue and, in some cases, even grow. In fact, we have a crisis with Medicare physician payments that everybody acknowledges will now cost billions and billions of dollars to correct.

Unfortunately, these “fixes” are not reflected in this budget, but we all know that the Congress will have to address the problem. I fear the budget, as currently proposed, will create more problems that need fixing rather than correcting the current problems.

Therefore, Senator SMITH and I call for a process by which we can enact reforms to Medicaid but do it correctly, rationally, and in a bipartisan fashion. For example, we should ensure that people have more access to home- and community-based care in Medicaid. Doing so would provide care in more cost-effective and appropriate settings for many Medicaid patients.

However, despite a lot of rhetoric about how this is one of the reasons Medicaid needs reform, the budget proposal before us does not address this problem.

There are those that believe Medicaid is “flawed and inefficient” and that costs are spiraling out of control so the program needs overhaul. On the other hand, there are those who believe there is absolutely nothing wrong with Medicaid. I firmly believe neither point of view is correct.

First, Medicaid is far from broken. The cost per person in Medicaid rose just 4.5 percent from 2000 to 2004. That compares to just over 7 percent in Medicare and 12.6 percent in monthly premiums for employer-sponsored insurance. If that is the comparison, Medicaid seems to be about the most efficient health care program around, even more so than Medicare.

The overall cost of Medicaid is going up largely, not because the program is inefficient, but because more and more people find themselves depending on this safety net program for their health care during a recession. While nearly 5 million people lost employer coverage between 2000 and 2003, Medicaid added nearly 6 million to its program. Costs rose in Medicaid precisely because it is working—and working well—as our Nation's safety net health program.

Consequently, Medicaid now provides care to 53 million low-income Americans, including nearly one-quarter of all New Mexicans.

On the other hand, it is also not true that Medicaid is not in need of improvement. The administration is rightly concerned about certain State efforts to “maximize Medicaid revenues” via “enhanced payments” to certain institutional providers. Secretary Leavitt, in a speech to the World Health Care Congress on February 1, 2005, referred to State efforts to maximize Federal funding as “the Seven Harmful Habits of Highly Desperate States.” As a result, he called for “an uncomfortable, but necessary, conversation with our funding partners, the States.”

I would agree. However, Medicaid cuts driven by a budget reconciliation process is not a dialogue or conversation. It is a one-way mechanism for the Federal Government to impose budget cuts on the States. The administration's budget calls for \$60 billion in cuts to Medicaid over 10 years, including \$34–40 billion that would directly harm States.

Where is the conversation in that? In fact, I believe the States would have quite a lot to say to the Federal Government in such a conversation. While I do not speak for the National Governors' Association, the National Conference of State Legislatures, or the National Association of Counties, some of their grievances are rather obvious and I share them.

For one, these cuts are merely a cost-shift to State and local governments that simply force State Medicaid programs to enact cuts in coverage to our Nation's most vulnerable populations or require tax increases to make up for the loss of Federal funding. It is pretty simple. If the Federal Government cuts \$15 billion out of Medicaid, New Mexico will likely lose over \$100 million in Federal funding for Medicaid. Either some of our State's most vulnerable citizens will lose coverage or benefits, or taxpayers will be asked to pay more.

Governor Richardson is a pretty impressive guy, but he cannot magically

produce the \$100 million that the Federal Government would cut to our State under this budget proposal.

Second, as figures from the Kaiser Family Foundation indicate, 42 percent of the costs in Medicaid are a result of services delivered to Medicare beneficiaries. These dual eligibles are also a major driver of health costs in Medicare and this is a prime example of where the Federal Government pushes costs on to Medicaid. Instead, better coordination between Medicare and Medicaid could improve both programs and delivery of care to “dual eligibles.” States have been calling for better coordination for years to no avail.

Third, for all the rhetoric about being concerned about what States are doing in drawing down Federal funding, we should acknowledge that the Federal Government passes the buck on to States in other ways. For example, in the Medicare prescription drug bill that was passed by the Congress in 2003, the Federal Government imposed what is referred to as a “clawback” mechanism which forces the states to help pay for the federally-passed Medicare prescription drug benefit. Although States were expected to derive a financial windfall from the prescription drug bill, they are now finding that it will cost them millions of dollars more annually through what is referred to as the “clawback provision” than if the bill had never passed.

Furthermore, CBO estimated that States had \$5.8 billion in added enrollment of dual eligibles in Medicaid due to what they refer to as a “wood-working” effect on dual eligibles trying to sign up for the low-income drug benefit discovering they are also eligible for Medicaid benefits. CBO further estimated that States had \$3.1 billion in new administrative and other costs added by the prescription drug legislation.

States have no ability to “have a conversation” with the Federal Government about the imposition of such costs on them, but they should and will have that ability in our bipartisan commission on Medicaid.

Furthermore, due to a recent rebenchmarking done by the Department of Commerce's Bureau of Economic Affairs with respect to the calculation of per capita income in the States and the application of that data by the Centers for Medicare and Medicaid Services, or CMS, the Medicaid Federal Medical Assistance Percentage, or FMAP, many States, including New Mexico, will see a rather dramatic decline in their Federal Medicaid matching percentage. In fact, due to the rebenchmarking and other factors, 29 States will lose Medicaid funding in 2006 by an amount of in excess of \$800 million. Again, this occurred with no dialogue or conversation.

I agree with Secretary Leavitt that there should be a conversation among all the stakeholders about the future of Medicaid and about what are the fair division of responsibilities between the

Federal Government, States, local governments, providers, and the over 50 million people served by Medicaid. It is for this reason that the bipartisan commission on Medicaid includes all of those stakeholders at the table to have a full discussion and debate about the future of Medicaid.

It is our intent that the recommendations would not only be focused on spending inefficiencies but about improving health care delivery to our Nation's most vulnerable citizens. However, they are not mutually exclusive. In fact, both can and should be done.

Before closing, I thank Senator SMITH for his leadership on this issue and the over 100 organizations—State and local governments, providers, and consumer groups that have endorsed this amendment. We have the attention and support of all these groups to come to the table to make Medicaid more efficient and effective in the delivery of care to our Nation's most vulnerable citizens. We should not pass up that opportunity.

The policy needs to drive the budget.

As Senator SMITH said, and as Senator COLEMAN said, we cannot just take a figure out of the air and say we are going to cut Medicaid because we need to make up some money in the budget in order to get to the number that we predetermined we ought to get to. That kind of arbitrary cut in Medicaid, when we are doing nothing to constrain the growth of Medicare, when we are doing nothing to constrain the growth of spending in a lot of other areas, would be irresponsible. Exactly as Senator SMITH pointed out, it is important that we do this right, that we do this fast.

This first chart I wanted to point to shows the States in red which are going to suffer these cuts. There is \$4 billion proposed for cuts in these States that are depicted in red on this map. It turns out that most of those are the States that supported the President's reelection in large numbers.

We have a couple of other charts which I very briefly would like to point out. One is a chart that points out that Medicaid is not the great inefficient program that everyone is pointing to. Medicaid has grown 4.5 percent per year the last few years. Medicare has grown over 7 percent. The private sector health care expenses have grown over 12 percent. There is enormous growth in Medicaid because more and more people are depending on Medicaid. That is the simple point.

This last chart points out that 42 percent of the cost of Medicaid is because of the “dual eligibles.” These are people who are covered by Medicare, but Medicaid is having to pick up a substantial portion.

We need to understand these programs better before we begin cutting them. The Senator from Oregon has provided a real service to us in the Senate by focusing attention on this.

I hope my colleagues will support this amendment.

I yield the floor.

Mr. SMITH. Mr. President, I yield time to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CORZINE. Mr. President, I appreciate the leadership that Senators SMITH and BINGAMAN are showing with regard to Medicaid.

I rise today to speak in support of the pending bipartisan amendment offered by Senators SMITH and BINGAMAN to eliminate the \$15 billion in cuts to the Medicaid program mandated under this resolution. Instead of letting the budget process drive Medicaid reform, this amendment directs the creation of a bipartisan Medicaid commission to investigate and consider possible improvements to the Medicaid program. In other words, this amendment would ensure that policy drives Medicaid reform, not the arbitrary and unjustified cuts in this resolution.

Last week Senators WYDEN, MURRAY, JOHNSON and I offered a successful amendment during markup of this resolution. The sense of the Senate we offered, which was agreed to unanimously by the Budget Committee and is a part of this resolution, states that the Finance Committee shall not achieve any savings under reconciliation that would cap Federal Medicaid spending, shift Medicaid costs to the States or providers, or undermine the Federal guarantee of Medicaid health insurance.

It simply is not possible to cut \$15 billion from the Medicaid program without violating this agreement. Cutting \$15 billion from Medicaid means taking \$15 billion directly from the States. It means that States will be left with the tough choices of decreasing reimbursements to providers, eliminating services like prescription drugs and specialized services for the mentally retarded for families and elderly who rely on Medicaid now for these services, or raising taxes to preserve these services.

These cuts come at a time in which States are already struggling with the escalating costs of the Medicaid program. In 1985, 8 percent of State budgets went to Medicaid. Today, on average, 22 percent of States' budgets are spent on Medicaid. In New Jersey, fourteen percent of the State budget is spent on Medicaid. States are having to make tough choices about whether to cut critical health services for their most vulnerable or reducing funding for education programs.

What this resolution says to States and the 53 million children, pregnant women, elderly, and disabled who would be uninsured without Medicaid coverage is that they are simply going to have tough decisions. We are in tough budget times so you are going to have to choose between cutting health care or education.

I would like to share with my colleagues a couple of charts that demonstrate the tough choices that Chairman GREGG and the President are ask-

ing us to make. This first chart compares the \$15 billion in Medicaid cuts that the Chairman has assumed to balance the budget along with the \$204 billion cost of making the President's tax cuts for millionaires permanent. These are the tough choices—preserving access to health care for millions of poor Americans or handing out hundreds of millions in taxes to the wealthiest in our country—which this budget poses. Frankly, I don't think this is a tough choice. It is an easy one. We must preserve access to health care for our Nation's most vulnerable and we must maintain our Federal obligation to the States to pay our fair share for these services.

I would like to point out that States are also facing massive costs as they work to transition their Medicaid beneficiaries who are dually eligible for Medicare into the new Medicare prescription drug benefit. States like New Jersey that have State pharmacy assistance programs for non-Medicaid eligible seniors will also have to bear significant new costs to ensure that these programs coordinate with the new Medicare drug benefit.

Not only are States going to have to bear enormous costs of transitioning these beneficiaries, but if they choose to provide more generous benefits than offered under the Medicare law they will have to finance those benefits with State dollars. My State of New Jersey, which plans to wraparound the Medicare benefit to ensure that those on Medicaid have access to the prescription drugs they need, has estimated that the State will spend an additional \$92 million in 2005 and 2006 to pay for these costs.

Now, under this resolution, New Jersey would lose \$90 million a year in Federal Medicaid funding. How much more money is the Federal Government going to demand from the States? It is outrageous and unfair and it is an abdication of our Federal responsibility to force these costs on the States.

I asked my State to tell me what kind of impact that a \$90 million loss in Federal funding would have on New Jersey's Medicaid program. The Medicaid director in my State gave me two options: the State will either have to eliminate health insurance for more than 20,000 low-income children and pregnant women who are considered "optional" beneficiaries because they earn just above 133 percent of the poverty level, which is \$20,000 for a family of four. Or the State could eliminate so called "optional" services, including dental care, pediatric and optometric care, hearing aid services, optical appliances, psychological services, hospice care, and medical day care for individuals with Alzheimer's and dementia. And of course, there is a third option—increasing taxes to maintain these services.

We simply can't address the underlying problem of escalating health care costs, which are driving up the costs of

the Medicaid program, by asking States to cough up more money or by forcing them to eliminate critical services. We need meaningful, long-term solutions that will control health care costs across the board for Medicaid, as well as for Medicare and private insurance.

We need to change the fact that nationally 42 percent of Medicaid expenditures are spent on Medicare beneficiaries. This is because Medicare does not provide long-term care. So when we talk about a Medicaid crisis, what we really should talk about is the crisis in long-term care in this country. We are an aging population. As my generation retires, we will demand more long-term care services. Yet we have no long-term care system in this country. As it currently stands, the Medicaid program is our long-term care program.

The Smith-Bingaman amendment directs the creation of a bipartisan Medicaid commission to investigate these issues and to develop recommendations on how to decrease costs in the Medicaid program without burdening States or cutting services. A commission comprised of members of congress, governors, State Medicaid directors, and beneficiary advocates is necessary to develop real policies to strengthen Medicaid. It simply does not make sense to pull a number out of thin air like this resolution does. Policy should drive the numbers—not the other way around.

I urge all of my colleagues to adopt the sensible approach proposed by Senators SMITH and BINGAMAN.

I don't understand how we can have a process of Medicaid reform driven by budgets without thinking through where that is going to come from. We heard our other colleague talk about where the burden of those cuts will fall.

I specifically asked what would happen if the proportionate deduction of cuts in New Jersey were to occur, which would be by the Senate's version about \$90 million to the State, and the gross-up would be \$180 million.

We are talking about Alzheimer's daycare for seniors. We are talking about hospice care. We are talking about basic dental, chiropractic care, hearing aids, and optical for our seniors.

It is impossible to understand how we want to take this hard cut without knowing the direction we are going to take.

The PRESIDING OFFICER. The time of the opponents has expired.

Mr. CORZINE. Mr. President, I ask my colleagues to support the intelligent and responsible approach that Senators SMITH and BINGAMAN proposed.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I will discuss for a few minutes this amendment and the Medicaid Program in our country.

I am glad I had a chance to hear the Senator from Oregon and the Senators

from Minnesota, New Jersey, and New Mexico. Their amendment would direct the Finance Committee to reduce the growth of Medicaid spending by \$14 billion over the next 5 years.

Before I say anything else, let me point out there is no cut—no cut, no cut—of any kind. Medicaid spending over the next 5 years will go up 41 percent if left alone. The Budget Committee recommends it go up 39 percent instead of 41 percent. Where I come from, that is no cut; that is a 39-percent increase in the amount of money.

The amendment also has a very good idea, which is to enact a commission to take a broad look at the Medicaid Program and report back to Congress in 1 year with its recommendations, which means in another year we might get around to doing something about it.

The Senator from Oregon talked about the tsunami coming. He is exactly right. He is talking about the tsunami in mandatory spending we have all been talking about and how important it is to get spending under control. If I may respectfully say, I believe his position could be fairly characterized as saying we heard the tsunami is coming; let's wait around a year or two before we get off the beach and appoint a commission to study. My position is appoint the commission, but the prudent thing is to move to higher ground while we study all of this. And we can move to higher ground.

What I want to say in the next few minutes is that in order to restrain the growth of Medicaid spending from 41 percent over the next 5 years to 39 percent over the next 5 years, which is \$14 billion out of \$1.12 trillion, we know exactly what to do to do it and we should move to higher ground and get going with this before we are drowned by this tsunami of mandatory spending Social Security and Medicaid and Medicare that will make it impossible to fund preschool education, to fund kindergarten through 12th grade, to fund our research laboratories, our research and health, and maintain the greatest research universities in the world. That is the choice we will have to make.

We heard chilling evidence—there is no other way to talk about it—chilling evidence in the Budget Committee this year from the most nonpartisan observers, the Comptroller of the Currency, for example, about the tsunami, as the Senator from Oregon discussed, and what it is going to do.

This chart shows all this red in Social Security, Medicare, and Medicaid spending as a percentage of gross domestic product today in the neighborhood of 7 or 8 percent. This is the amount of our gross product, everything we produce in the United States, that we spend on the total Federal Government—a little less than 20 percent. Here is where Medicare, Medicaid, and Social Security are headed. In other words, we will go down the road, 2030, and it is not so long away, and we will be spending 20 percent of everything we produce in the United

States just on health care. We are not spending that much today on the whole Federal Government.

What the proposers of this amendment are saying is, we see this, we see it is coming, let's stay on the beach another year or two and not do one single, solitary thing about it except appoint a commission to talk about something every Governor in States worries about. We have committees in this Congress that have studied this for years. We know some things to do. We know how to take a few steps to higher ground.

Let me put a little perspective on this, if I may, for a moment. I ask to be told when I have 10 minutes remaining.

The PRESIDING OFFICER. The Senator has 20 minutes 46 seconds.

Mr. ALEXANDER. Let me make another point with another chart. This has to do with State government. I have a State perspective. Someone said, Alexander is still acting as though he were a Governor, and I hope he can get over that. I hope I never get over it because I think it is a contribution I can make from the point of view of a Governor.

What I struggled with as Governor was how to keep Medicaid growth under control, to create centers of excellence, and pay good teachers more for teaching well, and have low taxes. It was a fight every year. The red is the State spending in Medicaid. People here get Medicare and Medicaid confused, but Medicaid is a program, as earlier said, that helps many of our low-income Americans. It is administered by the State government, but it is funded, about 60 percent or so, by the Federal Government and run by the State government. The eligibility requirements are basically set up in Washington, and then you go down if you are the Governor and you have to run it according to what some Congressman decides you need to do. And then as you are running it and you make some decisions, the Federal courts come in and limit what you do. So you have eligibility requirements saying the caseload is going up 40 percent over 5 years. That is what the Governors are dealing with. And the CPI, the Consumer Price Index, for health care is three times that of the normal CPI and Governors are left sitting there with Federal eligibility requirements, rising health care costs, and courts not allowing them to make decisions, so they are stuck. I know that because I was a stuck Governor all during that time.

Let me point out what we are trying to say to do today. This is the amount of money we are going to spend on Medicaid from the Federal Government in the next 5 years, \$1.11 trillion. This is the reduction in the growth of spending we are suggesting, \$13.9 billion. We are suggesting instead of going up 41 percent, go up 39 percent.

That can be done. There are a few steps we know to do today to move to higher ground so we can do that while

we are doing a full-fledged study of Medicare. But we cannot do it by repeating a litany of waste, fraud, and abuse, and better efficiency and flexibility. That will not cut it. We are going to have to change some laws here so Governors have more flexibility and so Federal courts do not interfere as much with the decisions that elected officials are supposed to make.

Let me make a few suggestions. I can suggest four or five steps we can take now and we can move to higher ground now that would help save this \$14 billion so that States could serve people well while we are continuing to constrain the growth of Medicaid spending. These reforms would save money for both States and the Federal Government. They would be voluntary, giving the States flexibility, and they would not cut one person off Medicaid insurance options.

Here are the things we can do. These are a few of the most obvious things to do. We ought to be able to do them in 60 days. One, let Medicaid buy prescription drugs the same way Medicare does. That would save money, several billion a year in the first year, but it would require a change in our Federal law. Allow States to crack down on Medicaid spend-out abuses when wealthier individuals give away their money with the expectation that Medicaid will cover their health care costs if they become ill. We will have to change the law to permit that to be done.

Allow Governors to require copayments of benefits for optional Medicaid population. We require some people to be covered from here. States may add to that. When they do, they should have some flexibility.

No. 4, allow States to have flexibility to allow mothers and children in optional programs to enroll in what we call the SCHIP Program, a health insurance program.

Finally, make it easier for States to provide home and community-based care for beneficiaries who prefer it to more costly nursing home care.

We have a 2-year Congress here. We are here every week, about. We are here most weeks. We have lots of committees that have been studying this issue for a long time. We can adopt a budget in March and we can have a Finance Committee hearing and pass a law some time this year and we can restrain the growth of Medicaid spending by \$14 billion and give Governors and States a chance to restrain the growth of spending and get budgets under control. That would save money here and it would save money in the States for preschool education and universities and other programs that Governors prefer.

There is another thing we need to do. We need to pass the legislation Senator PRYOR and I and Senator CORNYN and Senator NELSON and others have introduced and Representative COOPER in the House has introduced that would make it easier for Governors to run

Medicaid and harder for courts and plaintiffs' lawyers to do it. We should put term limits on the outdated consent decrees that keep Governors like the Democratic Governor of Tennessee from doing what he was elected to do. He was elected to restrain the growth of Medicaid spending.

When I left the Governor's office, health care spending was 16 cents out of every State tax dollar, and education spending was 51 cents out of every tax dollar. Today, because of the growth of Medicaid spending in Tennessee, education is 40 cents out of every tax dollar, and health care is 26 cents out of every tax dollar, and going up.

We will not have great colleges and universities if we do not start today to restrain the growth of Medicaid spending. So I would respectfully suggest that a commission could be of some help. A commission could be of some help if we were serious about it, which I know its proposers are, but we are not going to be able to just move around the fringes. We are going to have to have a completely different view of health care in America. Then we are going to have to transform Medicare. Then we are going to have to transform Medicaid. And along the way, we are going to have to do what is a relatively easy thing to do compared to the other two, fix Social Security.

Together, those unfunded liabilities, that mandatory spending is going to grow. This red on the chart is going to grow to make this a noncompetitive United States of America and drown our States in debt.

I suggest that it is correct that the tsunami is coming. I suggest that this budget that Chairman GREGG has worked on makes only modest steps in fiscal discipline. Yes, it reduces our deficit if we stay on this path. By the time President Bush goes out of office, our annual deficit will only be half as much as it is this year. But our debt still goes up every year. Senator CONRAD has made that point time after time.

This is the only proposal in this budget to restrain the most difficult part of spending growth, which is mandatory spending. This budget overall spends \$2.6 trillion for next year, \$100 billion more than last year. That whole \$100 billion is mandatory spending.

So we are suggesting: Let Medicaid grow at 39 percent instead of 41 percent. See the tsunami coming. Appoint a commission to study it. But do the prudent thing. Take a few steps to higher ground that are perfectly obvious while we are studying it. We can easily do that this year.

I urge that we reject the amendment and that we support the budget which takes a modest but important step toward controlling the biggest challenge we have budgetarily in Washington, DC, and that is controlling mandatory spending.

I see the chairman of the Finance Committee in the Chamber. I wonder if he would like to speak.

Mr. GRASSLEY. Ten minutes, please.

Mr. ALEXANDER. Mr. President, how much time remains?

The PRESIDING OFFICER. Eleven minutes 20 seconds.

Mr. ALEXANDER. Mr. President, I yield 10 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I probably will not use the full 10 minutes.

Mr. President, I have the utmost respect for the Senator from Oregon and the Senator from New Mexico. They are both members of the committee I chair. They are contributing members, very serious members of the Committee on Finance.

They are people who care deeply about providing health care coverage for our most vulnerable citizens.

I have listened with interest as my friend from Oregon talked with great passion about providing mental health services for these fragile individuals receiving public health services.

I share the commitment of the Senator from Oregon and the Senator from New Mexico to providing the necessary care to individuals with disabilities, our senior citizens, and mothers and their children.

And yet, knowing all this, I also have a concern that if their amendment passes, we will fail to enact meaningful improvements to the Medicaid system. If we fail to do that, we could ultimately end up hurting the very same individuals for whom we show so much concern.

I understand that the key feature of the Smith-Bingaman amendment would create a bipartisan Medicaid commission. I have said for a while there needs to be a common language associated with Medicaid reform. Republicans and Democrats alike do not agree even on what the word "reform" means when it is applied to Medicaid. Some believe it means curtailing costs. Others believe it means expanding coverage. A Medicaid commission could help bring us together in developing common themes and ideas of needed reforms.

However, the need to make some critical changes to Medicaid that would capture savings over the next few years and the creation of this commission are not mutually exclusive. We could have both.

If we simply let the program function in the way that it has been over the next few years, States will continue to be squeezed and will have no choice but to begin curtailing services for the elderly and the disabled. To some extent that has been happening in some States.

Everyone needs to realize when a State makes a decision to not serve Medicaid people and to save State dollars, that saves money at the Federal level, but that is not the wisest way to do this. The Federal Government should not be saving money because the States cannot do the things they

need to do. What we need to do is give the States more leeway on serving their people in that particular State without assuming that we here in Washington have all the answers.

Quite frankly, we would be better off working together to see what could be saved, and save State dollars in an intelligent, rational way, and, at the same time, save Federal dollars in an intelligent, rational way, rather than making States do it in a crisis environment, which ends up saving us money at the Federal level. That is why it is necessary that we work together with the States to save this money. But you can also set up a commission that would make long-term suggestions on the change.

Now, I know that curtailing services for this class of people helped by Medicaid is not a scenario that Senators SMITH and BINGAMAN want to see unfold.

First, the Medicaid drug payment system is in significant need of reform. The average wholesale price system clearly overpays for drugs. Just as we took the average wholesale price out of Medicare in the Medicare bill 2 years ago, it seems to me we can and must change this payment system in Medicaid.

AWP, average wholesale price, is a flawed system, and we all know it. AWP is more known today as "Ain't What's Paid," instead of what it really meant to say, "Average Wholesale Price."

Capturing savings by making this commonsense improvement is not inconsistent with a commission. While there is much that we can learn from a commission, we do not need a commission to tell us that the average wholesale price system of paying for drugs is flawed.

A recent General Accounting Office study showed that the best price system is also significantly flawed. If States are not getting the best price, it costs both the Federal Government and the State governments.

There is another Medicaid problem that we know about, and that is a proposal to crack down on the schemes that are currently legal whereby seniors divest themselves of their assets in order to qualify for Medicaid.

Mr. President, there is a virtual cottage industry that instructs seniors on how to give away their homes, properties, cars, and other assets in order for them to qualify for Medicaid. Surely, no one would agree this is in the best interest of the Medicaid Program, and surely you don't need a commission to tell us this.

The President has rightly put on the table new regulations that will govern asset transfers that allow a senior to go on Medicaid for long-term care. This commonsense proposal, as well, is not one that we need a commission to make and could ultimately save dollars so States can continue to spend the money on those who cannot afford care, as opposed to spending money on

people who can afford care. This would be serving the elderly and the persons with disabilities who are very low income.

While the change the President is suggesting is simple, we must, in addition, continue to discuss the proper role of Medicaid and long-term care. The commission Senators SMITH and BINGAMAN are proposing would be very useful in that context. However, we should not let the perfect be the enemy of the good. There are things we can do this year to make improvements in the Medicaid Program, and we should do that.

We should eliminate wasteful practices and we should help States get the flexibility they need to better manage their programs, saving both Federal and State dollars.

We know Medicaid's share of State budgets is growing at an unsustainable rate. Medicaid spending is growing so fast that it is beginning to rival education as a cost in some States.

If we take no action this year, we will continue to put States in the position of having to choose between supporting education and providing services to vulnerable populations.

I am going to continue to work with Secretary Leavitt. He has been working with a bipartisan group of Governors to identify areas of agreement for making changes in Medicaid.

I will commit the Finance Committee to a bipartisan process, where we keep in mind principles that guide us in producing better Medicaid. The Finance Committee will look at proposals that produce shared savings for the Federal Government and our State funding partners. The Finance Committee will look at proposals that emphasize State flexibility through voluntary options for States. The Finance Committee will do this while making a commitment not to eliminate coverage for Medicaid beneficiaries.

But I cannot be more adamant that doing nothing has negative consequences. If we don't eliminate wasteful practices, if we don't provide States the necessary flexibility—and that is something the Governors are asking for—and if we don't provide States relief, they are simply going to do what they have to do: cut people off the rolls in order to balance their budgets.

Doing nothing is far worse for Medicaid beneficiaries than a rational, reasoned approach to protecting and strengthening the program.

While I appreciate the intent of my colleagues, I must oppose the Smith-Bingaman amendment, and I urge my colleagues to oppose it as well.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, how much time remains?

The PRESIDING OFFICER. There is 1 minute 14 seconds.

Mr. ALEXANDER. I thank the Senator for his commitment to work in a bipartisan way to create legislation that would give the States the flexi-

bility they need to help people on the Medicaid Program and to restrain its growth and do it in a way that saves money for States and the Federal Government, that gives more flexibility, and then avoids cutting people off Medicaid.

I will sum up in this way. There is talk about fiscal discipline, about reducing the deficit. This is the only significant opportunity we have in this whole budget debate to reduce the growth of mandatory spending. What we are suggesting is, instead of letting it go up 41 percent, we let it go up 39 percent over 5 years. I suggest if we cannot do that, we cannot do anything this year, and we should not go home and say we are interested in fiscal discipline.

I don't believe there is anybody in this Chamber who is more of a defender of States than I am, but I believe that between March and October, we can take a few relatively minor steps, make a minor adjustment in the growth of spending, and give States important new flexibility.

I thank the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent that we amend the pending order of amendments being considered and add to the list Senator LIEBERMAN, from 9 to 9:30, on a homeland security amendment; Senator VITTER, from 9:30 to 9:45, on a port security amendment; and that at 9:45, Senator BROWBACK be recognized for up to 15 minutes for debate purposes.

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

Mr. GREGG. Mr. President, I appreciate Senator CARPER being here, as his time is starting for a discussion on his amendment. The time on these amendments is going to run. If the Members don't show up, the time is still going to run. That will be their opportunity to put their amendment down and make their point. After Senator CARPER, I will note that Senators SNOWE and WYDEN will come on at 7 o'clock and then Senator HARKIN at 7:30, Senator ENSIGN and HUTCHISON are at 7:45, Senator LANDRIEU is at 8:05, Senator SANTORUM at 8:20, Senator VOINOVICH is at 8:35, Senator DORGAN is at 8:50. And we mentioned Senators LIEBERMAN and VITTER.

The PRESIDING OFFICER. There will now be a period of debate, equally divided, until 7 p.m. on the Carper amendment.

The Senator from Delaware is recognized.

#### AMENDMENT NO. 207

(Purpose: To provide for full consideration of tax cuts in the Senate under regular order)

Mr. CARPER. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. CARPER] proposes an amendment numbered 207: Strike paragraph (b) of Section 201.

Mr. CARPER. Mr. President, the amendment I offer this evening is actually a fairly simple one. It strikes the section of the budget resolution that gives reconciliation protection to some \$70 billion in tax cuts. The amendment doesn't prohibit those cuts. It simply says if we are going to cut our taxes by another \$70 billion, we either need to come up with a way to pay for that or to sort of offset that with the Treasury or we need to be able to produce 60 votes here in the Senate.

At a time when deficits are already high, I, for one, believe we should not make it any easier to dig the hole deeper.

Sometimes I like to quote a former Chancellor of the Exchequer, a British fellow, who used to say this, talking about the theory of holes:

The theory of holes is when you find yourself in a hole, stop digging.

The amendment we offer here tonight is based in part on that theory of holes made famous by the Chancellor of the Exchequer. Faced with the kinds of deficits that we do face when we are cutting domestic programs, reconciliation should not be used for tax cuts that dig the deficit hole even deeper. Our Nation should be getting its fiscal house in order, not undermining the foundation of that house.

If proponents of additional tax cuts wish to cut taxes further, they should pay for them. They should offset them, in my view. We already have that requirement on the spending side of the Federal ledger. I believe we need to apply the same principle to the tax side. Now, the Senate voted on Senator FEINGOLD's and Senator VOINOVICH's amendment to reinstate pay-go requirements that require Congress to find offsets to pay for any new tax cuts or spending on any entitlement programs. My amendment takes the area of this budget resolution where we are actually spending more money—and that is \$70 billion in tax cuts—and applies the pay-go standard.

As demonstrated by my vote on the Feingold-Voinovich amendment, I favor applying pay-go standards universally, both on the spending side and on the tax side. My views are pretty basic. I think when we are faced with budget deficits that are in the area of \$400 billion again this year, if I or anybody else wants to raise spending, in effect making the deficit larger, I would have to come up with an offset for it.

If I can, I have to muster 60 votes for that offset. Similarly, in an era of \$400 billion deficits, if I want to cut taxes, as well intended as that might be, but if doing so simply raises the budget deficit, I should be able to offer that amendment. My amendment says that anyone seeking to do so would have to muster 60 votes to cut taxes in a way that raises the budget deficit even further.

The reconciliation process is a fast-track procedure that was designed to facilitate the passage of deficit reduction legislation in the Congress. The process was intended to protect hard-to-pass deficit reduction legislation from a filibuster and to ensure that such legislation could pass with 51 votes rather than 60 votes in the Senate. In recent years, however, Congress has used these special procedural protections to make it easier to cut taxes, to increase deficits, and to increase our Nation's debt.

Tax cuts enacted in reconciliation bills in 2001 and again in 2003 cost the Treasury nearly \$2 trillion over 10 years. The current tax reconciliation instruction would make it easier to pass an additional \$70 billion in tax cuts without requiring that they be offset or paid for. This is the very opposite of the way these fast-track procedures were intended to be used, and the consequences for our fiscal situation have been mounting deficits and mounting debt.

When President Bush took office some 4 years ago, the Congressional Budget Office projected surpluses of \$5.6 trillion over the next decade and that virtually all publicly held debt would be paid off by 2008. However, if we adopt the policies in this budget resolution, including these tax cuts, debt in 2008 will total \$5.7 trillion based on CBO's estimate of this budget proposal. In a span of 4 years, we have really moved from a CBO projection of surpluses of \$5.6 trillion over the next decade that would have enabled us to have paid off publicly held debt by 2008 to where we see ourselves in a situation where CBO says, no, forget that; rather, our debt in 2008 will be in \$5.7 trillion—not paid off, it will have grown to \$5.7 trillion.

This is not about being against tax cuts but about making the decision that at a time of unprecedented Federal budget deficits, if we are going to cut taxes further, those cuts ought to be offset.

Reconciliation evolved during the last period of large deficits to help Congress take the difficult steps necessary to balance the budget. It worked then and it can work again if we use these procedures to reduce deficits, not to make them larger.

My first tour of duty to Congress was at the beginning of 1983 as a Member of the House of Representatives. I had a lot to learn then. I still do. Among the things I needed to learn in 1983 was how the budget process worked because I did not understand it very well. I had been the treasurer of the State of Delaware for 6 years before that, and I was familiar with the budget process in my State, one that was similar to budget processes in many other States. In the State government in Delaware, the Governor proposes a budget sometime in the early part of a calendar year for a fiscal year that starts on July 1. There are hearings on the Governor's proposal. The legislature debates the

Governor's proposal both for an operating budget and for a capital budget. Sometime before July 1, the legislature usually adopts an operating budget and a capital budget. We go out. We run the State. We use those budgets that have been adopted.

When I got here, I found out it was not that way at all. Sometime in the early part of the calendar year, the President proposes a budget that now kicks in around the beginning of the new fiscal year, around October 1. There are hearings before the Budget Committees in the House and the Senate on the President's budget proposal.

The next step is for the Congress to adopt a budget resolution, which is not a real specific budget; it is sort of a skeleton or a framework for the budget—roughly, we are going to spend our money in these areas, we are going to raise our money from these areas, and in the end hopefully it will all balance.

After we have adopted a budget resolution, we come back and put the meat on the bones, the meat being the 13 appropriations bills we have traditionally enacted that provide the real detail of the budget resolution.

At the end of the budget process, usually sometime in September, ideally, we do some cleanup in order to make sure that we are going to hit our balanced budget target or deficit reduction target. At the end of the process, we pass a reconciliation.

When the Budget Act was adopted in the mid-1970s, the notion was that budget reconciliation would be used to help make sure we made the tough decisions to cut spending or to raise revenues in order to balance our budget or to get us closer to a balanced budget. So keep in mind the initial idea, the reason we had reconciliation, was to ensure that the Congress made the tough decisions to reduce budget deficits—in fact, to try to balance our budget.

One of the great ironies today, is budget reconciliation has come to be used in an entirely different way. It is not used to help us make the tough decisions to reduce deficits, but, sadly, it is being used to make the deficits larger.

My point of view is this: Things are worth paying for whether they are veterans benefits, defense programs, education, or transportation. If they are worth having, we ought to pay for them. If we are not willing to raise the taxes to pay for them, we simply should not have as many or any of those programs in this country.

At the very least, I believe if we are going to allow a Member of the Senate to stand up and say, I want to raise spending on my favorite program, and we know that doing so makes the deficit bigger, there ought to be an offset. If they cannot come up with the offset to pay for that spending increase, they ought to be able to muster 60 votes to do so. I believe the same should apply if this Senator or any other Senator wants to come in and cut taxes, how-

ever well intentioned that might be. If doing so simply raises the deficit, we ought to have the right to offer that proposal, but if it is going to raise the deficit, we ought to also have to muster 60 votes just like we would on the spending side. So that is my amendment.

Will the Chair inform me as to how much time I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. CARPER. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. I yield to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield myself such time as I might consume.

Mr. President, some on the other side on several different occasions have trotted out several multiple arguments against the tax relief reconciliation instructions to the Finance Committee that I chair. Now, I am not going to get into any debate over whether budget reconciliation can, in fact, be used for tax legislation because there has been plenty of precedent established over the years in the Senate, whether the Senate has been controlled by Republicans or controlled by Democrats.

As an aside, though, I find it intriguing to consider the views of some on the other side feeling so strongly, as they have indicated, that partisan tax increases such as the 1993 tax hike legislation should enjoy expedited reconciliation process, and somehow our using that this year is wrong. They care not a whit about raising \$1 trillion in taxes as was done in the 1993 tax bill on a party-line vote under the process that is called reconciliation, but talk about bipartisan tax relief in reconciliation and somehow they get very irate. It seems to be a big double standard, so I come to the floor not to debate these points. Rather, I want to tell you why we should have a reconciled tax relief package.

Let's look back just to the last Congress as a precedent. In that Congress, late in an election year, we passed a couple of tax relief proposals that were allegedly supported on both sides of the aisle. With an election facing them, many on the other side reluctantly supported extension of the family tax relief proposals. Keep in mind that conference vehicle was opened a year earlier—a year earlier. You would think something that passed just before the election should have been considered over the course of a year, but it was not. You would think it would be simple, by how it finally passed, but there were obstacles put in the path of it all the time.

We were not as lucky when we took up the FSC/ETI legislation. That bill was drawn up in a bipartisan way by Senator BAUCUS and this Senator. The bill came out of the Finance Committee with only two dissenting votes,

and those dissenting votes were Republican votes. Despite the bipartisan support, it actually took two cloture votes and the threat of a third cloture vote to break a Democrat filibuster on a tax relief bill Democrats claimed to support.

I have a chart behind me that represents goalposts on a football field. Tax relief bills have a way of becoming political footballs. We brought up the FSC/ETI legislation on March 3, 2004, and did not complete it until May 11, more than 2 months later, the same year. That is over 2 months to do a tax relief bill that had unanimous support from Democrats on my committee. Members, sometimes for partisan reasons, sometimes for other reasons, decide to filibuster by amendment or other tactics.

Now referring to another bill, referring to the charitable tax relief bill that we call the CARE Act, let me point out that we were unable to go to conference because of Democratic leadership objections over the years 2003 and 2004. Also, do not forget that we were unable to get energy tax relief because of a filibustered conference report.

So what happens? Reconciliation creates an opportunity for certainty. Reconciliation, obviously, is not my first choice. Reconciliation prevents must-do tax legislation from becoming political footballs, as you see the goalposts move from time to time. In this case, I had hoped that those who say they want to address issues such as alternative minimum tax hold harmless would not filibuster. If you say you care about expiring provisions that are going to expire this year, such as the college tuition deduction, you should care about reconciliation—if you want to get that done. It will be tough enough to address expiring tax relief provisions. There is demand for revenue of about \$90 to \$100 billion in this budget, and tax relief numbers of \$70 billion. That means I have to find offsets for about a fourth of that, of \$20 billion to \$30 billion over 5 years, just to keep taxpayers where they are now. Not more tax relief—stopping existing tax policy from ending and having automatic increases in taxes. That will be tough enough without political football tactics of filibusters by amendment or otherwise, as we saw over the course of last year, that I am just using for an example.

But it is a lesson to be learned—to have a process in place where people who say they are for tax relief cannot say they are for tax relief and then stall the process forever and ever. Necessarily, I have to have a reconciliation option in this Finance Committee playbook. I appreciate the Budget Committee's efforts of providing that option. I urge my colleagues to retain that option. Otherwise you are not being realistic when you tell the folks back home that you support extending these tax relief provisions.

In other words, I would like to have us avoid the environment where people

can say they are for something but then stall for 2 months to finally get it done, moving the football goalposts down the field. What reconciliation does is it gives us an opportunity to get done what people say they want done.

There are a lot of tax provisions that have to be worked on this year that have almost unanimous support. People can say they are for them but put roadblocks in the way, or move the goalposts to keep them from happening. Reconciliation is going to protect us from that sort of activity.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CARPER. Mr. President, I would like to make a comment, and then I will yield time to Senator CONRAD.

For 8 years immediately before coming to the Senate I was privileged to serve as Governor of my State. During those 8 years we cut taxes 7 years out of 8. However, for 8 years in a row we also balanced our budget.

Tonight, as we gather here, we face a budget deficit for the year probably in the range of \$400 billion again. We came off a budget deficit for last year of over \$400 billion. Our Nation's trade deficit this year is expected to exceed \$600 billion.

I say to my friends, that kind of lifestyle is not sustainable. We are not going to enjoy the standard of living that we do today if we continue down this path of spending ever more money as a country than we raise, and forever buying more from abroad than people buy from us—not by just a little bit but by a lot.

Our trade deficit for the month of January was, as I recall, about \$60 billion. We can go back only as recently as 1990, and I think our trade deficit for the whole year was about \$30 billion.

We are on a dangerous path. For us to continue willy-nilly along the same course is playing with fire. Again, the principle that is part of this, that really underlies this amendment, is if you have a big budget deficit and you want to cut taxes further, and it has the effect of raising the budget deficit, you can do that. But when you have a budget deficit of over \$400 billion and as far ahead as we can see there is more red ink, we ought to make it a little more difficult to cut taxes and, frankly, we ought to make it more difficult to raise spending.

I yield to my friend from North Dakota, Senator CONRAD, for however much time he wishes to consume.

Mr. CONRAD. How much time is remaining on this side?

The PRESIDING OFFICER. Just under 8 minutes.

Mr. CONRAD. Would the Chair advise me after I have consumed 5 minutes?

The PRESIDING OFFICER. Certainly.

Mr. CONRAD. Mr. President, the more I listen to this debate about the budget, the more I feel as though I am

in some time warp, or some sort of surreal out-of-body experience because the other side talks about the need for more tax cuts and more spending. They never talk about the fiscal condition of the country at this moment. They never talk about where it is all headed.

This is the circumstance we face tonight as we meet. This looks back to 1980. The green line is the revenue line, and the red line is the expenditure line of the Federal Government. The last time our Republican friends were in control back in the 1980s, we can see the expenditure line is way above the revenue line as a result of the massive deficits.

Then a Democrat took office, and the spending line came down steadily. The revenue line went up, and the result was we balanced the budget, we stopped using Social Security money for other purposes.

Then we got another Republican administration, and the revenue line collapsed, the spending line moved up, and the deficits again opened up dramatically. That is a fact. That is undeniable. That is what happened.

Our Republican friends are plenty ready to spend the money, but they do not want to raise the taxes to cover their spending, and they don't want to cut their spending to match their revenue. The result is deficits as far as the eye can see.

Here is what has happened since our Republican friends took over. The deficits have gone through the roof. It is not only the deficits, but the debt as well. The debt was \$3.3 trillion—publicly held debt—and now it is headed for \$9.4 trillion.

Our Republican friends come with a budget that they say is fiscally responsible, but their own numbers give lie to the rhetoric. If you look at their own budget document on page 5 where they estimate how much they are going to increase the debt each and every year of this budget, here is what it shows. They are going to increase the debt \$669 billion this year, \$636 billion next year, \$624 billion the next year, \$612 billion the next year, and \$611 billion the fifth year. They say they are cutting the deficits in half, but the debt goes up every year by over \$600 billion, according to their own estimates.

The Senator from Delaware comes with an amendment that says you shouldn't have special protection to further reduce the revenue base. You shouldn't have special protection that says we take the revenue base that has already collapsed and reduce it further with special protections from the traditional way of doing business in the Senate. Instead, if somebody wants to have more tax cuts, they should pay for them. There is an old-fashioned idea—pay for it. That is what the Senator from Delaware is saying. You can have more tax cuts, but pay for them, either reduce the spending to pay for them, or increase revenue somewhere else to pay for it, but don't tack it onto the debt. Don't add it to the deficit.

Don't shove this onto our kids. Don't add this onto the already burgeoning Federal debt. It is a conservative idea. It says let us pay for what we do around here.

I thank the Senator for his comments.

The PRESIDING OFFICER. Who yields time?

The Senator from Colorado.

Mr. ALLARD. Mr. President, I happen to think we need to take care of those taxes where they are expiring. If we don't deal with them, the rates are going to go up. We have a number of tax provisions that are within the 5-year window of the budget resolution that is before us. Three of them are what we refer to as economic growth, taxes we reduced, investment and job creation incentive, and taxes we reduced.

I think one of the most effective taxes in stimulating the economy is reduction of capital gains. It is set to expire within this 5-year window.

If you look as far back as the Kennedy administration, he reduced capital gains to create more income during his administration so he could spend on other programs. Because you cut taxes doesn't mean it is going to reflect a decrease in revenue to the Federal Government. We have seen that happen from time to time. It happened during the Reagan administration. It helped pay for defense spending. We have seen it in my State of Colorado.

Right now, we happen to have in my State of Colorado a modified national tax where we build off of the Federal tax bottom line form. One time we didn't, and we reduced capital gains in the State of Colorado and, lo and behold, revenues increased to the State of Colorado.

We have seen this happen now under the Bush administration with the tax incentives we put in place, which included a 15-percent tax rate on capital gains income, and included a 150-percent tax rate on dividend income, and increased 100 percent the deduction for small business expenses. Having done that, here is what we have seen happen.

February's nonfarm payroll growth exceeded analysts' expectations and was broad-based. We saw nonfarm payroll increase 262,000 in February, above the 225,000 median analysts' estimates, according to Bloomberg. It was the largest nonfarm payroll gain since October of 2004 and only the second gain of over 200,000 since last May. We saw 121 consecutive months of job gains, and have added more than 3 million new jobs to the payroll. The unemployment rate declined to 5.4 percent from 5.6 percent a year ago. Now it is below the 1980s peak of 10.8 percent, the 1990 peak of 7.8 percent, and the 2000 year peak of 6.3 percent, according to OECD, which is an international organization that looked at the unemployment rate in the United States and compares it to other countries. According to its rating, the unemployment rate in the U.S.

is low again in comparison to our major trading partners.

The United States has 5.5 percent, France's unemployment rate is 9.6 percent, 4.1 percent higher than in this country, Germany is 9.8 percent, the Euro area is 18.9 percent.

We look at all these figures, and I don't see how anybody can deny the fact that those taxes where we reduced them for the purpose of driving the economy didn't work. It did work. It created more revenue for the Federal Government.

We can tax things to the point where you get very little revenue to the Government. I think we have been through an era where spending and taxing both have been on the higher side. When that happens, you decrease production, and the result is you have less revenue. Just raising taxes doesn't mean you automatically are going to get more revenue to the Federal Government. On the other hand, because you cut taxes doesn't necessarily mean you are going to get less revenue to the Federal Government. It depends on where your tax rate is.

We have seen time and time again where we took a tax such as capital gains, we reduced it in the Kennedy era, we reduced it in the Reagan era, we reduced it in local States, and we have seen the effects by the adjustments within the States. We have seen it happen recently with the budget tax incentive and, lo and behold, revenues increased to the Federal Government.

That is why Members such as myself feel it is important that we keep in the reconciliation process the opportunity to begin to extend these taxes. Obviously, they are not going to be extended permanently. I prefer to extend them permanently. Obviously, that is not going to be possible around here. I am willing to go ahead and extend them again further on a temporary basis and deal with them later.

If you are going to stimulate the economy, I think you have to turn to the small business sector. That is the real engine that drives this economy. It is the small business sector. That is where innovation occurs. That is where individuals can own their own business and be motivated to produce. We see that time and time again in this country. I have seen it in my State of Colorado.

I am a small businessman myself, having had a veterinary practice. I understand the vital role small business will play in economies of cities throughout this country. We had a 100 percent deduction for small business on expensing. That had a phenomenal impact on revenues to the Federal Government in a positive way. It is one of the taxes that increased revenue to the Federal Government. We saw such a dramatic drop in the unemployment rate.

It is important we not do away with the goose that laid the golden egg. We need to look at what has worked historically and we need to continue that

policy. If we do that, we will continue to see our economy grow.

The President is on the right track. This budget is on the right track to, at the very least, extend out those taxes.

There are some Members that would have liked to have seen more in the reconciliation bill. The \$70.2 billion that is in here that they are talking about is a bare minimum as far as I am concerned. I wish we had a lot more. I think we could have done more to further stimulate the economy.

It is not the government that creates new jobs, it is the small business people out here that are working. They are the ones who really create jobs. It is the free enterprise system in this country that creates jobs. When you create jobs, you can hold down government expenses and you can generate more revenue to the Federal Government.

There are other expiring tax provisions that the Finance Committee can look at. They are not what I would classify necessarily as economic growth. They do not stimulate economic growth when you reduce them necessarily, but they help to contribute to the environment that helps our economy grow. I look at some of these that will expire within this window and I hate to turn my back on them, because they are popular, many of them, among the American people. Relief from individual alternative minimum tax; the research and experimentation tax credit; the deduction for teachers' classroom expenses; deduction for qualified education expenses; deduction of State and local sales taxes; cutting the welfare-to-work tax credit, work opportunity tax credit, credit for electricity produced from wind, biomass, and landfill gasses, tax credit for hybrid fuel cell vehicles; the first-time home buyer credit; and expensing of brownfields for mediation. Just a few of those taxes that will be expiring within the 5-year window that is provided for in this budget.

My view is if these are worthy programs, we are much better off to reduce taxes in a way that stimulates those programs to grow than to say we will spend Federal dollars and promote these programs and subsidize these businesses. That is the wrong way. We are better off to keep a competitive environment by reducing taxes on some of these programs that are vitally important.

I firmly believe the President is on the right track. I firmly believe the tax cuts we have put in place since the President was first elected to office are working, and it would be very disappointing to me and I think it would be a wrong track to somehow or other turn our back on those tax incentives that have proved to do so much for improving the economy in this country and improving revenue not only to the Federal Government but the State governments. The figures are looking better among State and local governments.

I for one am going to stand and say, look, we need to have those provisions

in the budget because we want to continue to see economic growth so that we can continue to have a strong and competitive economy. If we just turn loose the free enterprise system, the American people will generate the revenue that we need to sustain our economy. We just need to give them the incentive to produce. We do that, we have done that in the past, and we need to extend these out. It is very important.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Delaware.

Mr. CARPER. How much time remains?

The PRESIDING OFFICER. Three minutes.

Mr. CARPER. My friend from Colorado has reflected on the fiscal behavior of his State and I reflected earlier on the fiscal policies of my own State of Delaware. We like to cut taxes from time to time in my State. We also understand that at the end of the day we need to balance the amount of money that is coming in with the amount of money we are spending.

There was a time when Delaware did not do such a good job of reaching that kind of balance. We were best in the country at spending more than we anticipated and writing in less than we estimated. In fact, we were the best in the country in that and ended with the worst credit rating in the country in 1977.

Whether it is Delaware, Colorado, or actually a country, we cannot forever live beyond our means. It is one thing to run budget deficits, which are a very small percentage of our gross domestic product, maybe for a short period of time. It is another matter when we run budget deficits which are a significant portion of our gross domestic product. When we look forward to the future, we do not see those deficits getting any smaller unless we assume we will not spend any money on Iraq or unless we assume we will not spend any money on Afghanistan and unless we assume things like we are not going to fix the alternative minimum tax.

We ought to fix the alternative minimum tax. I would like to extend the R&D tax credit. There are other provisions of the Tax Code I would like to extend as well. I am sure most of us would.

The point I am trying to make is this: If we elect to do those things, they have the effect of making our budget deficits larger and to increase our need to borrow money, then we ought to provide for an offset. We ought to provide for an offset by reducing the growth in spending in other portions of the budget or we need to collect more taxes, do a better job of collecting the taxes that are owed but not collected. We need to close some tax loopholes if there are things that are abusive that are part of our Tax Code in order to come up with the offset.

We cannot sustain this forever. As a nation, we cannot continue going around the world and borrowing ever larger sums of money to fund our national debt. We certainly cannot continue to buy so much more from other places around the world. This month alone \$60 billion more we will buy from the rest of the world than we will sell. It is not sustainable. We need to instill a bit of old-fashioned common sense and fiscal discipline.

I started earlier talking about the Chancellor of the Exchequer theory of holes; my friends, we need to stop digging.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, could we be updated on the time situation.

The PRESIDING OFFICER. Earlier the Senator from Colorado yielded his time so there is no time on either side.

Mr. CONRAD. So the next amendment up would be Senator WYDEN; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. CONRAD. From 7 to 7:30 is the Snowe-Wyden amendment. We will put in a quorum call so they can prepare to offer their amendment.

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

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

Mr. ALLARD. Mr. President, we will recognize Senator SNOWE, and we will recognize her on the Democrats' time.

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

The Senator from Maine.

#### AMENDMENT NO. 214

Ms. SNOWE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Ms. SNOWE], for herself, Mr. WYDEN, Mr. FEINGOLD, Mr. MCCAIN, and Mrs. FEINSTEIN, proposes an amendment numbered 214.

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

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

The amendment is as follows:

(Purpose: To ensure that any savings associated with legislation that provides the Secretary of Health and Human Services with the authority to participate in the negotiation of contracts with manufacturers of covered part D drugs to achieve the best possible prices for such drugs under part D of title XVIII of the Social Security Act, that requires the Secretary to negotiate contracts with manufacturers of such drugs for each fallback prescription drug plan, and that requires the Secretary to participate in the negotiation for a contract for any such drug upon the request of a prescription drug plan or an MA-PD plan, is reserved for reducing expenditures under such part)

On page 40, after line 8, insert the following:

#### SEC. 1. RESERVE FUND FOR REDUCING EXPENDITURES UNDER MEDICARE PART D.

The Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, functional totals, and other appropriate levels and limits in this resolution upon enactment of legislation that provides the Secretary of Health and Human Services with the authority to participate in the negotiation of contracts with manufacturers of covered part D drugs to achieve the best possible prices for such drugs under part D of title XVIII of the Social Security Act, that requires the Secretary to negotiate contracts with manufacturers of such drugs for each fallback prescription drug plan, and that requires the Secretary to participate in the negotiation for a contract for any such drug upon the request of a prescription drug plan or an MA-PD plan, by the amount of savings in that legislation, to ensure that those savings are reserved for reducing expenditures under such part.

Ms. SNOWE. Mr. President, I rise today, along with my good friend and colleague, Senator WYDEN, to offer this amendment, and on behalf, as well, of Mr. FEINGOLD, Mr. MCCAIN, and Mrs. FEINSTEIN. The amendment would repeal the prohibition that we now have and was included in the Medicare Modernization Act that passed last year that would have prevented the Secretary of Health and Human Services from negotiating prescription drug prices.

I think, as we all know, prescription drugs are an indispensable part of modern medicine today. Drug coverage was not originally part of the Medicare Program. We deemed it, rightfully so, to be part of the new Medicare Program for the future.

As we all well know, not only do pharmaceuticals play a critical role, but also we have seen the dramatic rise in prescription drug prices as well. In fact, starting within weeks of passage of the Medicare Modernization Act, we saw a vastly increased cost estimate for the prescription drug benefit. Mr. President, \$534 billion from the administration was the reestimate. In fact, we cannot even get the Congressional Budget Office to give us a net cost of this benefit, which seems to be not only escalating but also changing from time to time since the passage of this legislation. And I think we can expect that to be the case in the future.

So it is no surprise that the annual growth in the cost of the benefit will far outpace inflation. As this chart indicates, we see an upward trajectory of

drug prices that is two and three times the rate of inflation.

My good friend, Senator WYDEN, and I received a report from the Government Accountability Office, and the news was not good, as this chart illustrates, when you see drug prices going up two and three times the rate of inflation, especially so that this rate increased during the time of consideration of the Medicare Modernization Act. So you can see the major difference in the price changes that is two or three times over the rate of CPI.

It is actually even worse than what this graph would indicate. Those with fixed incomes, for example, have seen the long-term effects of the price increases that seniors are experiencing all across America, certainly in my State of Maine. A senior with \$250 in monthly drug costs, in 1999, would need to spend \$298 to purchase those same prescription drugs in 2003—not newer, not better drugs, but the same products.

But this is the trend. This trend indicates that purchasing power is eroding, and beneficiaries are not going to realize the full value, the full benefit, and the full promise of the act that passed that included this new Part D benefit.

Now, Senator WYDEN and I have introduced legislation repeatedly on the very question as to how we can maximize the value of this prescription drug benefit. It is in the interest of seniors. It is in the interest of taxpayers. It is certainly in the interest of good public policy.

One of the best tools we can give the Secretary of Health and Human Services is the ability to negotiate prescription drug prices. There was a prohibition in the Medicare Modernization Act, regrettably. There should not have been a prohibition. We should have been able to give the Secretary of Health and Human Services the same authority and prerogative that is utilized at the Veterans' Administration, that is utilized by the Department of Defense, very effectively, very successfully.

So why is it that the Secretary of Health and Human Services cannot have that same prerogative and the ability to control prices on prescription drugs, something that is utilized all across America, most certainly by seniors? It can make the difference between life and death, the progression of a disease that ultimately could result in more costly illnesses.

So that is what this is all about: whether we are prepared to give the Secretary of Health and Human Services the authority to negotiate prescription drug prices.

That is what our amendment does. It allows the Secretary to have that authority. It is permissive authority, but on the other hand, there will be two instances when it would be required. I think it would be in the interest of all of us to understand that this will be an improvement on the legislation that passed that provided the prescription

drug benefit. One, as you know, there is a fallback provision in the legislation that passed. In areas of the country where there may not be competitive plans, we want to make sure those seniors, regardless of where they live in America—urban or rural areas—if there is a fallback plan, we want to make sure they get the best prices, competitive pricing.

That is why it would require the Secretary, in our amendment, to negotiate prices in those instances, so that they don't become victims of high prices because there is a lack of competitive plans to be offered in that particular area of the country.

The second instance would be, if providers would request assistance because the manufacturers are not negotiating in good faith. Again, that is another instance which we think would be desirable in the interest of good public policy to ensure that the Government is negotiating the very best prices because, ultimately, it is going to be the taxpayers. It will drive up the cost of the prescription drug plan that went from \$400 billion up to \$534 billion, and we don't have any idea how high it is going to go. CBO is not even prepared to estimate it at this time.

I cannot imagine why there would not be a willingness on the part of the Senate to embrace this approach and give the negotiating power to the Secretary of Health and Human Services. In fact, former Secretary Thompson indicated that he wished he had had that authority. At his press conference, during the time of his resignation as Secretary, he indicated:

I would like to have had the opportunity to negotiate.

That is a very powerful statement coming from the former Secretary. He well understood that the vital ingredient for controlling the cost of prescription drugs was to have this negotiating power in order to ensure that we could maximize this legislation, this benefit on behalf of seniors, most certainly, and also on behalf of taxpayers. We have seen the annual increased projections of about 8.5 percent and the cost of the Part D benefit. I don't think any of us are under any illusion that if we, the Federal Government, don't have this ability to use and exercise this prerogative at key moments in time, we will lose and devalue this benefit for seniors because their purchasing power will erode quickly over time.

With that, I would like to yield to my colleague, Senator WYDEN of Oregon. I appreciate his leadership on this issue and working to make sure we have the very best initiative that would, hopefully, draw a majority of support in the Senate.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Parliamentary inquiry: I need to speak with the Senator from Colorado and the Senator from North Dakota. I haven't had a chance to speak. Senator SNOWE has done a su-

perb job. In 3 or 4 minutes, I could sum up any additional comments. I know other colleagues want to speak and Senator STABENOW wants to speak. Could we work out something where we would have a few more minutes?

Mr. ALLARD. Before we work out that agreement, I would like to be able to give those Members in opposition an opportunity to speak. We had this time pretty well set between 7 and 7:30. The time was running when we were waiting. I would like to call on them and see how our time runs. That might be possible.

Mr. WYDEN. I think that is very fair. After Senator GRASSLEY is done, maybe we can work it out where I can have 4 minutes and Senator STABENOW can have 4 minutes.

Mr. ALLARD. We will see how the time goes. I will yield to Senator GRASSLEY first.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I would like to be notified when half of the time on this side is used. I want to reserve time for Senator HATCH. Will the Chair inform me?

The PRESIDING OFFICER. The Chair will do so.

Mr. GRASSLEY. Mr. President, the amendment by the Senator from Maine and the Senator from Oregon about the noninterference clause will not result in savings, and it is going to undermine a drug benefit that is not even up and running yet. I don't know how you can propose changes in legislation that effectively doesn't get started until January 1, 2006. How do you know things are not going to work until you have had some experience with it?

I have urged everybody to hold off on changing anything in the prescription drug bill until you actually see it functioning. It seems to me to be very difficult to work on a piece of legislation like this and try to change it before it has been operational.

First and foremost, let me be clear about something again. The Medication Modernization Act does not prohibit negotiations with drug companies. That could not be further from the truth. In fact, it requires the Medicare plans to negotiate with drugmakers for better prices. These negotiations are at the heart of the new Medicare drug benefit plan.

The absurd claim that the Government will not be negotiating with drugmakers comes from a noninterference clause in the Medicare law. This noninterference clause does not prohibit Medicare from negotiating with drugmakers. It prohibits otherwise the CMS from interfering with those negotiations that are provided for.

Let me be clear, the noninterference clause is at the heart of the bill's structure for delivering prescription drug coverage. This clause ensures those savings will result from market competition, rather than through price fixing by the Center for Medicaid Services bureaucracy.

Here is what is so funny about what we are discussing today. The same non-interference clause language that we have in the law right now was in the Daschle-Kennedy-Rockefeller bill and the Gephardt-Dingell-Stark bill in 2000. The Daschle bill was in 2002; the Gephardt bill was in the year 2000.

I want to read for you what this says:

In administering the prescription drug benefit program established under this part, the Secretary may not (1) require a particular formulary or institute a price structure for benefits; (2) interfere in any way with the negotiations between private entities and drug manufacturers, and wholesalers; or (3) otherwise interfere with the competitive nature of providing a prescription drug benefit through private entities.

Now, where did that language come from? It comes from the bill introduced by Senator Daschle and cosponsored by 33 Democrats, including Senator KERRY. They all thought their approach, which was incorporated in our legislation passed in 2003, and has now been dubbed by opponents of it, including the sponsors of this amendment, as "preventing Medicare from negotiating," was a fine approach when it was suggested from the other side of the aisle.

In fact, at the time, this is what Senator Daschle had to say.

Our plan gives seniors the bargaining power that comes with numbers. . . . Our plan mirrors the best practices used in the private sector. For beneficiaries in traditional Medicare, prescription drug coverage would be delivered by private entities that negotiate prices with drug manufacturers. This is the same mechanism used by private insurers.

Just for the record, opponents now also have claimed that Republicans insisted on including the so-called ban in the Medicare Modernization Act that somehow we "pushed through." I remind these people—and they are here right now—that the whole concept was developed by Democrats.

The Congressional Budget Office has concluded that the market-based approach in the new Medicare law will result in better, higher prescription drug cost management for Medicare than any other approach considered by Congress. That is the green eyeshade people in the Congressional Budget Office.

The PRESIDING OFFICER. The Senator is at 6 minutes.

Mr. ALLARD. Mr. President, I believe we have two speakers on this side who want 4 minutes apiece. I ask unanimous consent that we have 8 minutes on this side extended out and that we give Senator GRASSLEY another 4 minutes to wrap up his speech, and then another 4 minutes on the time of Senator HATCH, if we might. There have been some cancellations, and we can take it off the time later on.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRASSLEY. Okay. I quoted the Congressional Budget Office. Here is what the Congressional Budget Office said about eliminating the noninterference clause in a letter just last year:

The Secretary would not be able to negotiate prices that further reduce Federal spending to a significant degree.

The letter went on to say:

CBO estimates that substantial savings will be obtained by the private plans.

That is the way we wrote this bill and what the Senator is trying to change.

Now, we also have an analysis from the Chief Actuary for the Medicare Program. The Chief Actuary is required by law to provide independent actuarial analysis on Medicare issues. The Chief Actuary's report states the view that the Medicare prescription drug plans will achieve average cost reductions of 15 percent initially, and that these cost reductions will rise to 25 percent over 5 years.

The Chief Actuary has concluded that he does not "believe that the current administration or future ones would be willing and able to impose price concessions that significantly exceed those that can be achieved in a competitive market."

In fact, more astonishing, the Chief Actuary points out that if Medicare establishes drug price levels, it will reduce competition, not increase it. Their report states:

Establishment of drug price levels for Medicare by the Federal Government would eliminate the largest factor that prescription drug plans could otherwise use to compete against each other.

Further, their report points out that the past experience in the Medicare Program does not give one much, if any, confidence that Medicare will do a good job in setting prices. Far from it. As confirmed by the Actuary's report, prior to the enactment of the prescription drug bill, drugs in Part B "were reimbursed at rates that, in many instances, were substantially greater than prevailing price levels." So Medicare does not have a very good track record when it comes to price negotiations.

So let me be clear: Direct Government negotiations is not the answer. The Government does not negotiate drug prices. The Government sets prices, and it does not do a very good job at that.

The bill's entire approach is to give seniors the best deal through vigorous market competition, not price controls. Again, a quote from Senator Daschle when he outlined the principles of his Medicare prescription drug benefit:

Fifth, we should take a lesson from the best private insurance companies: Cost-savings should be achieved through competition, not regulation or price controls.

Even The Washington Post editorial page wrote on February 17, 2004:

Governments are notoriously bad at setting prices, and the U.S. Government is notoriously bad at setting prices in the medical realm.

The Congressional Budget Office said that such a proposal "could generate no savings or even increase Federal costs."

So we did not rely on Government price-fixing but instead created a new drug benefit that relies on strong market competition, an approach relied upon by the MEND Act as introduced by Senator Daschle and cosponsored by 33 Democrats.

The new Medicare drug benefit creates consumer choices among competing, at-risk private plans. The Medicare plans will leverage the buying power of millions of beneficiaries to lower drug prices. I urge my colleagues to oppose efforts to repeal the non-interference clause and oppose efforts to get the Government involved in setting drug prices. It is a prescription for higher costs and undermining the competitive market in the Medicare bill that will result in lower drug costs. Let us not interfere with that with some sort of attempt to strike the so-called noninterference clause.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, every time one turns around, the costs of the prescription drug program go up and up. The bipartisan Snowe-Wyden proposal is the only proposal that is being offered in the Senate to take steps to protect taxpayers and seniors. This does not undermine anything. Nothing is going to change other than the Snowe-Wyden legislation provides an additional tool in order to hold down the costs and protect taxpayers.

Without this proposal, Medicare is going to be like a fellow standing in line at the Price Club buying toilet paper one roll at a time. Nobody in America shops that way. If one is buying a car or buying anything at a store, they try to get the best value. That is what this legislation is all about. In fact, the only areas where anything is required is when the private sector says an additional boost in bargaining power is necessary or in the case of what are called the fallback plans which are so important in the rural areas where there are no restraints at all in terms of what can be charged.

Given the mounting concern about the cost of this program, where it has gone up almost every couple of months since it was signed, I would think that the other side, the opponents of the Snowe-Wyden legislation, would say: All right, we are going to oppose Snowe-Wyden, and here is our proposal. The fact is, the other side seems to say the status quo is just fine. The status quo with the costs going into the stratosphere is something that apparently they are not too upset about. Senator SNOWE and I see it differently. We believe it is important to provide an additional tool, the kind of tool that is used in the private sector, and we think it will be meaningful.

Ultimately, this vote is a vote about whose side the Senate is on. If my colleagues vote for this bipartisan legislation, they stand with taxpayers and seniors who would like this additional tool so that marketplace forces can be

used to hold down costs. If my colleagues vote against this, in effect they are voting for the status quo because, I would just emphasize, there is no other proposal being offered by the opponents. They seem to say everything is fine.

We do not. We think there is a bipartisan approach that makes sense. It is the approach that is used every single day in the private sector of this country. It uses marketplace forces to get the best possible deal, and ultimately what the Snowe-Wyden proposal is all about is whether common sense is going to prevail.

I hope my colleagues will support it. Several additional colleagues—Senators LEAHY, CANTWELL, and KOHL—would like to serve as cosponsors.

I particularly want to thank Senator CONRAD for his patience as this has been developed and gone through various iterations. I note my friend Senator HATCH, who has great expertise in this area as well, wants to speak.

I wrap up by thanking Senator SNOWE. We have been at this for 4 years. Both of us support this legislation. This is an important effort to try to get it right. When we started, nobody expected that the costs would escalate the way they have. This is likely to be the only vote the Senate gets to cast this year on prescription drug cost containment. I hope my colleagues will not pass up the opportunity to take a bipartisan step in the right direction, the direction of making this program work at a critical time when seniors are going to start signing up for the benefit that starts next year.

I yield the floor.

The PRESIDING OFFICER. Who seeks time?

The Senator from Michigan.

Ms. STABENOW. Mr. President, I appreciate my colleagues allowing additional time for me to speak. I thank my friends who have introduced this amendment, which I am so pleased to be cosponsoring, Senators SNOWE and WYDEN, for their ongoing leadership. I very much appreciate their leadership and eloquence in talking about this issue.

I find it interesting in this debate that Senator Daschle is used in quotes from the other side, from the distinguished chairman of the Finance Committee. The reality is that was a different proposal. That was a Medicare prescription drug benefit very different than what we ended up passing.

What is most important is that the former Secretary of Health and Human Services, Tommy Thompson, said as he left office that he would have liked to have had the opportunity to negotiate lower prices. If that was in the bill, why, when he left, did he say he wished he had the ability to negotiate lower prices? I am sure it is because the former Secretary knows what every smart buyer knows, that in the marketplace, the more you buy of anything, the better deal you get. That is what we are talking about.

Right now, today, the only entity in the country that cannot negotiate for lower group prices is Medicare. What sense does that make when we are talking about precious dollars going to seniors and the disabled to buy medicine in this country. What sense does that make? States, Fortune 500 companies, large pharmacy chains, the Veterans Administration—they can all use bargaining clout to obtain lower drug prices for the patients they represent. In fact, the Veterans Administration has had great success in negotiating lower prices; in some cases, as much as 65 percent.

I am told, and I have seen studies that show, if we gave the same bargaining authority to Medicare that the VA has, you could actually close the gap in the prescription drug benefit. There is enough savings that you could close the gap so that everyone would be receiving prescription drugs without what has been commonly called the donut hole.

These are huge savings. As a member of the Budget Committee, I have watched the numbers go up for the Medicare bill. We thought it was \$400 billion. Now CBO says \$593 billion and counting over the next 10 years.

We have to do something, provide the tools for Health and Human Services to be able to negotiate, to be able to lower those prices. Right now we have a situation where that is not allowed. It makes absolutely no sense.

When I talk to people at home and they ask me, Why in the world Medicare is prohibited from using their full force to be able to negotiate, I say it is crazy. This makes absolutely no sense, unless you are one of those folks who does not want them negotiating, in terms of the prices.

So I urge the adoption of this amendment and thank my colleagues again for doing an outstanding job in putting it together. I urge the Snowe-Wyden amendment giving the Secretary of Health and Human Services the authority to negotiate drug prices on behalf of seniors and the people of our country with disabilities be agreed to. It would be wonderful to see a very strong bipartisan vote in favor of this very important amendment.

The PRESIDING OFFICER. Who yields time?

The Senator from Utah.

Mr. HATCH. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 9 minutes and 43 seconds.

Mr. HATCH. For a minute there I was so out of it tonight when you were talking, I thought it was about the “Snow-White” amendment instead of Snowe-Wyden. It took me a little while to catch on here. I just couldn’t resist that.

I have to say, I sat through all these meetings and I never once heard Secretary Thompson say that he wanted this authority. In any event, let me just speak about the Snowe-Wyden amendment, which they are trying to

make into the “Snow-White” amendment, it seems to me.

In my opinion, this amendment guts one of the most important provisions of the Medicare Modernization Act of 2003.

Supporters of this amendment imply, wrongly in my opinion, that the price charged to beneficiaries is not subject to negotiation. That could not be further from the truth. The truth is, Medicare prescription drug plans will be negotiating with drug makers. These negotiations are the very heart of the new Medicare drug benefit. We do not want to open the door to Government price controls for prescription drugs.

The noninterference clause in the Medicare Modernization Act does not prohibit Medicare from negotiating with drug makers. It prohibits CMS from interfering in those negotiations. That is a far cry from some of the earlier statements that have been made on this floor regarding this provision.

I happen to care a great deal for the two sponsors of this amendment. I have worked very closely with them throughout their tenure and my tenure in the Senate. But they are simply wrong on this amendment.

Let me be clear, the non-interference clause is at the heart of the law’s structure for delivering prescription drug benefits. This clause ensures those savings will result from market competition, rather than through price fixing by the CMS bureaucracy. That is what was behind this. Let’s not distort these provisions.

What is ironic about what the other side is saying is that the same non-interference clause was in the Daschle-Kennedy-Rockefeller bill and the Gephardt-Dingell-Stark bills in the year 2000, as has been explained by our distinguished chairman of the Finance Committee.

In administering the prescription drug benefit program established under this part, the Secretary may not—No. 1, require a particular formulary or institute a price structure for benefits; No. 2, interfere in any way with negotiations between private entities and drug manufacturers, or wholesalers; or No. 3, otherwise interfere with the competitive nature of providing a prescription drug benefit through private entities.

What is the source of that language? It is from S. 2541, the Medicare Expansion for Needed Drugs, or MEND, Act, introduced in 2000. Think about it, some of the very people who are criticizing this provision in the Medicare Modernization Act tonight supported this language in 2000.

I must remind my colleagues that former Senator Daschle once said:

Our plan gives seniors the bargaining power that comes with numbers. . . . Our plan mirrors the best practices used in the private sector. For beneficiaries in traditional Medicare, prescription drug coverage would be delivered by private entities that negotiate prices with drug manufacturers. This is the same mechanism used by private insurers.

Think about that. I think those who advance these arguments that you cannot have competitive work with regard to drug pricing are wrong and ought to quit playing politics with a bill that is so important for senior citizens all over this country.

Those who suggest this non-interference language will drive up the cost of implementing the law simply do not have the facts or the legislation on their side.

This is what the CBO said about eliminating the non-interference clause in a letter last year:

[T]he Secretary would not be able to negotiate prices that further reduce federal spending to a significant degree.

I do not ever recall, and I sat through all of the meetings, day after day, hour after hour—I do never recall Secretary Thompson asking for that authority.

The CBO in that letter went on to say:

CBO estimates that substantial savings will be obtained by the private plans.

Now, let us be clear: Direct Government negotiation is not the answer. The Government does not negotiate drug prices. That would be price control, and it would inevitably cause prices to rise as companies would not be able to do business in this country as they have in the past.

The Medicare Modernization Act's entire approach is to get Medicare beneficiaries the best deal through vigorous market competition, not price controls.

Let me conclude by saying that this amendment is not something that is in the best interest of our Medicare beneficiaries. Medicare beneficiaries do not want or need the Government to determine the cost of their drugs. Price fixing will lead to higher costs and does that help or hurt beneficiaries? I think everyone in this body knows the answer to that question but let me be clear—voting in favor of this amendment is not in the best interest of beneficiaries because they are going to have to pay more money for their prescriptions. Voting for this amendment will take away choice in prescription drug coverage—if this amendment passes, drug prices will not be dictated by the free market, they will be dictated by the Federal Government. I urge my colleagues to vote no on the Snowe-Wyden amendment.

Frankly, let me just make that point one more time: The Medicare Modernization Act does not prohibit Medicare from negotiating with drugmakers.

It prohibits CMS from interfering in those negotiations. That is a fact.

I urge my colleagues to vote no on the Snowe-Wyden amendment.

I appreciate my colleagues' desire to straighten out some of these matters, but the fact of matter is they are wrong on this issue and we should vote this amendment down.

Mr. ALLARD. Mr. President, I yield 2 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine.

Mrs. SNOWE. Mr. President, I thank the Senator. I want to make some closing comments on behalf of myself and Senator WYDEN because it is important to reiterate several facts about this approach.

First of all, the point is the Medicare Modernization Act included a direct prohibition against the Secretary's authority to negotiate, an authority that is already utilized by the Veterans Administration and the Department of Defense. That is a fact.

The second fact is those soaring costs with respect to the Part D program as we know it. Within a month after the enactment, we had a restatement from the administration of \$534 billion. The CBO isn't even prepared to give a net cost of that legislation. We only expect that the price is going to go up.

As Senator WYDEN indicated, the only tool we have to negotiate prices to keep those prices low, particularly in situations, for example, where the Congressional Budget Office indicated to us in a report that with sole-source drugs, where there are drugs that have no competition, we will realize savings. That is a responsibility we have to seniors and to the taxpayers with respect to this program.

Finally, it is indicated that Secretary Thompson made this comment. He said, "I would like to have the opportunity to negotiate."

He was asked a question in his final press conference as Secretary of Health and Human Services. The question was, "You listed the drug benefit as one of your proudest achievements. Was there anything you really pushed for in that bill that didn't get in or that you would like to see Medicare tackle in the future?"

Note the fact that the question didn't even suggest negotiations. But his answer was, "I would like to have had the opportunity to negotiate."

And for good reason, because the Secretary understood that the price of this program and the price of the benefit was only going to go in one direction, and that is up.

It defies logic that we would not allow the Secretary to have the ability to negotiate the very best prices in certain instances and in other instances which the Secretary deems worthwhile.

A final point: In a recent poll, 80 percent of the American people believe the Secretary should have the ability to negotiate on their behalf.

In the final analysis, this is the amendment that is going to save money—save money in the drug program, save money to the taxpayer, save money to the seniors.

It is hard for me to believe anyone would ultimately reject it.

I again thank Senator WYDEN for all of his support and leadership over the last few years to make this happen.

Mr. MCCAIN. Mr. President, I am pleased to lend my strong support for the amendment by Senators SNOWE and WYDEN.

Less than 2 years ago, Congress passed a massive expansion of our Na-

tion's entitlement system, the Medicare Modernization Act, MMA, which added costly prescription drug coverage to the Medicare Program. At that time, we were told that the new benefit would cost an estimated \$400 billion over 10 years a figure many of us believed to be far lower than the actual cost. Today, the same package is estimated to cost between \$534 billion to \$1.2 trillion over the next 10 years. Those costs can only be expected to grow further.

To add insult to injury, language was added to MMA which explicitly prohibited the Secretary of Health and Human Services from engaging in negotiations directly with drug companies. This language was included deliberately, even though other departments in the Federal Government and State governors, under the Medicaid Program, have similar authorities. Prohibiting the Secretary of Health and Human Services from engaging in such negotiations is an offense against the American taxpayer.

Earlier this year, I joined Senators SNOWE and WYDEN in introducing legislation which would amend the MMA and allow the Secretary to negotiate lower drug prices. The amendment we are debating now calls for those savings to be used for debt reduction a worthy goal given the massive burden we added to future generations through the passage of MMA.

I voted against the passage of MMA because I believe we can no longer afford to flagrantly spend taxpayer dollars and saddle future generations with the enormous burden of these programs, the cost of which is spiraling out of control. With the passage of that package, we missed a great opportunity to enact reforms that would have helped to ensure the Medicare program's financial solvency. Congress has an obligation to remedy that mistake and the Snowe/Wyden amendment is a good first step.

I strongly urge my colleagues to supporting this important amendment.

Mr. ALLARD. Mr. President, I ask unanimous consent that we give time limits from 7:45 to 8 p.m. for HARKIN on his education amendment; from 8 to 8:20 for ENSIGN-HUTCHISON on border security; 8:20 to 8:35 for LANDRIEU on National Guard; 8:35 to 8:50 for BUNNING on the AIDS budget process; and, after that time, we are expecting that maybe we are going to have some speakers drop out and we can ask for additional time as we need it.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Iowa.

AMENDMENT NO. 172

Mr. HARKIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, and Mr. KENNEDY, Mr. LEVIN, Mr.

KOHL, Mr. DODD, Mr. DURBIN, and Mrs. MURRAY, proposes an amendment numbered 172.

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

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

The amendment is as follows:

(Purpose: To restore the Perkins Vocational Education program and provide for deficit reduction paid for through the elimination of the phase out of the personal exemption limitation and itemized deduction limitation for high income taxpayers now scheduled to start in 2006)

On page 3, line 10, increase the amount by \$1,400,000,000.

On page 3, line 11, increase the amount by \$2,800,000,000.

On page 3, line 12, increase the amount by \$4,600,000,000.

On page 3, line 13, increase the amount by \$6,500,000,000.

On page 3, line 14, increase the amount by \$8,500,000,000.

On page 3, line 19, increase the amount by \$1,400,000,000.

On page 3, line 20, increase the amount by \$2,800,000,000.

On page 3, line 21, increase the amount by \$4,600,000,000.

On page 4, line 1, increase the amount by \$6,500,000,000.

On page 4, line 2, increase the amount by \$8,500,000,000.

On page 4, line 7, increase the amount by \$1,380,000,000.

On page 4, line 8, increase the amount by \$1,430,000,000.

On page 4, line 9, increase the amount by \$1,490,000,000.

On page 4, line 10, increase the amount by \$1,550,000,000.

On page 4, line 11, increase the amount by \$1,610,000,000.

On page 4, line 16, increase the amount by \$40,000,000.

On page 4, line 17, increase the amount by \$1,040,000,000.

On page 4, line 18, increase the amount by \$1,350,000,000.

On page 4, line 19, increase the amount by \$1,480,000,000.

On page 4, line 20, increase the amount by \$1,540,000,000.

On page 4, line 24, increase the amount by \$1,360,000,000.

On page 4, line 25, increase the amount by \$1,760,000,000.

On page 5, line 1, increase the amount by \$3,250,000,000.

On page 5, line 2, increase the amount by \$5,020,000,000.

On page 5, line 3, increase the amount by \$6,960,000,000.

On page 5, line 7, decrease the amount by \$1,360,000,000.

On page 5, line 8, decrease the amount by \$3,120,000,000.

On page 5, line 9, decrease the amount by \$6,370,000,000.

On page 5, line 10, decrease the amount by \$11,390,000,000.

On page 5, line 11, decrease the amount by \$18,350,000,000.

On page 5, line 15, decrease the amount by \$1,360,000,000.

On page 5, line 16, decrease the amount by \$3,120,000,000.

On page 5, line 17, decrease the amount by \$6,370,000,000.

On page 5, line 18, decrease the amount by \$11,390,000,000.

On page 5, line 19, decrease the amount by \$18,350,000,000.

On page 17, line 16, increase the amount by \$1,380,000,000.

On page 17, line 17, increase the amount by \$40,000,000.

On page 17, line 20, increase the amount by \$1,430,000,000.

On page 17, line 21, increase the amount by \$1,040,000,000.

On page 17, line 24, increase the amount by \$1,490,000,000.

On page 17, line 25, increase the amount by \$1,350,000,000.

On page 18, line 3, increase the amount by \$1,550,000,000.

On page 18, line 4, increase the amount by \$1,480,000,000.

On page 18, line 7, increase the amount by \$1,610,000,000.

On page 18, line 8, increase the amount by \$1,540,000,000.

On page 30, line 16, decrease the amount by \$1,400,000,000.

On page 30, line 17, decrease the amount by \$23,800,000,000.

On page 48, line 6, increase the amount by \$1,380,000,000.

On page 48, line 7, increase the amount by \$40,000,000.

On page 48, line 9, increase the amount by \$1,430,000,000.

On page 48, line 12, increase the amount by \$1,490,000,000.

Mr. HARKIN. Mr. President, I understand I have 7½ minutes. I yield myself 5 minutes.

The budget resolution for 2006, which we are now considering, essentially calls for the elimination of funding for an enormously effective and popular education program called the Perkins Vocational and Technical Education Act, which we all know as Voc Ed, vocational education. This amendment restores the funding to Perkins vocational education and also reduces the deficit by billions of dollars in the future.

The costs of these needed steps, restoring vocational education and reducing the deficit, are offset by rescinding two new tax cuts for the wealthy, tax cuts which have not even gone into effect yet, the so-called PEP and Pease phase-out provisions.

The budget resolution currently calls, under the President's proposal, for eliminating funding for vocational education while allowing these two new tax cuts, which will cost \$23 billion in the coming 5 years and \$146 billion in 10 years that follow, with 97 percent of the benefits going to those earning at least \$200,000 a year.

That is what this chart shows. The distribution of tax benefits under the phase-out of PEP and Pease, 54 percent go to people making over \$1 million when it is fully phased in. Another 43 percent go to those making \$200,000 to \$1 million a year—97 percent of all the benefits of these tax provisions which hasn't even gone into effect yet. It goes into effect next year unless we do something about it. Ninety-seven percent goes to people making over \$200,000 a year.

We have choices. To govern is to choose. We have a choice. We recently restored the Vocational Education Act, the Perkins Act, on a bipartisan vote of 99-0.

We know that vocational education makes possible a broad range of tech-

nical education programs and vocational programs for millions of young people and adults. Vocational education combines classroom instruction, hands-on lab work, on-the-job training, and it is a true lifeline for students at risk of dropping out of school.

In Iowa alone, elimination of the Perkins Vocational Education Program would directly impact 93,000 high school students and more than 337,000 community college students. The impact nationwide would be a disaster for millions of students.

The only way that we can be assured of saving vocational education, the Perkins Program, is by adding more overall funding to the education budget for that purpose. That is it. That is the only way it can be assured. And that is what my amendment accomplishes.

But, moreover, my amendment reduces the deficit as well. By rescinding these two tax cuts which haven't taken effect yet—they take effect next year—and after they would fully be in effect, we then begin to save \$146 billion over the next 10 years.

When the phase out of PEP and Pease, as they are called, were passed in 2001, the phase-out—I guess the case could be made that they were affordable. Thanks to the budget surpluses that President Bush inherited from President Clinton, we were looking at a cumulative surplus of over \$5 trillion over the coming decade, enough to eliminate the national debt and then some. That was then and this is now. Now we are looking at projected deficits in excess of \$200 billion a year for as far as the eye can see—annual deficits in excess of \$500 billion a year, a decade from now, if we keep on this way.

It makes good sense to eliminate these two proposed tax cuts. We are not rescinding anything that has gone into effect. They start next year. There is no reason they should start next year.

Let us have some common sense here. This amendment says we will fully restore vocational education and we will reduce the deficit. And the people who are making over \$200,000 a year I don't think really need this tax cut. People making over \$1 million a year don't need it. But I will tell you who does need it—kids who need vocational education in the United States. And, the American people need to avoid an added \$146 billion deficit explosion that will occur in the decade after these tax provisions take effect in 2010. That is who needs this.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. How much time does the Senator from Iowa have?

The PRESIDING OFFICER. The Senator from Iowa has 1 minute 54 seconds and the Senator from New Hampshire has 7½ minutes.

Mr. GREGG. Mr. President, this amendment is like a lot of other amendments that are being brought

forth. It is well-intentioned. I don't deny that. But its practical implication is that it significantly raises spending and significantly raises taxes and it does not necessarily accomplish the goals which the Senator from Iowa wishes to accomplish.

The Senator from Iowa states he wishes to allocate more money to vocational education. The budget does not do that. The budget has virtually no impact on that other than to set a top-line number which in this case is \$843 billion, which is divided between the Defense Department and the nondiscretionary defense spending of the Federal Government. The nondefense discretionary number is approximately \$444 billion. Within that are a lot of accounts, one of which is vocational education. How that money flows is not controlled by the budget. The budget has no legislative, statutory effect on those accounts other than to set a top-line number and then allow the committees of jurisdiction to make the decision as to how that money will be spent.

In fact, the history has been that although the Budget Committee makes suggestions as to how money should be spent, and it actually has a number of different functions, those functions do not correspond to the various appropriating committees of the Senate and the Appropriations Committee, and the authorizing committees tend to generally ignore the suggestions of the Budget Committee relative to specific programs. If they did not ignore us, I would be much more specific, but I have learned it is a pointless exercise to try to tell appropriators or authorizers what to do relative to specific programs.

We give the Appropriations Committee a top-line number and we say to the authorizing committees they have to reconcile or you have this much money available under the mandatory accounts. But beyond that, we do not have a whole lot of impact on how they spend that money other than to say this is how much you have.

So it is the Appropriations Committee that makes that decision. The Senator from Iowa actually has a unique role relative to education because he has been both the chairman and he is now the ranking member of the subcommittee on Appropriations. I am sure he takes the position, as I am sure his ranking member has, because he has already offered an amendment that has been adopted, that there is not enough education money that is going to be allocated to his subcommittee for him to do everything he wants to do or for the subcommittee to do everything they want to do. I serve on that subcommittee. But that is our role around here. The priorities should be set by us, the different chairmen of the different appropriating committees and the ranking members, and we should move forward from there.

We should not, however, in my opinion, do a general raising of spending

and a general raising of taxes which is what this does. Rather, we should live within the proposed levels of spending.

In the area of education, it should be pointed out this administration has sent up their ideas and, yes, in their ideas they suggest vocational education should be adjusted in the way it is funding. But this administration has a unique position over education. They have dramatically increased funding for education over the last 4 years. They increased it over the Clinton years by something like 40 percent. They have chosen as an administration, and I think it is probably the right choice, to pick certain elements of Federal activity and to fund those elements aggressively and recognize the Federal Government cannot be all things to all people, but it does have responsibility in specific areas and it should pursue those responsibilities aggressively. That is what they have done. They have increased funding for special education by somewhere around 60 percent; increased funding for title I by 45 percent. They have increased funding for No Child Left Behind by 46 percent. They have increased funding for the Pell grants, and I don't remember the exact figure, but it is a double-digit increase. Those are the accounts they have decided to focus on.

This bill assumes they will continue that effort, but that is not necessarily what will happen. The Appropriations subcommittee of which the Senator from Iowa is ranking member will have the opportunity to do what they wish. They can put the extra money into title I, they can put the extra money into special education, they can put the extra money in No Child Left Behind, or they can put more money in the Pell grants or into the program they decide is appropriate and that they think is a priority.

This budget itself has significantly focused on education. We set a reserve for higher education with \$35.5 billion made available to the Education Committee to allow them to put in place a new and more aggressive higher education bill.

We have proposed in this bill an additional almost half a billion over what the President requested as the top line—in other words, instead of having a top line of \$843 billion, we have a top line of \$843.5 billion and the reason is because we expect that extra \$500 million to be put into the Pell grants for next year and raise those grants from \$4,050 to \$4,150.

In addition, we suggested in this bill a proposal to the Education Committee—I hope they will follow it; they don't have to—which would allow them to increase Pell grants up to \$5,100, a massive increase in Pell grants for students who go to school over 4 years either to a community college and vocational college and then move on to traditional college. Huge commitments which we have suggested can be accomplished under this budget.

The budget is aggressive in the context of a fiscally restrained effort in

the area of education. This administration's record on education has been strong and vibrant over the last 4 years, uniquely so compared to the Clinton administration before and the budget itself, and I have to reinforce this point, does not address line items. So when you offer a bill, an amendment like this, all you are doing is spending more and taxing more. You are not necessarily in any way adjusting the budget.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I respectfully answer my friend from New Hampshire, first talking about priorities. This is priorities, all right. You want a tax provision that goes into effect, starts phasing in next year that 97 percent of the benefits go to people making over \$200,000 a year; or do you want to fund vocational exercise? It is as simple as that. Who gets these tax breaks? When fully phased in, those with over \$1 million income, you get \$20,000 a year, and if you are under \$75,000, you get a big fat zero.

It is about priorities. My friend from New Hampshire said something about raising taxes. All we are saying is a tax that has been in effect for 15 years will continue and will not be phased out. We are not raising anyone's taxes at all.

Third, I point out this is the first budget in 10 years that has a reduction in education. My friend from New Hampshire says, well, we can make the decision in Appropriations about what we want to do. It is like this. This is what my friend from New Hampshire has presented. It is like a puzzle as this chart shows. We have Pell grants, we have afterschool, we have title I, special education, bilingual, impact aid, all in this box. We have the money for that. He says, well, if you want to put voc in, put it in, but if you put it in, take a piece out.

Would the Senator from New Hampshire tell us which of these to cut? Ed tech or TRIO are all left out, but this is the box we are in.

The Senator from New Hampshire says, well, you can put it back in. But that means we have to take out special education or title I. The only way to do it, I say, is to enlarge the box. And that is what we do with this amendment.

The PRESIDING OFFICER. The next 20 minutes is devoted to the amendment of the Senator from Texas.

The Senator from Texas is recognized.

AMENDMENT NO. 218

Mrs. HUTCHISON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself, Mr. ENSIGN, Mr. DOMENICI, Mr. CORNYN, Mr. KYL, Mr. MCCAIN, and Mrs. FEINSTEIN, proposes an amendment numbered 218.

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

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

The amendment is as follows:

(Purpose: To fully fund the level of Border Patrol Agents authorized by National Intelligence Reform Act of 2004 and as recommended by the 9/11 Commission)

On page 23, line 16, increase the amount by \$352,400,000.

On page 23, line 17, increase the amount by \$317,000,000.

On page 23, line 21, increase the amount by \$35,400,000.

On page 9, line 15, decrease the amount by \$352,400,000.

On page 9, line 16, decrease the amount by \$317,000,000.

On page 9, line 20, decrease the amount by \$35,400,000.

Mrs. HUTCHISON. Mr. President, this is an amendment cosponsored by myself and Senator ENSIGN. Senator ENSIGN has done so much work in this area on the intelligence reform bill, assuring there would be 2,000 authorized Border Patrol agents. We also have as cosponsors Senators DOMENICI, CORNYN, MCCAIN, KYL, and FEINSTEIN. Mr. President, I would like to be notified at the end of 10 minutes, after which I will yield the rest of the time to the Senator from Nevada.

Earlier this month, FBI Director Mueller told Congress that people from countries with ties to al-Qaida are crossing into the United States through our porous border with Mexico.

Deputy Secretary of Homeland Security James Loy recently said that intelligence reports suggest al-Qaida is considering using the Southwest border to infiltrate into the United States, either with falsified documents or by crossing the border in other illegal ways.

We have today 11,000 Border Patrol agents for the borders between Mexico, the United States, and Canada, as well as in the Border Patrol centers that are throughout our country. It is clearly not enough.

Mr. President, 97 percent of illegal intruders are filtering through the Southwest border. But they do not stay in the South. They go throughout our country.

The Border Patrol does an amazing job. We applaud their work. But we need to give them more help. Recent stories and intelligence reports show that terrorists are planning to use our border, and it should be a wakeup call.

Since 2001, 1,300 agents have been added to the force. But we have 6,900 miles of border with Canada and Mexico. My State of Texas alone has over 1,200 miles of border with Mexico. In most places there are no fences. In Texas, the Rio Grande River can sometimes be waded across or is completely dry.

We are seeing an increase of 137 percent in immigrants who are from countries other than Mexico. These immigrants, which are called OTMs, "other

than Mexicans," are coming into our country in the largest numbers we have ever seen. But due to a lack of resources, they are often caught and released, or they are not caught at all.

Recognizing our serious border vulnerability, Congress passed the intelligence reform bill last year and authorized an increase of 10,000 Border Patrol agents over 5 years. It included provisions to add 8,000 detention beds and 800 additional interior investigators. Unfortunately, the budget before us only allocated enough to cover 210 agents, 143 investigators, and 1,920 beds for detention.

The Commissioner of U.S. Customs and Border Protection recently said:

We do not have enough agents; we don't have enough technology to give us the security we need.

Let me give you some examples of recent happenings.

In Detroit, Mahmoud Youssef Kourani was indicted in the Eastern District of Michigan on one count of conspiracy to provide material support to Hezbollah. Kourani was already in custody for entering the country illegally through Mexico and was involved in fundraising activities on behalf of Hezbollah.

The two groups of Arab males were discovered by patrol guards from Willcox, AZ. One field agent said:

These guys didn't speak Spanish, and they were speaking to each other in Arabic. It's ridiculous that we don't take this more seriously. We're told not to say a thing to the media.

This is a field agent for the Border Patrol.

Last July, in Burlington, VT, police raided an international syndicate that forced Asian women to work as sex slaves. The women told investigators they had been smuggled from Asia to Mexico, entering the United States through Arizona, Texas, and other States. They ended up in Vermont.

Take the example of the capture of terrorist suspect Jose Padilla. The Justice Department says Padilla and an accomplice planned to enter the United States through Mexico to blow up apartment buildings in major cities such as New York.

Or the case of suspected al-Qaida sleeper agent Mohammed Junaid Babar, who told investigators of a scheme to smuggle terrorists across the Mexican border. He is tied to a terror plot to carry out bombings and assassinations in London.

Further stories indicate there are real concerns about terrorists entering our country through the southern border.

Along the Mexican border there have been stories of suspicious items picked up by local residents, including Muslim prayer rugs and notebooks written in both Arabic and Spanish. These items came from OTMs and a subcategory called special interest aliens, who are illegals coming from terrorist-sponsoring countries.

Intelligence reports suggesting that 25 Chechen terrorism suspects have il-

legally entered the United States from Mexico have refocused attention on a porous border from which many believe the next major attack on Americans could come.

Patrol agents told one Arizona newspaper that 77 males "of Middle Eastern descent" were apprehended in June of last year in 2 separate incidents. All were trekking through the mountains and are believed to have been part of a larger group of illegal immigrants. Many were released pending immigration hearings.

Also last July, an Egyptian man United States authorities described as one of their most wanted smugglers of humans was arrested on charges of operating a ring that illegally brought people from Egypt and other Middle Eastern countries to the United States. The indictment says Abdallah and his associates would direct people seeking to reach the United States to travel to one of several Latin American countries, and from there to Guatemala. They would then be transported to America through Mexico in return for payments of thousands of dollars in smuggling fees.

The amendment we are offering tonight will add \$315 million to the President's request for the Border Patrol. This will provide for the training and equipping of 2,000 agents. This would be the full amount authorized and will have a dramatic impact on the security-related problems we have on the border.

In order to maintain a fiscally responsible bill, and not increase the top cap of discretionary spending, we are offsetting this increase with an equal reduction in the international affairs section of the budget because protecting our borders from foreign threats is an international affair.

Today, with my colleagues Senators ENSIGN, DOMENICI, CORNYN, MCCAIN, KYL, and FEINSTEIN, I am calling on Congress to do more than add 210 Border Patrol agents that are in the underlying budget. We are asking for the full contingent authorized of 2,000. This is still not enough. And I hope we will be able to come back next year and get up to the full 2,000 again.

But the warning flag has gone up. We must heed the warnings we have been given. Every incident I mentioned is a call to the United States to make sure that our borders with Mexico are secure. We need more Border Patrol agents and more detention facilities to make our borders secure.

The people of our country deserve this security, and our amendment will take one step in the right direction. I hope my colleagues will work with me to pass this in the budget and then later in the Appropriations bill. We must do everything to heed the warning call we have gotten.

Mr. President, I yield the rest of our time to the Senator from Nevada, who has also worked very hard on this amendment. I appreciate very much his cosponsoring this amendment with me today.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, I thank the senior Senator from Texas for all the work she has done to strengthen our borders. Living in a border State, she understands the difficult issues of protecting our borders. Since 9/11, protecting our borders has taken on a completely different meaning and has only increased the importance of what our amendment is attempting to do.

Mr. President, I rise to call for the Senate to stand by its commitment to increase border security by adding 2,000 new Border Patrol agents.

In the decade before 9/11, al-Qaida studied how to exploit gaps and weaknesses in the border entry systems of the United States and other countries.

This week, intelligence officials confirmed that the terrorist, Zarqawi, plans to infiltrate America through our porous borders and carry out attacks on soft targets—whether it is while we are taking our family to a movie theater, our friends to a restaurant, or our kids to school. Additionally, a yearlong investigation recently concluded after authorities captured 18 people in an alleged plot to smuggle grenade launchers, shoulder-fired missiles, and other Russian military weapons into this country.

Let's face it, the dual threat of the illegal border crossing of people who wish to kill us and the weapons they need to do it on a large scale is very real.

We are not dealing with rational actors. We are not dealing with people who respect life or freedom. We must continue to be diligent in our fight to defeat terror and to protect our homeland.

The amendment we are offering ties directly to one of the important 9/11 Commission Report recommendations prohibiting terrorist travel to our country.

Pre-9/11, INS had only 9,800 Border Patrol agents. With the priorities of the agency concentrated on immigration and narcotics, no major counter-terrorism effort was underway.

More than 3 years after the devastating terrorist attacks, the men and women who serve at the border's front line of defense are overwhelmed.

Statistics show that with current personnel levels, our agents only catch about one-third of the estimated 3 million people who cross the border illegally each year. It only took 19 to change the course of this country.

We must commit resources to block terrorists who attempt to enter our country. Last year, I sponsored an amendment to the National Intelligence Reform Act that authorized 2,000 new agents to patrol our borders each year for the next 5 years.

Unfortunately, the President's budget this year only provides funding for 210 agents. This amendment allows Congress to fulfill its commitment by providing the additional \$352.4 million needed to fully fund 2,000 Border Patrol

agents, and it does it without raising taxes. It does it with an offset to what is called "function 150," or the international relations function.

Doubling the number of Border Patrol agents from pre-9/11 levels will allow increased protection on both our southern and our often neglected northern border, helping to thwart al-Qaida and prevent these terrorists from circumventing our security.

The Commission found that many of the 19 9/11 hijackers, including known operatives, could have been watch-listed and were vulnerable to detection by border authorities. However, without adequate staff and coordinated efforts, the evildoers were allowed unhampered entry.

The world has changed dramatically since 9/11, when terrorists used our open and trusting society against us.

We cannot allow a repeat of that tragedy. This amendment will help give those who guard our frontiers the tools they need to ensure the safety of the citizens of the United States of America.

Mr. President, I yield the floor and reserve the remainder of our time.

Mrs. HUTCHISON. Mr. President, how much time remains?

The PRESIDING OFFICER. There is 4½ minutes.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that Senator CRAIG be listed as a cosponsor of our amendment.

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

Mrs. HUTCHISON. Mr. President, I thank the Senator from Nevada. This is a team effort. I appreciate so much his working with me on this. Our border Senators have been trying to increase border patrol for years.

When I first came to Congress, we doubled our Border Patrol agents from 3,000 to 6,000. We were a country that was porous, both on the borders of Canada and Mexico. But, clearly, we have had more and more influx of illegal aliens that have become a burden in many parts of our country, and now we have a security threat from people who do not live on our borders but are using our borders as a conduit to come into our country. The examples that Senator ENSIGN and I have just mentioned, where we are finding Muslim prayer rugs and instructions in Arabic on how to cross the border of the Rio Grande River, are just wake-up calls that we cannot avoid. So we are, hopefully, going to have the support of Congress to add a full 2,000 Border Patrol agents.

But as important as it is to catch these people, we also need to be able to detain them. Today, many times, because we have no detention facilities, we will say to the people: You must promise to come back in 60 days for your hearing on illegally entering this country.

Well, guess how many come back. Ten percent come back for their hearing. What happened to the other 90 percent? We are finding them in places

such as Vermont, New York, and Detroit, MI. That is what happened to them.

Mr. President, it would be irresponsible not to take this threat seriously. We need these Border Patrol agents. We need the detention facilities. We need to keep these people incarcerated to find out why they are trying to enter our country illegally. Every country has the right as a sovereign nation to protect their borders. It is our responsibility to do it.

I hope my colleagues will help us pass this amendment and do the right thing for homeland security. This is a priority, and it must be a priority accepted in this budget.

I yield back the remainder of my time.

AMENDMENT NO. 219

The PRESIDING OFFICER. The next amendment is the amendment of the Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I send my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mrs. LANDRIEU] proposes an amendment numbered 219.

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

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

The amendment is as follows:

(Purpose: To establish a reserve fund in the event that legislation is passed to provide a 50 percent tax credit to employers that continue to pay the salaries of Guard and Reserve employees who have been called to active duty)

On page 40, after line 8 insert the following:

**SEC. . . . DEFICIT NEUTRAL RESERVE FUND FOR PATRIOTIC EMPLOYERS OF NATIONAL GUARDSMEN AND RESERVISTS.**

In the Senate, if a bill or joint resolution, or if an amendment is offered thereto, or if a conference report is submitted thereon, that provides a 50 percent tax credit to employers for compensation paid to employees who are on active duty status as members of the Guard or Reserve in order to make up the difference between the employee's civilian pay and military pay and/or for compensation paid to a worker hired to replace an active duty Guard or Reserve employee, the chairman of the Committee on the Budget shall adjust the revenue aggregates and other appropriate aggregates, levels, and limits in this resolution to reflect such legislation, to the extent that such legislation would not increase the deficit for fiscal year 2006 and for the period of fiscal years 2006 through 2010.

Ms. LANDRIEU. Mr. President, I come to the floor to lay down an amendment to provide a place in this budget for the men and women who are placing their lives on the line for us.

A couple of months ago, before we went on our break in December and January, I had the great privilege, actually, of holding this body in a filibuster for 3 days. It was not something

that was planned, but it was something that evolved after I found out that the last huge FSC-ETI bill that we passed in the Senate managed to find tax relief, tax cuts, special tax considerations for seemingly everyone in America except for the men and women in uniform fighting for us.

I know people listening tonight will really not believe what I am saying is true. But they can go to Web sites on this budget to look at the record, or talk to their Guard and National Reserve to see that what I am saying is actually true.

We have passed trillions and trillions of dollars in tax cuts since 2001. It would be one thing if we were taking money out of the budget to do that, but we are actually borrowing money to give tax cuts. We are not just taking money that is just sitting there sort of waiting for us to decide how to use it and then giving it to tax cuts based on some reason about who would need it the most. We are borrowing money, charging it to our children and our grandchildren, and then giving tax cuts to people who arguably do not need it.

Many Democrats have come to the Senate floor and tried to make that case over and over again, and I hope that some of this is getting through.

But whether they are a Democrat, Republican, or Independent, or whether they were for the war in Iraq; whether they think the troops should stay there or come home; or whether they believe there were weapons of mass destruction and we went in for the right reasons or there were not and we went in for the wrong reasons, I think universally in America people believe, no matter what their political persuasion, that if we are going to continue to give tax cuts the first people who should get them are the people who are fighting to protect us.

But in this budget, on page 21, proposed by the President of the United States, in small print, which I am sorry cannot be picked up by the camera, it says:

The Committee-reported resolution assumes on-budget revenues are reduced by \$70.2 billion over five years.

The resolution instructs the Senate Finance Committee to basically give out \$70 billion in taxes. So if this budget passes the way it is now, \$70 billion is going to have to be given out in taxes, in addition to the \$2 trillion we have already passed—these numbers are just mind-boggling; it is impossible for me to describe how much money that is. But this President is intent basically on emptying the Treasury for tax cuts. So I have argued that is not what we should do.

I believe we should balance the budget. I was one of 50 Senators today who voted on the only amendment that actually would have gotten us there, which was the pay-go amendment. We lost by one vote. So I am not going to make that argument tonight again.

I believe that if we are going to give \$70 billion in tax cuts, which is what

this budget instructs us to do, please, Mr. President, could we please give a tax cut to the men and women in uniform? They are the ones who have left their homes in Louisiana, North Dakota, Tennessee, all over the country, and gone to the front lines to fight for us.

The sad thing about this is that 40 percent of those men and women who go from the Guard and Reserve take a pay cut to fight for us. It is inconceivable to me that this administration, or anybody in the Senate, would stand here tonight and argue for a budget that gives \$70 billion in additional tax cuts to people who may or may not need them and yet at the same time ask our soldiers to go to the front line and take a pay cut.

When we come to the floor and go to the Finance Committee and beg and plead on their behalf, could they give them a few pennies, could they give them a few dollars, we are told over and over again, I am sorry, we cannot afford it.

The last "military tax relief" the Congress passed was a \$1.2 billion bill. I wish I could show how tiny that is. I mean, \$1.2 billion is a lot of money, but relative to what we are giving out to everybody else in tax cuts, it is so small. When we did that bill, I went to them and said: Look, can we do better? Our men and women need this tax break. Their employers are trying to keep their paychecks whole. If we give a tax cut to their employers who are voluntarily continuing to pay their active duty Guard and Reserve employees' salaries, perhaps they could at least keep their paycheck. We are not talking about extra money; we are just talking about letting them get their paycheck that they got when they were firemen, policemen, an architect, a doctor, or a lawyer. Let them keep that paycheck.

This is not even really for the soldiers, because these guys and gals are making the sacrifice. This is to keep their wives, their spouses, and their children in their homes, in their automobiles, getting them to the doctor.

For some reason—I do not know why—this Senate, particularly the Republican leadership, refuses to give a tax credit to the Guard and Reserve. So the last time a bill came through, I asked: Could you please attach this amendment to it?

Sorry, Senator LANDRIEU, we cannot afford it. We cannot possibly give the Guard and Reserve a tax cut. Do you not understand, we do not have any money.

I do not know what they are talking about, because this budget is going to give another \$70 billion in tax cuts. So please do not even argue with me on the point. I am not going to listen. There is \$70 billion given away in this budget again, and I am going to ask for the \$1.2 billion out of \$70 billion—pennies, pennies—for the Guard and Reserve.

Let me tell you how this affects Guard and Reserve families. This is a

letter from Kansas, the State of Senators BROWNBACK and ROBERTS:

After 9/11 [my husband] was activated . . . His pay was significantly decreased, his health care was in jeopardy, and I was pregnant. Here was my family, making so many sacrifices for our country and our country wasn't taking care of us at all. How could this be happening?

The PRESIDING OFFICER. The Senator from Louisiana has consumed her time.

Ms. LANDRIEU. I ask for 2 additional minutes.

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

Ms. LANDRIEU. Continuing:

Luckily, our country may not have been taking care of us under the circumstances, but [my husband's company] was. [They] sent us a check to make up the difference in pay for my husband's entire activation. They deserve to be recognized as a great supporter of our military by receiving this tax credit.

This tax credit would go to businesses that are doing the patriotic thing, helping the Guard and Reserve on the front line, keeping them and their families out of bankruptcy, not having to mortgage their house, not having to give up the car while they are fighting for us. This tax credit is going to benefit the thousands of Guard and Reserve in Louisiana and thousands of Guard and Reserve in our country. It is unconscionable that the Senate Finance Committee, or this budget, would contemplate yet more tax cuts for everybody in America and leave out the men and women in uniform.

What is worse about it is every picture we are in is taken with men and women in uniform, with that flag flying, but when it comes to putting them in the budget—we can put them in our campaign pictures, all right, but we cannot put them in the budget.

That is what my amendment does. We are going to vote on it tomorrow. It does not add one penny. It just says to the Finance Committee, go ahead and give away \$70 billion again, but the first \$1.2 billion is going to be given to the men and women in uniform. They deserve it. Shame on us if we do not put them in.

So we are not going to vote on this tonight, but for the Guard and Reserve in my State, for the Guard and Reserve in New Hampshire, for the Guard and Reserve in South Carolina, North Dakota, and South Dakota, I hope we will get 100 percent of the Senators to vote on this. If anybody wants to debate it, I will stay here all night and debate it as long as anybody wants, but I think my time has been limited.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I have a unanimous consent request to get an order for some more proposed amendments. Tomorrow morning, we are going to convene at 9. Beginning at 9, we have four Members of the Senate who are going to be recognized. We are going to return to the Smith Medicaid amendment for 60 minutes, then we

will go to the Sarbanes CDBG amendment for 15 minutes, then to the Coleman CDBG amendment for 15 minutes, then Senator COCHRAN will be recognized for 10 minutes. After that, there are a series of individuals whose amendment time we are confirming but not necessarily the order in which those amendments will come. Those individuals are Senator KENNEDY on education for 15 minutes; Senators BAUCUS and CONRAD, agriculture, for 30 minutes; Senator BIDEN, COPS Program, for 15 minutes; Senator FEINSTEIN, the SCAAP Program, for 15 minutes; Senator BYRD, the Highway Program, for 15 minutes; Senator SNOWE, the SBA domestic program, for 15 minutes; Senator CLINTON, Prevention First Program, for 15 minutes; Senator LAUTENBERG, the debt limit amendment, for 10 minutes; Senator CONRAD and I will reserve 15 minutes each, for a total of 30 minutes between us.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GREGG. Mr. President, I now yield back the remainder of my time on this resolution, after the expiration of tonight's debate and after the expiration of the agreement which was just reached.

Mr. CONRAD. Mr. President, I will retain all of my time.

That was a joke. It would be a real interesting day tomorrow, wouldn't it?

I just think we should make clear that at the end of this evening we will be yielding back on both sides all of our time with the exception of the time we have laid out in this agreement. Is that correct?

Mr. GREGG. Can we do it right now?

Mr. CONRAD. Yes.

Mr. GREGG. We both yield back all of our time, as proposed.

The PRESIDING OFFICER. So ordered.

Mr. CONRAD. If I could briefly describe to my colleagues the negotiation we have had this evening? I know there will be colleagues who will come tomorrow who will be disappointed. Senator GREGG and I apologize to them in advance. Here is the circumstance that we confront. We have over 70 amendments still pending, not counting the 20-some amendments we have in the queue. If we just do the math, that is 90 amendments. We can do three amendments an hour. That would be 30 hours of steady voting. If we start at 1 o'clock tomorrow and we have to go 30 hours, do the math.

What Senator GREGG and I have tried to do is to at least begin the process at 1 o'clock tomorrow afternoon or thereabouts. Again, for colleagues who are disappointed, I apologize. I know Senator GREGG feels the same way. We would like to have every colleague get all of the time they desire. It is just not possible and reach conclusion.

One other thing I should say to my colleagues, for those who think, couldn't we just go over into Friday morning? We have a number of col-

leagues who, because of funerals, because of health conditions, cannot be here Friday morning. That means if we do not finish tomorrow night, we are going to be here Friday night. I do not think anybody who has been through this process doesn't understand if we are here Friday night we are going to be here Saturday.

To colleagues who are disappointed, I am sorry, but we have done our level best to give people some amount of time to offer their amendments. I think we have done it in as fair and as equitable a way as is possible.

Mr. GREGG. Mr. President, I do not wish to take time off of Senator SALAZAR's time, but I want to affirm what the Senator from North Dakota has said. I also want to thank the ranking member of the Senate committee and the Democratic leader and, of course, the Republican leader for working very hard to bring about this understanding as to how we are going to proceed on the budget. I think it is the fairest way to proceed, and it does allow the Members to get many of the core issues up and debated. That has been the key here, to make sure the high-visibility issues and the issues that are critical get up and get debated, in the context of the fact that we know these vote-a-thons take a huge amount of time.

Right now, if we start voting on the present number of amendments we have pending, we will have to vote for 30 straight hours. Obviously, we hope that will not happen, but that is a distinct possibility, that a large percentage of that time will have to be consumed in votes. So we need to get started fairly early tomorrow. That is the purpose of this agreement, so that we can get out of here very late, probably, or very early Friday morning.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

#### AMENDMENT NO. 215

Mr. SALAZAR. Mr. President, I call up amendment No. 215, which I filed earlier this evening.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. SALAZAR] proposes an amendment numbered 215.

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

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

The amendment is as follows:

(Purpose: To provide additional funding for rural education, rural health access, and rural health outreach programs)

On page 9, line 15, decrease the amount by \$65,000,000.

On page 9, line 16, decrease the amount by \$14,000,000.

On page 9, line 20, decrease the amount by \$36,000,000.

On page 9, line 24, decrease the amount by \$12,000,000.

On page 10, line 3, decrease the amount by \$3,000,000.

On page 17, line 16, increase the amount by \$29,000,000.

On page 17, line 17, increase the amount by \$1,000,000.

On page 17, line 21, increase the amount by \$17,000,000.

On page 17, line 25, increase the amount by \$9,000,000.

On page 18, line 4, increase the amount by \$2,000,000.

On page 18, line 16, increase the amount by \$36,000,000.

On page 18, line 17, increase the amount by \$13,000,000.

On page 18, line 21, increase the amount by \$19,000,000.

On page 18, line 25, increase the amount by \$3,000,000.

On page 19, line 4, increase the amount by \$1,000,000.

Mr. SALAZAR. Mr. President, I rise tonight at this late date to talk about forgotten America, the rural parts of our United States, and to address the issues of education and health care in rural America.

Let me say I want to extend my appreciation and thanks to Senator CONRAD and Senator COLLINS for their work on these issues in the past. I look forward to having their support as we move forward with these amendments.

My amendment will increase funding for the Rural Education Achievement Program, a program that came about through bipartisan efforts that recognize that our rural schools need our help. REAP provides supplemental funding for rural school districts which face significant challenges.

Let me just say that as we look at the issue of education in rural communities and we look at the issue of health care in rural communities, we have to understand that there is a part of the United States of America that has been forgotten, frankly, under both Republican and Democratic administrations. Across the country, some 3,000 counties continue to wither on the vine, where the people who live in those counties, who are mostly agriculturally dependent, do not have the infrastructure or the capacity to address the real needs that are affecting them every day. Those include the issues of education and the issues of health care.

I come from what is one of the poorest counties in America, the County of Conejos. That county has been the poorest county in the United States for a number of different years, so I know firsthand the kinds of challenges that are faced by communities like those communities in Conejos County. Across rural America, no matter where you go, no matter what State you are in, you are going to find these kinds of counties.

The two areas we address here with the amendment are education and health care. First of all, with respect to rural education, a few facts about our rural school districts. Our school districts in rural America account for about one-half of the school districts in our Nation. Rural school districts tend to be the poorest in the Nation. They average less than 40 percent of the per pupil spending in our urban school districts. Rural school districts have less

access to technology, computers, and the Internet than their urban counterparts and, thus, are at risk of being left behind in our global economy.

Rural school districts tend to have higher dropout rates than their urban counterparts. Rural schoolteachers tend to make an average of 15 percent less than urban schoolteachers. Despite decreased pay, rural schoolteachers teach more subjects than their urban counterparts, and rural school districts face significant problems with teacher retention and face serious problems in meeting the Federal Government's definition of "highly qualified" under the No Child Left Behind Act.

Those of us who have traveled throughout this country, who have been in many of these rural school districts, know that educational opportunity being brought about for the students in rural schools is very different from that in urban schools. We know that in rural schools they do not have the teachers or the kinds of facilities—the computer technology, the swimming pools, the other parts of the physical facilities—that you find in the wealthier urban settings. So this amendment is a simple statement about the investment needed to help us have the kind of educational opportunity for the children of America who live in the rural parts of our country that have become the forgotten America.

My amendment also addresses the issue of rural health care, restoring funding for the Rural Health Outreach Program, and increases funding for the State Offices of Rural Health Program. These are two programs that are helping us address the health care issues that are faced in rural America. These programs enable the communities to partner with universities, with private practitioners, with hospitals and medical providers to make sure we address rural health care in the way that it is lacking in rural communities.

Let me say a word about the circumstance relating to rural health care. In Colorado, in many of my counties, there is only one nurse practitioner for the entire county. On the western part of our State, in Grand Junction, CO, veterans wait up to 5 months in order to see a doctor.

In Colorado, 756,000 of our citizens are uninsured, and a good majority of them live in rural areas. When they get sick, they either cannot afford to see a doctor or there is a shortage of physicians for them to see. Rural Coloradians tend to have more health care problems so that the lack of health care is life threatening.

We know health care access in our rural communities is in crisis. A few facts bear this out. Forty-five million Americans have no health insurance at all, but 10.2 million of those 45 million Americans live in rural America; 10.2 million of those 45 million Americans live in rural America.

Americans living in rural communities face some of the greatest chal-

lenges in obtaining and keeping health insurance.

There are many communities across my State—and I am sure across America—where families in rural communities simply cannot get health insurance, and when they get health insurance they have to pay anywhere from \$1,000 to \$2,000 a month just to keep that health insurance.

Rural residents are more likely to be covered by Medicaid than their urban counterparts. Residents in rural communities have less access to medical services because there is such a critical shortage of doctors in rural communities across our country.

My amendment will restore some of that funding so that our communities in forgotten America can continue to develop innovative programs to increase access to healthcare.

Let me conclude by saying this is a simple step to help us put the spotlight on the problems that are faced by rural America today. This is not a Republican or a Democratic issue. This is an issue where Democrats and Republicans should stand up and say that we value education in our rural communities and in our rural schools, that we understand the major problems of healthcare that are faced in our rural communities, and that we will stand up to make sure that we are addressing those issues of healthcare in rural America.

I ask unanimous consent that Senator CONRAD be added as a cosponsor.

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

Mr. SALAZAR. I yield the floor.

Mr. CONRAD. Mr. President, can you advise us of the time remaining on this amendment?

The PRESIDING OFFICER. There is 37 seconds in favor of the amendment, 7½ in opposition.

Mr. CONRAD. I ask my colleague if I could have 1 minute of his time on this amendment.

Mr. GREGG. You can have all of it.

Mr. CONRAD. That is very kind. I will take just a minute.

I thank Senator SALAZAR for offering this amendment. This amendment is important to rural States such as mine. This amendment makes a real difference in States such as North Dakota and Colorado in rural education and in funding for rural healthcare outreach.

Senator SALAZAR has proposed an offset to take some of the very significant increase in international affairs and redirect it to rural America. Rural America is hurting in many parts of this Nation.

Right at the heart of the need for revitalization is education and healthcare. Those are two of the areas that have been targeted by Senator SALAZAR's amendment.

This is a very modest amount of money, but it sends a big signal. I hope my colleagues can find it possible to support this amendment.

I thank Senator SALAZAR for his leadership.

At this moment, I would like to call up Senator DORGAN's amendment No. 210 so that it is formally noticed and in the queue. We don't need to say any more about it. It will be part of the voting sequence tomorrow, and Senator DORGAN will have a chance to describe his amendment. Somebody will have a chance to say something on the other side.

Mr. GREGG. Mr. President, I believe Senator LIEBERMAN will be next. I think he is probably on his way. We are running a little ahead of schedule.

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

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

#### AMENDMENT NO. 210

Mr. CONRAD. Mr. President, apparently Senator DORGAN's amendment No. 210 was not reported so we ask to call it up.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for Mr. DORGAN, for himself, Ms. MIKULSKI, Mr. FEINGOLD, Mr. LEVIN, Mr. KENNEDY, and Mr. LEAHY, proposes an amendment numbered 210.

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

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

The amendment is as follows:

(Purpose: To repeal the tax subsidy for certain domestic companies which move manufacturing operations and American jobs offshore and to use the resulting revenues to reduce Federal deficits and debt by \$3.2 billion over 5 years)

On page 3, line 10, increase the amount by \$500,000,000.

On page 3, line 11, increase the amount by \$600,000,000.

On page 3, line 12, increase the amount by \$700,000,000.

On page 3, line 13, increase the amount by \$700,000,000.

On page 3, line 14, increase the amount by \$700,000,000.

On page 3, line 19, increase the amount by \$500,000,000.

On page 3, line 20, increase the amount by \$600,000,000.

On page 3, line 21, increase the amount by \$700,000,000.

On page 4, line 1, increase the amount by \$700,000,000.

On page 4, line 2, increase the amount by \$700,000,000.

On page 4, line 24, increase the amount by \$500,000,000.

On page 4, line 25, increase the amount by \$600,000,000.

On page 5, line 1, increase the amount by \$700,000,000.

On page 5, line 2, increase the amount by \$700,000,000.

On page 5, line 3, increase the amount by \$700,000,000.

On page 5, line 7, decrease the amount by \$500,000,000.

On page 5, line 8, decrease the amount by \$1,100,000,000.

On page 5, line 9, decrease the amount by \$1,800,000,000.

On page 5, line 10, decrease the amount by \$2,500,000,000.

On page 5, line 11, decrease the amount by \$3,200,000,000.

On page 5, line 15, decrease the amount by \$500,000,000.

On page 5, line 16, decrease the amount by \$1,100,000,000.

On page 5, line 17, decrease the amount by \$1,800,000,000.

On page 5, line 18, decrease the amount by \$2,500,000,000.

On page 5, line 19, decrease the amount by \$3,200,000,000.

On page 30, line 16, decrease the amount by \$500,000,000.

On page 30, line 17, decrease the amount by \$3,200,000,000.

Mr. CONRAD. We now have that amendment in the queue and that is what we wanted to accomplish.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. COLLINS. 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. 220

Ms. COLLINS. Mr. President, on behalf of the Senator from Connecticut, Mr. LIEBERMAN, and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS], for Mr. LIEBERMAN, for himself and Ms. COLLINS, proposes an amendment numbered 220.

Ms. COLLINS. I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To protect the American people from terrorist attacks by restoring \$565 million in cuts to vital first responder programs in the Department of Homeland Security, including the State Homeland Security Grant program, by providing \$150 million for port security grants and by providing \$140 million to allow for 1000 new border patrol agents)

On page 16 line 15, increase the amount by \$715,000,000.

On page 16 line 16, increase the amount by \$102,000,000.

On page 16 line 20, increase the amount by \$254,000,000.

On page 16 line 24, increase the amount by \$220,000,000.

On page 17 line 3, increase the amount by \$139,000,000.

On page 23 line 16, increase the amount by \$140,000,000.

On page 23 line 17, increase the amount by \$112,000,000.

On page 23 line 21, increase the amount by \$14,000,000.

On page 23 line 25, increase the amount by \$14,000,000.

On page 26 line 14, decrease the amount by \$855,000,000.

Ms. COLLINS. Mr. President, I am pleased to join my friend and colleague

from Connecticut in offering an amendment to restore funding for the Department of Homeland Security's first responder programs to increase security at our country's borders and to better secure our Nation's seaports.

The administration's budget, unfortunately, would impose severe reductions in grant funding for our first responders, those who are on the front lines in the war on terrorism.

Our amendment restores funding by adding a total of \$855 million for Homeland Security funding. This includes \$565 million for State Homeland Security programs that support our first responders, \$150 million for port security grants, and \$140 million to hire 1,000 additional Border Patrol agents.

Our amendment does not provide excessive funding. In fact, it is modest in scope. It would simply restore funding to last year's levels for Homeland Security grant programs such as State Homeland Security grants, the Fire Grant Program, and the Law Enforcement Terrorism Prevention Program.

The amendment will ensure at least the same amount of funding for our Nation's ports as last year, and it takes a modest first step toward increasing the number of border patrol agents as authorized by the Collins-Lieberman Intelligence Reform Act. I note that bill authorized the hiring of 2,000 additional Border Patrol agents. Our amendment authorizes the hiring of only 1,000 additional agents. I note that other Senators this evening, including the soon to be Presiding Officer, have also expressed the support for increasing the number of Border Patrol agents.

This amendment is also offset by reductions in the allowances account, so it will not increase the deficit.

It is a responsible amendment. As we set priorities through this budget resolution, we are faced with many worthy and competing needs and programs. But surely along with national defense improving the security of our homeland must be a priority, and that means providing adequate assistance to those who are on the front lines: Our firefighters, police officers, emergency medical personnel, State and local law enforcement, and emergency managers.

Former Secretary of Homeland Security Tom Ridge perhaps put it best when he said that Homeland Security starts with hometown security. Improving our preparedness is an investment that we must make to strengthen our ability to prevent, detect, and respond if required to terrorist attacks. After all, if the worst happens and we are subject to another attack from terrorists, our citizens are not going to dial the Washington, DC area code. They are going to pick up their phones and dial 9-1-1.

We should always remember who is first on the scene when disaster strikes. We have an obligation to help our first responders be prepared—as well prepared as we can be—because that strengthens the preparedness of our Nation.

Again, this is a modest amendment. There have been other proposals to increase Homeland Security grant funding by billions of dollars.

I recognize we have to strike a balance, that we are operating in an environment of severe budget constraints. That is why Senator LIEBERMAN and I have joined forces to propose what truly is a modest amendment, to simply restore funding to last year's levels.

I think it is the least we can do. I do expect the Senator from Connecticut to be here shortly. I reserve the remainder of our time.

Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. 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. GREGG. 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. GREGG. Mr. President, I ask unanimous consent that under the prior agreement which was entered into by myself and Senator CONRAD the time be used in its usual form.

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

Mr. GREGG. Mr. President, 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. LIEBERMAN. 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. 220

Mr. LIEBERMAN. Mr. President, I am honored to rise to speak on behalf of the amendment my distinguished colleague and friend Senator COLLINS of Maine has offered to this budget resolution. This amendment will make sure adequate funding is provided for key programs at the Department of Homeland Security.

I am very grateful to Senator COLLINS, who is the chair of the newly named Committee on Homeland Security and Governmental Affairs. I am privileged to serve as the ranking Democrat on that committee. I am very glad to join with Senator COLLINS in offering this amendment because it continues the statement that when it comes to security, whether in the world through the Armed Services Committee or here at home through the Homeland Security Committee, we ought to act in a bipartisan, non-partisan fashion.

This is genuinely a bipartisan amendment. This amendment and the increases it provides would be paid for by reducing administrative expenses and would not increase the deficit. It would

provide an additional \$855 million that we believe is vitally needed to prepare our first responders, to secure our ports, and to strengthen our borders.

Our intelligence and security experts tell us the threat of terrorist attack here at home is one we are going to have to live with for some time to come. The Director of the Central Intelligence Agency, Porter Goss, recently said "it may only be a matter of time" before terrorists strike again within the United States with weapons of mass destruction. And new intelligence informs us that the Jordanian terrorist Abu Musab al-Zarqawi, now affiliated with Osama bin Laden, leading a group of terrorists in Iraq, may have conferred with bin Laden about attacks within the United States at nonobvious targets spread throughout this country of ours.

The fact is, we remain vulnerable. We are safer, as the 9/11 Commission said in its report last year, than we were on 9/11, but we are still not yet fully safe.

In a recent letter to the Senate Budget Committee, looking at what I took to be the needs of our country with regard to homeland security, I recommended an additional \$8.4 billion in homeland security spending governmentwide, with \$4.2 billion going to first responders.

In the current context, that is a large number, but I truly believe every dollar would have been well spent and would have improved and increased our sense of security from terrorism here at home.

The fact is, we have the best military in the world, in the history of the world, as we have seen in Afghanistan and Iraq in recent years. One of the reasons we do, in addition to the extraordinary commitment, skill, and bravery of our personnel, is we have been willing to invest money to provide that first-rate defense.

The same is true here at home. We will not become secure on the cheap. I understand that the \$8.4 billion I proposed in my letter to the Budget Committee is not going to find majority support here on the Senate floor. But surely we can agree not to go backwards. Although the administration has recommended increases, some of them targeted to homeland security programs, in its fiscal year 2006 budget, those increases are very modest and very few. And, unfortunately, the proposed budget would actually cut key Department of Homeland Security first responder programs by 32 percent.

It has been said before, but it cannot be said often enough, that our first responders are on the front lines of the war on terror here at home. In fact, they are more than our first responders. They can be hundreds of thousands of additional first preventers. We must give them what they need to do their jobs effectively for us. That means dollars to help train and equip State and local police, firefighters, and emergency medical technicians to be first responders, preventers, and to help de-

tect or disrupt terrorist activity before an attack, and dollars to ensure that should an attack occur, these men and women who serve us will have the training and the equipment they need to respond, to save lives, to localize the damage.

State and localities across our country are using a lot of their own money and taking a lot of initiative on their own to prepare to defend against terrorist attack. But they cannot do it alone, nor should they have to. Therefore, the amendment Senator COLLINS and I are proposing this evening would provide \$565 million to restore the administration's proposed cuts to Homeland Security Department first responder programs, to get us back to where we have been.

That would include State homeland security grants, firefighter grants, and emergency management planning grants. Maintaining these programs at their current levels is the least we can do given the enormous demands on our first responders in our municipalities and States.

Mr. President, the Council on Foreign Relations Task Force, headed by our former colleague, Senator Warren Rudman, as an example of one standard of expenditures possibly necessary here, called for nearly \$100 billion over 5 years just to prepare first responders. A recent survey by the National Governors Association found that communications interoperability is the top homeland security priority for many States. That is as it says. How can we make sure that in a moment of crisis those first responders from different agencies and different jurisdictions can, in fact, communicate with one another? Only a few States have achieved that interoperability because it is so expensive.

Just last week, New York's Center for Catastrophe Preparedness and Response reported that emergency medical services personnel generally lack not only proper equipment but also proper training.

Without more support, our first responders simply will not be able to provide the help we need if terror strikes.

Second, in our amendment, Senator COLLINS and I also provide for \$150 million in dedicated funding for port security. The budget resolution provides none—no funds—in this area. It is hard to overstate the importance of our ports to our economy and transportation network. Ninety-five percent of all our trade flows through our ports, and a potential terrorist attack at one of them would cause economic havoc for our country. In fact, the U.S. Coast Guard has estimated it will cost more than \$7 billion to effectively secure America's ports.

Unfortunately, this budget does not guarantee any spending for port security. Rather, it combines a large array of homeland security needs—including port security—into a catch-all fund for infrastructure protection. This fund is too small to cover all infrastructure

protection needs. Therefore, the amendment that Senator COLLINS and I introduce tonight would guarantee that port security gets at least the fiscal year 2005 level of \$150 million.

Finally, border security. The 9/11 Commission bill passed by Congress and signed by the President at the end of last year authorized 2,000 new Border Patrol agents for this year. The President's budget funds only 210 new agents. These new hires, as I see them, would basically replace agents who were moved from the southern border to beef up staffing at the northern border.

Our amendment would provide \$140 million for border security. That would allow the Department of Homeland Security to hire 1,000 new agents in the coming fiscal year, which I am confident—and Senator COLLINS is, too—would be enough to make a noticeable difference in our border defenses.

Mr. President, bottom line: This is a modest proposal. In large part, it is a status quo proposal, keeping us at least where we have been and not moving backward. The experts have told us that we need to invest billions more than we are. We are still learning of new vulnerabilities all the time. We cannot afford to retreat in our efforts, when we know there is still a great distance to go before our first responders are well prepared and other gaps at our borders and ports are closed.

That is the intention of this bipartisan amendment. I urge my colleagues to support it. I thank the Chair and I thank Senator COLLINS for her leadership once again in proposing this amendment. I am proud to stand with her on this, as I have on so many other matters.

I yield the floor.

Mr. GREGG. Mr. President, what is the time situation on this amendment?

The PRESIDING OFFICER. There is no time agreement on this amendment.

Mr. GREGG. I thought we had a half hour from 9 o'clock to 9:30.

The PRESIDING OFFICER. That was not formally locked in.

Mr. GREGG. Assuming we had a half hour, how much time would be remaining?

The PRESIDING OFFICER. There would be 12 minutes left.

Mr. GREGG. So I would have 12 minutes, theoretically?

The PRESIDING OFFICER. Yes, 12 minutes is left in the total half hour. The Senator would control that entire 12 minutes.

Mr. GREGG. I notice that the Senator from Louisiana has an amendment. I think the Senators offering the amendment have completed their statements.

Ms. COLLINS. We are ready to rebut anything that might be said in opposition. But if there were no one speaking in opposition, I would be happy to conclude my remarks.

Mr. GREGG. I thank the Senator. I will give her the opportunity to rebut briefly. I will speak briefly in opposition, so that we can move to the Senator from Louisiana.

Mr. President, this amendment is well-intentioned. Obviously, first responders and the homeland security issues are major issues for us as a nation. We have done a significant amount in this area and, of course, there is a supplemental bouncing around the hallways that has a significant amount of increase for a number of homeland security initiatives.

Earlier this evening, we did an amendment offered by the Senator in the chair and the Senator from Texas, which would add 2,000 border agents. This adds 1,000 border agents. I am not sure when we stop adding border agents tonight. I am thinking maybe there should be a budget point of order that you can only add up to, say, 10,000 or 20,000 border agents in any one given evening.

But as a practical matter, it seems to me that we are getting a little carried away with the border agent additions—even in the context of making political statements.

The amendment itself takes the money out of the 920 fund. I think it is important that people understand that the 920 fund—when you authorize funds out of the 920 fund, you are saying essentially there will be an across-the-board cut in all other accounts of the Federal Government.

This amendment, which has approximately \$800 million in it—or something like that—would mean that since it is a discretionary number, half of that would be assessed against the Department of Defense, which would mean you would be cutting DOD by \$100 million, education by around \$20 million, health care by about \$140 million, \$150 million. You would be cutting environmental protection by probably \$100 million—and so on and so on because it is an across-the-board cut. It has to come from these other accounts on the discretionary side of the ledger. In fact, the education cut would be bigger, much bigger.

Obviously, we have to make choices, and this amendment has decided that homeland security and adding another 1,000 agents on top of the 2,000 already proposed is a priority. But I think it is important that people understand that this is not a situation where the money grows on trees. It comes from taxpayers, and we are trying to limit the amount of money that taxpayers have to spend. Therefore, choices have to be made.

This amendment essentially requires that other accounts of the Federal Government, which have some priority also, such as defense, education, health care, and environmental protection, will be reduced were this amendment to actually be carried to its natural fruition, which I hope it will not be. That being the case, I will reserve my time and, hopefully, we can move on to the Senator from Louisiana.

Does the Senator from Maine wish to comment?

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, if I could just make a couple of comments in response to the Senator from New Hampshire. I will be very quick because I know the Senator from Louisiana has been waiting.

It will be up to the Appropriations Committee to decide how to allocate the cuts that we are proposing in the allowances account. It would not necessarily cut across the board equally. In fact, almost certainly it would not, because the Appropriations Committee will set priorities.

The second point that I want to make has to do with the number of border agents proposed in our amendment. I think that it demonstrates how modest the amendment is that the Senator from Connecticut and I have offered. After all, even though our legislation, the intelligence reform bill, authorized 2,000 additional Border Patrol agents, because we recognized the constraints of the budget we have proposed only going halfway toward that goal, and that is why we chose to authorize just 1,000 additional border agents. It is in recognition of the budget constraints under which we are operating.

So I think the distinguished chairman of the Budget Committee actually helps make the point of how reasonable our approach is, that we chose to go for a more modest number than the previous amendment that was debated this evening.

Furthermore, I point out that that amendment, to the best of my knowledge, was not accepted this evening. It is still a pending amendment.

So this is about setting priorities, and surely we can provide funding just equal to last year's—we are not even proposing an inflation increase—to ensure that we continue to strengthen the preparedness of this Nation.

The PRESIDING OFFICER. The Senator from Louisiana.

#### AMENDMENT NO. 223

Mr. VITTER. I call up amendment No. 223 which is at the desk.

The PRESIDING OFFICER. The clerk which report.

The legislative clerk read as follows: The Senator from Louisiana [Mr. VITTER] proposes an amendment numbered 223.

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

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

The amendment is as follows:

(Purpose: To express the sense of the Senate that Congress should provide dedicated funding for port security enhancements)

On page 63, strike line 24, after the second period insert the following: "In dealing with homeland security assistance grants that relate to port security, Congress should (1) allocate port security grants under a separate, dedicated program intended specifically for port security enhancements, rather than as part of a combined program for many different infrastructure programs that could lead to reduced funding for port security, (2) devise a method to enable the Secretary of Homeland Security to both distribute port security grants to the Nation's port facilities

more quickly and efficiently and give ports the financial resources needed to comply with congressional mandates, and (3) allocate sufficient funding for port security to enable port authorities to comply with mandated security improvements, ensure the protection of our Nation's maritime transportation, commerce system, and cruise passengers, strive to achieve funds consistent with the needs estimated by the United States Coast Guard, and recognize the unique threats for which port authorities must prepare."

Mr. VITTER. Mr. President, this amendment addresses the very important issue of port security which was spoken about a few minutes ago by another Senator. I am very concerned that the President's budget submission does not fully advance port security because it would merge the present support security grant program with other homeland security infrastructure programs. This amendment would address this issue.

Ports are vital to our Nation and our economy. There are 361 public ports in the U.S. handling over 95 percent of our overseas trade. That accounts for 2 billion tons, \$800 billion of domestic and international freight annually. Ports and their maritime industry partners currently make up 27 percent of the GDP, and within the next 15 years many predict the amount of cargo that U.S. ports will handle will double. At that rate, our port facilities would account for as much as one-third of our GDP.

Of course, ports do not only handle imports and exports but also 7 million cruise ship passengers and 113 million passengers on ferries every year. Ports play a vitally important role in the war on terror. Many of our ports are vital to the deployment of our troops, and all of our ports are needed for sustainment cargo. The ports themselves supply 4 million jobs.

In my home State of Louisiana they are particularly important. They are a vital part of our way of life and our economy. We have 5 of the 15 busiest single ports in the Nation. As a Nation, 50 percent of our agricultural products go through our ports.

For all of these reasons, ports are an enormous target for the bad guys, for the terrorists. Therefore, we have been focusing, with good reason, on port security.

The problem is, the President's current budget submission would merge a current and very important port security grant program into other infrastructure programs. I think that would lose tremendous focus in the effort to beef up our port security and get the job done at our Nation's ports. My amendment would address that by doing several things.

First and most importantly, it would state the sense of the Senate that port security grants should not be combined with those other infrastructure programs. Again, we would lose focus by merging port security with all of those other programs.

Secondly, my amendment would say that Congress should determine a

method to enable the Department of Homeland Security to more efficiently and more quickly deliver port security grants to our Nation's ports.

Third, the amendment states that Congress should state funding levels that would strive to get the full job done as estimated by the experts, the U.S. Coast Guard. The Coast Guard says that at least \$7 billion is needed to make enhancements to our ports, although some experts say that might be as high as \$16 billion.

So I encourage all Senators to support this amendment and help ensure that this important port security grant program is not merged and subsumed into a more general program.

I reserve any remaining time which I have, which I would like to use to talk about another amendment in a minute.

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

AMENDMENT NO. 224

Mr. VITTER. At this point I call up amendment No. 224, at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. VITTER) proposes an amendment numbered 224.

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

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

The amendment is as follows:

(Purpose: To restore funding for Corps of Engineers environmental programs to fiscal year 2005 levels, and to offset that increase through reductions in general Government spending)

On page 12, line 15, increase the amount by \$130,000,000.

On page 12, line 16, increase the amount by \$91,000,000.

On page 12, line 19, increase the amount by \$130,000,000.

On page 12, line 20, increase the amount by \$130,000,000.

On page 12, line 23, increase the amount by \$130,000,000.

On page 12, line 24, increase the amount by \$130,000,000.

On page 13, line 2, increase the amount by \$130,000,000.

On page 13, line 3, increase the amount by \$130,000,000.

On page 13, line 6, increase the amount by \$130,000,000.

On page 13, line 7, increase the amount by \$130,000,000.

On page 24, line 16, decrease the amount by \$130,000,000.

On page 24, line 17, decrease the amount by \$97,500,000.

On page 24, line 20, decrease the amount by \$130,000,000.

On page 24, line 21, decrease the amount by \$130,000,000.

On page 24, line 24, decrease the amount by \$130,000,000.

On page 24, line 25, decrease the amount by \$130,000,000.

On page 25, line 3, decrease the amount by \$130,000,000.

On page 25, line 4, decrease the amount by \$130,000,000.

On page 25, line 7, decrease the amount by \$130,000,000.

On page 25, line 8, decrease the amount by \$130,000,000.

Mr. VITTER. Mr. President, this separate amendment numbered 224 is another vitally important part of the budget, which is the budget for the U.S. Army Corps of Engineers. This amendment would increase funding of the Corps of Engineers to nearly last year's levels. Unfortunately, the President has proposed a significant, \$130 billion cut from last year's levels. This would simply stay steady from last year's levels, using full offsets so that it would not change the overall top-line number of the budget.

The Corps of Engineers' mission is vitally important to the country in two areas in particular—first, for a lot of environmental purposes. This certainly affects Louisiana. In Louisiana, this Corps funding is critically important as we literally fight for our life in the fight against coastal erosion.

As noted by the President himself, over the past 75 years more than 1 million acres of Louisiana coastal plain have been lost into the Gulf of Mexico. Another third of a million could be lost by 2050.

This is such a crisis that we lose a football field of land, which is a fair amount of land, every 38 minutes. That clock does not stop. It is 24 hours a day, 7 days a week, 52 weeks a year.

This, of course, is just related to Louisiana. There are other vitally important environmental projects that the Corps is focused on outside of Louisiana, such as the Florida Everglades, upper Mississippi, and many other important projects.

The second area for which the Corps is vitally important is water projects that build and maintain waterways around the country. That goes directly to the maritime sector of our economy and our national economy and economic growth. The Corps builds and maintains and operates 8,000 water projects across the country. Every year it dredges 900 harbors, operates 275 locks and dams, 75 hydropower facilities, and it manages 4,300 recreation areas. All of this is very important to our country, our way of life and our economy. An enormous part of the economy is maintained by that important work of the Corps.

That is why I believe cutting the Corps' budget in real dollar amounts, by \$130 million, is not the way to go. It would hurt our economy. It would hurt economic growth. So my amendment would simply propose to restore the Corps of Engineers' funding to last year's level—no more, what was actually appropriated last year.

It is important to note that my amendment contains a full offset and that would be a decrease in funding from the General Government account. This would be a 0.7 percent reduction in that account, an account which has been increased 8 percent, double the rate of inflation from last year.

I think this is the right thing to do. I urge all my fellow Senators to support this amendment.

I yield back my time.

The PRESIDING OFFICER. The time of the Senator has expired.

AMENDMENT NO. 197, AS MODIFIED

Mr. ALLEN. Mr. President, I will be sending an amendment to the desk and will ask for its immediate consideration. But while a final modification is being made, I will speak on the amendment. Once its been modified, I will ask to call up for consideration.

The amendment I am offering to the budget resolution this evening would provide additional funding for the Aeronautics Program at NASA. There has been much talk over the last 3 days about how Congress's budget is a representation of our Nation's priorities. If that is the case, I believe the priorities in this budget proposal are far out of place regarding our Nation's commitment to aeronautics research and development.

Aeronautics is a very vital and important science to our country. It provides vital innovations and breakthroughs in military and commercial aviation. Our Nation, from the beginning of flight, from the Wright brothers until very recently, has been unrivaled in military aviation power because of the research and development we have undertaken in the field of aeronautics.

My colleague from Virginia, Senator John Warner, and Senator DEWINE of Ohio are joining me in offering this amendment, which will restore vitally needed funds for the NASA Aeronautics Program.

The administration's 2006 budget proposes to cut over \$700 million out of NASA's aeronautics budget over the next 5 years—\$700 million over the next 5 years. That will reduce the effective levels of NASA's aeronautics investment to about half of the level that it is today. Today's level is about half the level that the funding, adjusted for inflation, was just a decade ago. So a decade ago there was an amount, that has been cut in half, and this proposal is to cut it in half again, which, in effect, means we have a quarter of the budget in research and development in aeronautics that we had just 10 years ago.

In fact, the fiscal year 2006 budget calls for eliminating NASA's entire Vehicle Systems Program, the very initiative that over the last 5 decades has provided major technology advances that have been used on every major civilian and military aircraft over that period of time. The Vehicle Systems Program is a vitally important aspect of NASA, aeronautics, and our country.

I am a competitive person. I think this country needs to be a leader in innovation and technology, whether that is nanotechnology, which is a key technology for the future in a variety of areas from life sciences to medical sciences to energy to microelectronics.

Another key area for our country's competitiveness and our security in the future is aeronautics. The share of the United States of global commercial aviation sales has been declining for

the better part of the last three decades, dropping from 90 percent of market share in 1940 to just over 45 percent last year. In fact, last year was the first time the United States was not first in sales of commercial aircraft.

Despite this decline in market share, U.S. commercial aviation is one of the few areas of U.S. manufacturing where we actually have a positive balance of trade. The administration's proposal is shortsighted, and the kind of "penny wise, pound foolish" idea that will hinder the United States's economic growth and eliminate any chance that our commercial aviation industry will be able to regain market share against our global competitors.

Make no mistake, the European Airbus consortium has a specific, targeted, and funded effort to achieve overwhelming dominance of the commercial aviation market by the year 2020.

My amendment sends a message. The message is that as this year's budget process plays out, this Senator and my colleagues as well as colleagues from many parts of our country are going to fight the proposed unwise, harmful cuts to aeronautics research and development. I do not think Americans like losing in aeronautics. Our goal is not only to stop these cuts but also to build a national consensus towards investing even more in aeronautics at NASA.

Mr. President, I ask unanimous consent to have additional information printed in the RECORD on why aeronautics research is important to our Nation.

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

#### THE IMPORTANCE OF AERONAUTICS

1. Aeronautics is important to the safety of the nation's flying public because:

Air traffic will nearly double in the next decade and will triple in 20 years.

If you calculate out today's accident rate to the number of flights we will have 20 years from now, we will have a major accident once per week, an unacceptable rate.

Our interstate highway and railroad systems, which are already less safe than flying, are also already exceeding capacity and require a huge investment in infrastructure to meet anticipated demand.

2. Aeronautics is important to our national defense because:

Every military aircraft design the U.S. military currently flies incorporates advanced technologies that were developed at NASA Research Centers.

NASA engineers have developed military innovations such as shaping for stealth; multi-axis thrust vectoring exhaust nozzles integrated with aircraft flight-control systems; fly-by-wire flight control technologies; high-strength and high-stiffness fiber composite structures; and tilt-wing rotorcraft technology.

Losing experienced NASA aeronautics engineers and discouraging young engineers from entering this field only harms our national expertise in cutting edge aviation systems.

3. Aeronautics is important to our economy because:

The U.S. aerospace and aviation industry employed 2 million workers in 2001. These

workers earn incomes that are 35% higher than the average income in the U.S.

The U.S. is losing serious market share in aviation to Europe; U.S. market share has dropped from 70 to 50 percent in just a decade. The Europeans' "Aeronautics Vision for 2020" plans include them gaining irreversible dominance in civil aviation manufacturing.

Many aerospace and aviation industry segments have lost jobs since 1996, and the manufacturing sector of this industry has lost 67,000 jobs since 1998 alone.

The aviation industry has the largest positive balance of trade of all U.S. industries (\$33 billion in 1999).

Mr. ALLEN. Mr. President, this amendment would provide a relatively modest increase to the NASA program that has been proposed to be drastically cut in this budget. The Vehicle Systems Program conducts research on the feasibility of hypersonic flight. Hypersonic flight is speed beyond Mach 5, and also research on the development of zero emissions aircraft. The National Institute of Aeronautics is expected to release a report finding the need for increased aeronautics investment and specifically on greater focus on NASA's vehicle systems programs.

The amendment I will be offering would meet these recommendations over the next 5 years.

As I stated, the increases are relatively modest. For fiscal 2006, the amendment calls for an additional \$207 million for the Vehicle Systems Program. This additional funding would be offset by reduction in funding for administrative services across all accounts.

I urge my colleagues to consider the importance of aeronautics research, not only for the jobs and the commercial importance for our country but also for our continued national security. Aeronautics is important, because if you look at the R&D and the advancements that will be coming in aeronautics compared to what is going on with our European competitors, our aeronautics engineers are generally older. If we are going to have the next generation of young people involved in aeronautics engineering, we need to have this commitment to R&D.

Moreover, it is essential that our men and women in the Armed Forces have the best aircraft. We currently have air superiority. The reason that we have it is because of the R&D over the past 5 decades. For this country to continue to protect the freedom that we enjoy here on the floor of the Senate and in this Congress we must be able to project our power into areas where precision, stealth, and speed are required. To continue being able to do that, aeronautics R&D is absolutely essential.

I request that my colleagues to support this amendment.

#### AMENDMENT NO. 197, AS MODIFIED

Mr. ALLEN. Mr. President, I send the amendment to the desk with a modification.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. ALLEN], for himself, Mr. WARNER, and Mr. DEWINE, proposes an amendment numbered 197, as modified.

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

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

The amendment is as follows:

(Purpose: To increase, with an offset, by \$1,582,700,000 over fiscal years 2006 through 2010 funding for Transportation (budget function 400) with the amount of the increase intended to be allocated to the Vehicle Systems account of the National Aeronautics and Space Administration for subsonic and hypersonic aeronautics research)

On page 15, line 15, increase the amount by \$207,700,000.

On page 15, line 16, increase the amount by \$207,700,000.

On page 15, line 19, increase the amount by \$313,200,000.

On page 15, line 20, increase the amount by \$313,200,000.

On page 15, line 23, increase the amount by \$321,900,000.

On page 15, line 24, increase the amount by \$321,900,000.

On page 16, line 2, increase the amount by \$355,100,000.

On page 16, line 3, increase the amount by \$355,100,000.

On page 16, line 6, increase the amount by \$384,800,000.

On page 16, line 7, increase the amount by \$384,800,000.

On page 26, line 14, decrease the amount by \$207,700,000.

On page 26, line 15, decrease the amount by \$207,700,000.

On page 26, line 17, decrease the amount by \$313,200,000.

On page 26, line 18, decrease the amount by \$313,200,000.

On page 26, line 20, decrease the amount by \$321,900,000.

On page 26, line 21, decrease the amount by \$321,900,000.

On page 26, line 23, decrease the amount by \$355,100,000.

On page 26, line 24, decrease the amount by \$355,100,000.

On page 21, line 1, decrease the amount by \$384,800,000.

On page 21, line 2, decrease the amount by \$384,800,000.

Mr. ALLEN. Thank you, Mr. President.

I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. I yield the floor.

#### AGRICULTURE MANDATORY SPENDING

Mr. CHAMBLISS. Mr. President, I rise today to discuss the budget resolution and its impact on Agriculture Committee mandatory spending programs. Would the distinguished chairman of the Budget Committee engage in a colloquy with me on this subject?

Mr. GREGG. I would be pleased to enter into such a colloquy.

Mr. CHAMBLISS. As I understand it, the budget resolution before us today assumes a total reduction in Agriculture Committee mandatory spending programs of \$5.4 billion over the

five-year period covering fiscal years 2006 through 2010. I further understand that \$2.8 billion of this total is to be achieved by the Agriculture Committee by changing laws governing mandatory spending programs within its jurisdiction through the budget reconciliation process. Assuming the Agriculture Committee complies with its reconciliation instruction, this leaves an additional \$2.6 billion in assumed, but un-reconciled, mandatory spending reductions in Agriculture Committee programs. My understanding is that the additional \$2.6 billion in assumed reductions will not impact such programs if the Agriculture Committee chooses not to achieve them. Is my understanding correct?

Mr. GREGG. Yes, your understanding is correct. If the Agriculture Committee complies with its reconciliation instruction, the budget resolution contains no budget enforcement mechanism to achieve the additional \$2.6 billion in assumed mandatory spending reductions.

Mr. CHAMBLISS. I would like to explore this a little further because it is an important point. It is possible that subsequent to the completion of the budget reconciliation process, the Agriculture Committee may wish to move legislation that affects programs within its jurisdiction. My understanding is that no budget points of order will lie against such an Agriculture Committee bill as long as it is spending neutral. Is my understanding correct?

Mr. GREGG. Yes, you are correct.

Mr. CHAMBLISS. This clarification is helpful. Unfortunately, there is a lot of confusion on this point. Yesterday, all Senators were sent a letter that among other things suggested that the budget resolution's assumed additional, but un-reconciled, reductions in Agriculture Committee mandatory spending would generally allow a budget point of order to be raised against Agriculture Committee bills subsequent to the completion of the budget reconciliation process. Have you had an opportunity to read this letter?

Mr. GREGG. I have and the letter is very definitely incorrect on this point.

Mr. CHAMBLISS. While I would prefer to not alter any programs under the Agriculture Committee's jurisdiction this year to achieve mandatory spending reductions, our committee has been willing in the past to contribute its fair share to help restrain mandatory spending in previous efforts to reduce the budget deficit. I believe our committee will be willing to do that again this year. In my view, a \$2.8 billion reduction over five years in Agriculture Committee mandatory programs is a reasonable contribution given the President's proposal to reduce overall mandatory spending by \$61.6 billion. Unfortunately, the House budget resolution instructs the House Agriculture Committee to achieve \$5.3 billion in mandatory spending reductions. I strongly request that you keep the Agriculture Committee's reconciliation

instruction in the final budget resolution conference report from rising above the Senate's \$2.8 billion figure during conference with the House.

I thank the Chairman.

Mr. GREGG. I will do my best to maintain the Senate position in conference with the House.

Mr. VOINOVICH. Mr. President, the Senate is once again working late hours to enact a budget resolution totaling more than \$2 trillion and setting major policy guidelines through the reconciliation process. So begins our annual budget process.

From now until September 30, Congress will conduct dozens of hearings and hold countless meetings, while Members of both Houses deliver innumerable speeches and spend long hours of debate over every subtle nuance of the Federal budget process.

Over the next 8 months, Congress will consider a budget resolution, a budget reconciliation package, and as many as 13 separate appropriations bills—the latter only if we do not combine those appropriations bills into one massive spending bill, as has been the practice in recent years.

By the time Congress adjourns—hopefully in early October but more likely in mid November—a majority of votes taken in the Senate will relate to the budget process.

Indeed, as my colleague, the distinguished chairman of the Budget Committee, Senator DOMENICI, has pointed out, 73 percent of the Senate's votes in 1996 were budget related, 65 percent in 1997, and 51 percent in 1998. It is no wonder each year it is quite common for the same subject to be voted upon three or four times during the course of the entire budget process. It is a heck of a way to run a railroad, but what is really unbelievable is this whole process is repeated each year.

I say enough is enough. It is time to bring rationality to our Nation's budget process.

It is a fact that Congress spends too large a portion of its time debating and voting on items related to the Federal budget. Meanwhile, most other congressional functions are not given proper attention. CBO reports that last year Congress appropriated over \$170 billion for 167 programs whose authorizations had expired. This is not the fault of the appropriators. No one expects them to not fund veterans health care or other critical programs due to an expired authorization. It is the fault of a process that simply does not leave us enough time to adequately review and reauthorize important Government programs.

We need to reestablish our priorities so we may effectively do the work of the people, make sure that the Federal Government is running at peak efficiency and deliver value, which is quality service for the least amount of money.

I believe we have an excellent opportunity to do that this year.

One of the first bills I cosponsored when I became a Senator was a meas-

ure introduced by Senator PETE DOMENICI that would establish a 2-year budget—just like we have in about 20 States, including the State of Ohio. I believe enactment of this bill would have provided an important tool in the efficient use of Federal funds while strengthening Congress's proper oversight role. Unfortunately, we were unable to pass that legislation and the issue has lain idle over the past several years. Now is the time to take it up again.

Because Congress produces annual budgets, Congress does not spend nearly as much time as it should on oversight of the various Federal departments and agencies due to the time and energy consumed by the budget resolution, budget reconciliation, and appropriations process.

Not only is this a problem for Congress, but each executive branch agency and department must spend a significant amount of its time on each annual budget cycle.

Again, as my colleague, Senator DOMENICI pointed out in 2000, the executive branch spends 1 year putting together a Federal budget, 1 year explaining that Federal budget before Congress, and 1 year implementing the budget eventually passed by Congress.

Even the most diligent Cabinet Secretary cannot keep track of all the oversight he or she is supposed to accomplish if they are trapped in this endless budget cycle.

A biennial budget will help Congress and the executive branch avoid this lengthy process. Since each particular Congress lasts only 2 years, a biennial budget would allow us to consider a 2-year funding proposal during 1 year, while reserving the second year for Government oversight.

As chairman of the Subcommittee on Oversight of Government Management and Restructuring in the Governmental Affairs Committee, I have noted that even though the General Accounting Office conducts numerous reports documenting Government inefficiencies that need to be corrected, most GAO reports sit on the shelf because there is no time to conduct detailed hearings.

When oversight hearings are held, nearly everyone in the executive branch knows—from career bureaucrats to Cabinet Secretaries—that they need only weather the immediate storm when they are asked to come to the Hill to testify.

That is because once they answer the criticisms that have been leveled in these GAO reports, and explain how they are going to improve the situation, it is over; the worst has passed. Rarely do they have to worry about followup hearings to make sure they have implemented the proper remedies because they know Congress just will not have the time to conduct future hearings.

A 2 year budget cycle gives Congress time to do that legislative oversight and makes it harder for agencies to avoid giving answers.

Two-year budgeting also gives Congress and agencies time to plan for the future instead of always reacting to the past. Federal agencies are required to have 5-year strategic plans but they need longer term budgets to match their funding to their planning.

For my colleagues who are tired of the seemingly endless budget and appropriations cycles and are frustrated at the inability to devote enough time to the oversight duties of their committees, I urge them to join in cosponsoring this legislation. I also urge my House colleagues to review the merits of the biennial budget process and act upon legislation as expeditiously as possible for the good of America.

The point I am making is this. It is time for this Congress to adopt a 2-year budget cycle instead of the one we have had for too many years. It will help us do a better job in terms of budgeting; it will allow Congress and the agencies time to plan more effectively and certainly get us to do the oversight that is so badly needed by this Congress.

I sincerely wish we were about to vote on a biennial budgeting bill instead of merely a sense-of-the-Senate-resolution. Nevertheless, we can at least send a message to our colleagues telling them the Senate does not intend to let this issue simply fade away. I urge my colleagues to vote yes on this resolution. I ask that the text of my amendment No. 175 be printed in the RECORD.

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

(Purpose: To express the sense of the Senate that Congress should enact a biennial budget for the Federal Government)

On page 65, after line 25, insert the following:

**SEC. \_\_\_\_ . SENSE OF THE SENATE SUPPORTING BIENNIAL BUDGETING.**

It is the sense of the Senate that Congress should enact a biennial budget for the Federal Government.

Mr. CORZINE. Mr. President, the process of developing a budget each year provides an opportunity to take stock of our priorities as a nation.

The President outlines his priorities through his budget, but it is the Congress, with its control of the purse strings, that is ultimately charged with the responsibility of fashioning and enacting legislation.

Regrettably, the priorities reflected in this budget resolution—which mirror those in the administration's budget proposal—are wrong for America and certainly wrong for the people of New Jersey.

In New Jersey, we are particularly sensitive to the choices made by this administration and its allies in Congress, since we provide the greatest contribution of taxes paid relative to what we get back from the Federal Government. Our return on the Federal dollar has fallen from 70 cents to a meager 57 cents under the Bush administration. This budget will only further

increase the strain on New Jersey's citizens, especially our most vulnerable: our children, our disabled, and our seniors.

According to the resolution before us, this administration and this congressional leadership's priorities include underfunding No Child Left Behind by an astounding \$12 billion next year, which means that 53,152 students in New Jersey will not be served by the title I program and 32,822 fewer kids in New Jersey will have a safe place to go after school. I am disappointed that this body on Monday rejected an opportunity to restore some of this funding.

According to this resolution, Republican leadership's priorities include cutting \$15 billion from the Medicaid Program over the next 5 years. If these cuts take effect, New Jersey would lose \$90 million a year in Federal Medicaid funding.

I asked my State to tell me what they would do if they lost this funding. They told me there are two options: The State will either have to eliminate health insurance for more than 20,000 low-income children and pregnant women who are considered "optional" beneficiaries because they earn just above 133 percent of the poverty level, which is \$20,000 for a family of four; or, the State could eliminate "optional" services, including dental care, hearing aid services, psychological services, and medical daycare for individuals with Alzheimer's and dementia.

The Republican leadership's priorities include cutting Amtrak's entire operating subsidy. I doubt the 82,000 commuters who ride New Jersey Transit trains every day would agree with this policy choice, since their trains operate along Amtrak's Northeast corridor rail. Neither, I know, would the literally millions who rely on Amtrak to travel interstate.

Let's not forget cuts for our veterans and first responders and weakened investment in community development. The list goes on and on.

All in all, under President Bush's budget, my home State of New Jersey stands to lose nearly \$300 million next year, adjusted for inflation, according to the Center on Budget and Policy Priorities and that is before you even estimate his implied cuts to Medicaid. If Congress fails to act, cuts under our budget could be of a similar magnitude.

These cuts do not come as part of some shared sacrifice driven by tough fiscal times, as some would have us believe. Most of these program cuts are only a drop in the bucket compared to the cost of President Bush's tax cuts for the most fortunate.

In all, the Bush administration has reduced Federal revenues to their lowest level as a share of the economy since the 1950s. As a consequence, we no longer have the resources to deal with the Nation's priorities—that is why they want to cut funding for veterans and education and health care and community development.

Next year, people with incomes greater than \$1 million will receive \$32 billion from President Bush's tax breaks. Compare this \$32 billion cost to the \$220 million that the President has proposed cutting from the Low Income Heating Assistance Program, which helps low-income families and seniors pay their heating and cooling bills. We would literally be throwing people out in the cold—405,000 of them, to be precise, or more than 7,000 in New Jersey—to pay for less than 1 percent of President Bush's tax breaks for millionaires.

This choice simply does not reflect our Nation's fundamental values. I don't think it reflects the values of even those benefiting most from it. Nor does it address the real needs of working families in New Jersey and across America.

That reality includes rising health care costs that are driving families into bankruptcy like never before and preventing businesses from creating jobs. It includes growing wage disparity and a labor market that's stayed weaker for longer coming out of a recession than any other time on record.

According to the Tax Policy Center of the Urban Institute and the Brookings Institution, more than 70 percent of the benefits of the President's tax breaks enacted in 2001 and 2003 go to the 20 percent of taxpayers with the highest incomes. More than 25 percent of the taxcut benefits go to the top 1 percent.

I believe that America stays strong by investing in its people and its communities, not by abandoning them.

Let's remember the context. Since President Bush took office, the Federal budget deficit has deteriorated every year. This year, we are expected to be \$427 billion in the hole.

In light of this record, President Bush and his Congressional allies' recent claims of fiscal responsibility simply are not credible. This budget makes those claims even less credible by achieving much of its purported "cost savings" by passing the buck to State and local governments.

Lowering the numbers here in Washington is not the same thing as fiscal discipline if this is simply an exercise in shifting cost burdens to states and communities. That is hardly a plus for the American people and certainly not for New Jersey.

Our States are already stretched too thin. In New Jersey, we have a budget shortfall of \$4-\$5 billion and annual property tax increases of 7 percent. Much of the reality for States in budget and tax policy has been the result of cost burdens and unfunded mandates passed down from this administration and its allies in Congress.

We have heard claims from the other side that their tax cuts for the most fortunate are somehow responsible for providing a boost to our economy. But as any serious minded economist not on the Republican payroll will tell you, the real story of our modest growth has

been the longest sustained monetary expansion on record by the Federal Reserve.

Claims that the tax cuts are responsible for significant economic growth are reminiscent of a rooster taking credit for the Sun coming up.

The more noticeable result of the tax cuts has been an explosion in our Nation's debt, starting with the \$1.8 trillion cost over 10 years of making the cuts permanent. If we continue along the path set by this administration, by 2015, each family's share of the national debt will be \$73,563. This is simply unacceptable.

As we develop this year's budget, I hope we take a long, hard look at the priorities our Nation has followed under this president. Because, in my view, those priorities need major changes.

As I said earlier, it is the job of the President to reflect his priorities, but it is the role of Congress to reflect the priorities of America, of our families, and of our workers.

I hope we will not fail them.

Mr. THOMAS. Mr. President, as I listen to the arguments coming from the other side this week, I think it is important that we clear up a few misconceptions. A couple of common themes are being emphasized with which I fundamentally disagree.

First of all, it is being alleged that the Federal Government is "cutting" spending. In fact, we are not "cutting" anything. Defense spending under this budget would rise by 4.3 percent over last year. Other discretionary spending would also rise.

Mandatory spending will similarly increase—in some cases substantially. Medicare, for example, is slated to rise by 12.7 percent. So to say we are "decreasing" funding is just not true. The savings to which we refer result from slowing projected increases in spending. We should not assume that just because we go from one year to the next we should automatically be increasing all of our current obligations.

Secondly, it is alleged that we are "cutting" programs. In fact, what we are talking about here are overall budget numbers. Nothing about this resolution allocates specific dollars to specific programs. While it is true that the President's budget has made recommendations to cease Federal funding of certain programs, allocation of the final budget number is the job of the appropriators. In addition, the majority of the programs about which I have heard complaint are areas properly left to State authority and are not within the powers enumerated to the Federal Government. For example, of course education is a priority. But specifics of education and available programs are not within the purview of the Federal Government. They are properly left to the States. That said, under this President and this Congress, overall investment in elementary and secondary education exceeds \$500 billion annually, surpassing spending on

national defense and exceeding per-pupil education spending of every other country except Switzerland.

Finally, we are hearing a lot of rhetoric about "tax cuts for the rich." I would first point out that many of these "rich" are small business owners who are trying to make capital investments and meet payroll. Secondly, we must all remember that money belongs first to those who earn it, and taxes are the share an individual's earnings that is paid to support the Government. The money isn't ours first. It is theirs. Limiting Government to its essential purposes and allowing people to keep more of their own money is something we all should strive to accomplish. The burden of government has grown entirely too large and way beyond what our Founders intended.

These same people who rail about deficit increases "resulting from tax cuts for the rich" are not advocating fiscal restraint on the spending side. To the contrary, they consistently argue for bigger and bigger increases in Federal spending and more and more entitlement programs funded by the Federal Government. During last year's budget debate, many of these same Senators voted for \$400 billion in additional spending.

If we are to be serious about reducing the deficit, we cannot continue to spend at the current pace. Our largest entitlement programs—Medicare, Medicaid, and Social Security—are already in deep financial trouble going forward into the near future. At some point, we have to hold the line.

Mr. ENZI. I want to begin by complimenting Chairman GREGG, Senator CONRAD, and our leadership for bringing the budget resolution to the floor. Last week the Budget Committee reported out the resolution on a party line vote, after a full day of debating and voting on amendments. I am encouraged by the pace at which we are moving forward. It was only 5 weeks ago that President Bush sent his proposal to the Hill for Congress to review.

Last year we passed a budget out of the committee and on the Senate floor but were unable to reach an agreement on a Conference Report. That was unfortunate for a lot of reasons. The Budget Resolution sets a blueprint that Congress is supposed to follow for the year. It establishes spending guidelines, and procedural hurdles for the floor when we fail to live by these guidelines. Chairman GREGG and Senator CONRAD have worked tirelessly to get us where we are today. I commend them for that, and hope that this pace will continue so we can have a budget resolution conference report voted on quickly.

The budget process forces Congress to contemplate our legislative and spending priorities each year. However, I'd like to remind everybody we're not debating appropriations today. My colleagues from the other side of the aisle will try to make this budget debate

about proposed cuts to individual programs and pet projects, but we're not cutting any individual programs today. Let me say that again, we're not cutting any individual programs today. We are not making the decisions this week as to which individual programs will be funded. We are setting overall funding levels that will hold our colleagues' spending in check down the road.

However, despite this fact, we are going to hear amendment after amendment that proposes to increase funding for one program or another by increasing taxes.

For example, an amendment that proposes to increase funding under function 750 for COPS grants by eliminating tax relief for working Americans does not guarantee that funding will actually find its way into those grant accounts. That decision will be made by the appropriators and the Senate during the debate on appropriations. That means much of the rhetoric we will hear throughout the debate is political, not practical. Right now, we can only decide the amount of money, not where it will end up.

Setting the overall funding level for fiscal year 2006 is especially challenging, because I think most of us agree that deficit reduction must be a top priority. When I read the administration's budget request they presented in February, I saw that President Bush proposed the first budget since Ronald Reagan that cut non-security discretionary spending.

I have a long track record in support of deficit reduction, and I am committed to helping President Bush and Chairman GREGG achieve this goal. As we know from marking up the resolution last week, the committee-reported resolution contains instructions that would require authorizing committees to reduce mandatory spending. Many of these cuts will come from programs that I oversee in my role as chairman of the HELP Committee.

I am committed to reviewing and strengthening programs under HELP's jurisdiction to ensure they are cost effective, not duplicative, and that accountability is required. Because Federal dollars are limited, we need to focus our resources on opportunities where programs will make a difference, and where results can be measured.

One main priority for the committee this year is reauthorization of the Higher Education Act. The committee-reported resolution and the President's budget both propose spending cuts, while also making room for new initiatives. Critics of the President may claim that we are unreasonably cutting education spending. However, in addition to required savings, the resolution also contains a \$5 billion reserve fund for new initiatives. My colleagues who have worked on education policy understand that there are reforms to lending programs we can work toward that shouldn't be contentious. I want to work with all of my colleagues, particularly those on the other side of the

aisle, to craft a bipartisan reauthorization bill that enhances access to higher education for poor and middle class families. Higher ed reauthorization should be a bipartisan bill, like it has been historically.

The resolution also proposes deficit reduction from savings associated with changes to the Pension Benefit Guaranty Corporation. Right now the PBGC has a deficit of \$23 billion. The Committee-reported Resolution incorporates a \$5.3 billion reduction of that deficit over 5 years. Only a small part of this can be accomplished through reconciliation. The HELP Committee will collaborate with the Finance Committee to reach this goal in the context of comprehensive pension reform. Chairman GRASSLEY and I are committed to restoring the financial stability of the defined benefit system. The solvency of the PBGC is a critical component of these reforms.

I am pleased the resolution again identifies tax relief as a top priority this year. The resolution includes reconciliation instructions that will allow \$70 billion of tax cuts through the reconciliation process. I hope this will enable the Finance Committee and our leadership to keep in place the tax relief that has produced 21 consecutive months of job creation and produced more than 3 million new jobs. These progrowth tax policies have jumpstarted American business, and yielded continued increases in technology, infrastructure and equipment investments. We need to keep the trend going. The committee-reported resolution allows the Finance Committee to extend key provisions like the reduction in tax rates on capital gains and dividends, the increase in expensing for small business under Section 179 and the ability of individuals in states without income taxes to deduct their local and state sales tax from their Federal income tax liability. I want to thank Chairman GRASSLEY for his leadership at the Finance Committee these past 4 years.

The resolution also demonstrates a commitment to energy development in Wyoming and in the entire United States. It is the first step towards developing a comprehensive energy policy in the 109th Congress. The energy reserve fund and the reconciliation instructions for an energy tax incentives package will lay the footwork for a policy that will help our Nation meet its energy needs in a fiscally responsible manner. Specifically, I would like to reinforce my support for recognizing the importance of developing lean coal technologies, something that is vital for the economy of Wyoming. I look forward to working so that these technologies receive the funding necessary to become viable.

I again want to thank Chairman GREGG and his staff for their hard work on this resolution. They have all worked tirelessly, through many weekends, to get us here today. I yield the floor.

Mr. GREGG. Mr. President, we are now at the end of the day. It has been a long day, especially for staff. We appreciate their effort and their courtesy.

I note that there are now pending approximately 25 amendments to this resolution. There are still approximately 70 or so amendments that we have been told may be offered. Tomorrow, when we begin voting, which will occur, it appears, around 1:20, we have to vote those 25 amendments, and that in and of itself would take 8 hours. If any percentage of the ones that are still pending have to be voted, you can presume a significant additional amount of time. So we could be here quite late tomorrow night, and our colleagues should be aware of that as they move into tomorrow.

It also should be noted that almost all the amendments that have been offered today—there have been one or two exceptions, or maybe three or four exceptions—have essentially attempted to increase spending. Some have offset that spending increase with reductions in accounts which actually exist. A couple of the amendments, such as one of the amendments on Border Patrol, takes the money that it spends on Border Patrol and moves it over from other accounts in international affairs. Most of the amendments spend additional funds by raising taxes or by doing what is known as the 920 account, which amounts to an across-the-board cut, for all intents and purposes, of other accounts within the Government.

It is going to be interesting to see when we have completed this budget process whether there really is a willingness to fiscal discipline within the Congress, especially within the Senate which is controlled by a party that alleges itself to be fiscally disciplined. We are going to determine that sometime very late tomorrow night or early Friday morning. But clearly the issue is in question.

#### MORNING BUSINESS

#### TRIBUTE TO THE REVEREND DENNIS RUSH

Mr. McCONNELL. Mr. President, I rise today to pay tribute to a lifelong Kentuckian who dedicated his life to serving others, the Reverend Dennis Rush. Known to many simply as "Preacher," the Reverend Rush was a Kentucky icon who passed away earlier this year at the age of 85 from complications of liver cancer.

The Reverend Rush began preaching at the age of 18. His 66-year career spanned eight different churches in Eastern Kentucky and allowed him to embark on mission trips to Indonesia, Africa, South America, and Korea. He touched thousands of lives by officiating at numerous baptisms, weddings, and funerals. Despite his illness, he continued to preach and stood before his congregation for a final time the Sunday before he passed away.

In addition to his ministerial duties, the Reverend Rush was a longtime chairman of the Oneida Baptist Institute's school board and served on the executive board of the Kentucky Baptist Convention. He was also active in other community organizations where he and his wife of 63 years, Juanita, would donate their time and energy to help improve the quality of life of those around them. The Reverend Rush is survived by his wife; a daughter, Joyce Rush Woods; four sisters; a brother; four grandchildren and seven great-grandchildren.

The Reverend Rush was a very modest man who, when asked to reflect on his lifetime of achievement, said, "I haven't done it. The Lord's done it, through a little old nobody." But the thousands of people he touched all certainly thought he was somebody, somebody special. Mr. President, today I ask my colleagues to join me in expressing our sympathy to the family and friends of the late Rev. Dennis Rush by honoring and recognizing all of the contributions he made to communities in Kentucky and around the world. He will be missed.

Mr. President, I ask unanimous consent to print in the RECORD an article from The Lexington Herald-Leader, "Dennis Rush, minister, dies," about the Reverend Rush's life.

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

[From the Lexington Herald Leader, Feb. 9, 2005]

"DENNIS RUSH, MINISTER, DIES; HAD CONDUCTED REVIVALS ON 4 CONTINENTS"

(By Jennifer Hewlett)

The Rev. Dennis Rush held revivals on four continents. He officiated at thousands of funerals and weddings in Laurel and Clay counties and other Eastern Kentucky counties. For decades he preached several times a week at Kentucky churches.

When he found out that he had liver cancer in November, he declined to undergo chemotherapy because he knew it would sap his energy. He wanted to use every bit he had left to preach the word of God, friends said.

The Rev. Rush, a Baptist minister for more than 66 years, died Monday at Marymount Hospital in London. He was 85 and lived in London. In addition to his family, he leaves behind thousands of friends whose lives he deeply touched.

"There were times in his life when he had more influence on the people of Clay County than any elected official would have, and that's saying a whole lot," said the Rev. Thermon Taylor, pastor emeritus of Liberty Baptist Church in London and a longtime friend.

"He did so many things for the people in Clay County and Jackson and Perry and Leslie. . . His influence is extremely wide," Taylor said.

#### PREACHING AT 18

The Rev. Rush, a Laurel County native, began preaching at age 18 and pastored his first church, Laurel River Baptist Church in London, soon afterward. He was pastor of Providence Baptist Church near London at his death.

Before moving to Providence about 14 years ago, he pastored Horse Creek Baptist Church in Clay County for 37 years. During