voted. Therefore we must praise the efforts of the Iraqis, the U.S. civilian and military personnel, all those of our coalition partners and those of international organizations for planning and executing an electoral referendum in such a challenging environment. The United Nations chief electoral adviser in Iraq said:

The process has gone so smoothly and well, from a technical point of view.

The Vice Chairman of the International Mission for Iraqi Elections, a coalition of electoral monitoring bodies, praised the referendum for its legal framework, planning, and logistics. Now the world will await the final result, due hopefully later this week. The Independent Electoral Commission in Iraq is supervising this process and will announce an official tally after votes are counted at a central location overseen by the United Nations election advisory team to ensure that international standards are being met.

There are, no doubt, difficult days remaining ahead. Generals Abizaid and Casey told the Congress, the American people, and indeed the whole world, just that in appearances throughout the United States last month. Both men were confident that we are moving in the right direction. We saw that progress this Saturday and we salute them for their leadership and their participation and their responsibility in achieving the results that came about on Saturday.

If the constitution is ratified, Iraqis will vote again on December 15. This time they will vote for a permanent government to take office on December 31. That leaves 60 days, basically, between now and December 15. It will be a very unusual period in the history of Iraq, in that many of those in this current government, the interim government, will be seeking office in that election. So we have to exercise a degree of patience as we watch them, as they pursue their political campaigns at the same time they have official duties to maintain a government and serve the needs of the people of Iraq—whether it is the power, whether it is the water, whether it is the security. All of those things must be maintained during this interregnum until the election takes place.

Then, following December 15 there is basically a 60-day period as established under the law that they have adopted. There is a 60-day period in which that government must replace the existing one and take the reins of authority and govern Iraq for a period of 4 years—truly a permanent government.

As this political situation matures, so too will the Iraqi security forces, and I am confident we will see a continued strong pace to obtain the needed numbers of trained police, border security, internal security, national guard, and a standing army to provide that nation with protection for its sovereignty and internal protection from the insurgents. With an Iraqi permanent government in place and steady progress in these security forces, I see—and I want to say with great caution—an opportunity, following the first of the year, to begin to review our present force structure and to consider such options as will hopefully be available to lessen the size of our overall troop presence.

Watching Iraqis vote, we as Americans should be especially proud of the contributions of those men and women who proudly wear the uniform of the United States. When I speak with them in Iraq, as I did weeks go on my sixth trip, and in Afghanistan, they know the importance of what they are doing.

I would like to underline that. Individually, they know and understand the importance of the mission which they, as members of the all-volunteer force of our military, have undertaken. Together with the commitments in support of their families back home, they are performing brilliantly in Iraq, Afghanistan, and all across the world, protecting the security of this Nation and the security of our principal allies.

We will continue to demand from these people as we always have, but they are like generations before them, answering a call to duty to defend the values and freedoms we cherish. We wish them well. We wish the blessings of the Almighty on them and their families. We have taken heavy casualties in this conflict, both in terms of lost lives and wounded. Not a day goes by that those who are privileged to serve in this Chamber do not have that foremost in their minds, as do most Americans.

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

The PRESIDING OFFICER. The clerk will call the roll.

The Journal clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

TRANSPORTATION, TREASURY, HOUSING AND URBAN DEVELOPMENT, THE JUDICIARY, THE DISTRICT OF COLUMBIA, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2006

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 3058, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3058) making appropriations for the Department of Transportation, Treasury, and Housing and Urban Development, the Judiciary, the District of Columbia, and independent agencies for the fiscal year ending September 30, 2006, and for other purposes.

Pending:

Kennedy modified amendment No. 2063, to provide for an increase in the Federal minimum wage.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the Chair. I note that my partner and comanager of the bill, the Senator from Washington, and I are here and ready to do business. We were ready to do business yesterday. We had one rollcall vote. There were more than 40 amendments filed yesterday. I know there are many others who have or are thinking about amendments. But we have enough work to do now if Members will come forward and offer their amendments that are filed or talk with us to see if they can be accepted.

We would like very much to move forward on this bill today, and perhaps complete work on it by 8 o'clock tonight when the baseball game is on television. But hope springs eternal. We would love to see Members come forward. I think more are ready to go.

Mr. President, I ask unanimous consent that the pending amendment be set aside.

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

AMENDMENT NO. 2113

Mr. BOND. 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 Missouri [Mr. BOND] proposes an amendment numbered 2113.

Mr. BOND. 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: Limits the availability of funds under this Act for use in paying for eminent domain activities)

Insert the following on page 348, after line 5, and renumber accordingly:

''SEC. 321. No funds in this Act may be used to support any federal, state, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use: Provided, That for purposes of this section, public use shall not be construed to include economic development that primarily benefits private entities: Provided further, That any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of blight (including areas identified by units of local government for recovery from natural disasters) or brownfields as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Pub. Law 107–118) shall be considered a public use for purposes of eminent domain: Provided further, That the Government Accountability

Office, in consultation with the National Academy for Public Administration, organizations representing state and local governments, and property rights organizations, shall conduct a study to be submitted to the Congress within 12 months of the enactment of this Act on the nationwide use of eminent domain, including the procedures used and the results accomplished on a state-by-state basis as well as the impact on individual property owners and on the affected communities.''.

Mr. BOND. Mr. President, there has been much discussion with many Members who are interested in this. I am filing it now, and I will ask unanimous consent that others who wish to be added as original cosponsors add their names. But I wanted to get it here on the floor so everybody could have a chance to look at it. We will shortly set it aside because I think we are perhaps ready to go forward with the minimum wage amendments.

At this point, permit me to explain what the amendment is about.

This amendment is in response to the U.S. Supreme Court case, Kelo, et al. v. City of New London, et al., in which the Court upheld by a 5-to-4 majority decision the use of eminent domain by the city of New London, CT. The Court noted that New London utilized a comprehensive plan that seeks to revitalize the city by using the land occupied by some 115 privately owned properties as well as 32 acres of land formally occupied by a naval facility to accommodate a $300 million Pfizer research facility, a waterfront conference hotel, a ''small urban village,'' as well as 80 new residences. The opinion seems to rely on ''affording legislatures broad latitude in determining what public needs justify the use of the takings power.''

The opinion also notes that nothing precludes any State from placing further restrictions on its exercise of the takings power.

As discussed by the four-Justice dissenting opinion, this majority opinion goes much farther than the facts of the case and would essentially allow the use of eminent domain in virtually any circumstance where the locality believes some benefit could be derived.

In particular, the four-Justice dissenting opinion concludes that ''under the banner of economic development, all private property is now vulnerable to being taken and transferred to another private owner so long as it might be upgraded—i.e., given to a owner who will use it in a way that the legislature deems more beneficial to the public—in the process.''

There are a number of problems that have already been raised in the eminent domain field. I say none are more striking than the proposal by a developer to condemn the land on which the home of one of the Justices in the majority opinion sits to put a new hotel and the Lost Freedom Bar on his property.

In my State of Missouri, we have seen the use of eminent domain for a private purpose having tremendously harmful impacts in the Sunset Hills community in St. Louis County. Eminent domain was used by a private developer to condemn a large number of homes, forcing the residents out of their homes. The residents, in expectation of being forced out of their homes, purchased other houses. They began to move into other houses. The private developer went broke. Now these people are stuck with two mortgages, and the place they left is being declared a blighted area because everybody has left.

This has had a double impact, not only on the homeowners who were forced to take out a second mortgage but on a community which now is blighted, and some enterprising developers are seeking tax subsidies and other help to renovate a blighted property.

I believe most of us—and certainly the people I listen to in my home State of Missouri—believe this is absolutely wrong.

When you look at the New London case, you see how a tragic result can occur under the Kelo decision if legislatures do not act. The Governor of Missouri has called for a task force to study eminent domain.

I believe we have responsibility here to make sure that Federal funds are not used in the taking of property for a private use and utilizing Federal funds to bolster that effort.

In the Kelo case, the dissenting opinion notes that the petitioners are nine resident or investment owners of 15 homes in one of the neighborhoods subject to eminent domain. One of the petitioners lived in the house that has been in her family for over 100 years. She was born in the house in 1918. Her husband has lived there since their marriage in 1946, and their petitioner son lives next door with his family. Moreover, the record makes no claim that these are anything but well-maintained houses that do not pose any source of social harm, unlike the circumstances of several earlier cases cited in the majority opinion.

The opinion warns that despite the majority opinion's reliance on the city's comprehensive plan, there is nothing in the majority opinion that prohibits property transfers generated with less care, that are less comprehensive, that happen to result from a less elaborate process, where the only projected advantage is the incidence of higher taxes or the hope to transform an already prosperous city into an even more prosperous one.

Despite my misgivings about the Kelo case and its implications, this amendment today is very narrow and merely limits the availability of Federal funds from within this act for the year for which it is applicable for use in funding eminent domain activities. The key issue in this amendment is that these funds should not be used to provide Federal support for eminent domain activities that primarily benefit private entities. The amendment recognizes the importance of supporting eminent domain activities in support of transportation projects, utility projects, and projects to remedy blight. Funds may still be used from the Federal sources in this act for these projects.

Moreover, the amendment requires the GAO to conduct a study that analyzes the use of eminent domain throughout the Nation, as well as the results accomplished by these uses of eminent domain.

I know some of my colleagues are proposing significant substantive authorizing legislation which would have a much broader band. This objective is worthwhile. I hope to join them at a later stage. This is just a starting step. It is a starting point to make sure eminent domain for private purposes is not funded in the coming year from funds from the Transportation, Treasury, the Judiciary, Housing and Urban Development, and related agencies bill.

I hope my colleagues will join me in support of this amendment. It establishes a very important principle. I hope to have a very solid vote for this amendment when it comes to the Senate.

I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, I thank the chairman for offering this amendment. The Kelo v. New London decision by the Supreme Court came as a great shock to many. The amendment being offered seeks to impose some meaningful limitations on the potential use of eminent domain with the funds provided in this act. I emphasize this provision is limited to the funds in this act and does not seek to overturn the Kelo decision. It merely ensures that funds appropriated for 2006 for the Department of Transportation and Housing are not to use eminent domain for projects that primarily benefit private interests.

I urge my colleagues to support this amendment. I thank the chairman of the committee for offering this critical amendment at this time.

I yield the floor.

Mr. BOND. Mr. President, I thank my friend, the Senator from Washington. There are other amendments that are going to be offered, and at the appropriate time I will ask this be set aside so further amendments can be offered.

I yield the floor.

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

AMENDMENT NO. 2078

Mr. DORGAN. Mr. President, I intend to offer two amendments to this legislation. I take a moment now to offer the first of those amendments. While I do that, I thank my colleague from Missouri and my colleague from the State of Washington for their work on this piece of legislation. This is an appropriations subcommittee bill on which they have done an excellent job. I appreciate that.

I will offer an amendment at the completion of my comments. The amendment deals with the issue of contracting, particularly contracting in Iraq, and also now contracting in this country for reconstruction of the Gulf States that were hit so hard by Hurricane Katrina and then Rita. I will talk about the reason I am offering this and point out I have offered it previously, and I lost in the vote that was conducted in the Senate. However, I have previously indicated I do not intend to be discouraged by losing a vote. I will ask the Congress to reconsider by having another vote, and I will do it again following this if I am not successful.

Let me describe the circumstances that bring me to the conclusion we need a special committee of the type that Harry S. Truman led when he was a Senator. Incidentally, he was a Democrat Senator who had the Senate establish what was called the Truman Committee to investigate waste, fraud, and abuse in defense spending back in the middle of what became World War II, the middle of the Second World War. With a Democrat President, a Democrat Senator was doing investigative hearings about waste, fraud, and abuse with respect to spending in the area of defense. He uncovered billions and billions and billions of dollars of waste. Good for him. I am sure it was not pleasant for the White House because Senator Truman was a member of the party of the President at that point. Nonetheless, he did what he believed was important and right for this country. It was very important to have done.

These days we have something happening with respect to the country of Iraq. We have a war in Iraq. We also have reconstruction programs for the country of Iraq paid for by the American taxpayers. We have contracts that are sole-source, no-bid contracts given to some very large corporations. We have tales of horror about the waste of the taxpayers' money, and nobody seems to care very much.

We also now have similar tales with respect to contracting—again, no-bid, sole-source contracting—with respect to the reconstruction and the response to Hurricane Katrina and Rita.

Let me describe just a few of these, if I might. First, let me talk about contracting in Iraq. We have a substantial amount of contracting in Iraq, no-bid contracts, that are worth billions of dollars. I have held six or seven hearings on this subject. It ranges from the small, a fellow holding up a towel, a hand towel, because he worked for Halliburton Corporation, which was suppose to buy towels for our troops in Iraq. He holds up a hand towel and says: I was the purchasing agent and was supposed to buy towels for the troops. But the company wanted their logo imprinted on the towels, which nearly doubled the price.

So the American taxpayer paid twice the price, or nearly twice the price, for these towels because the company wanted the logo on the towel.

He said they were paying $7,500 a month lease on SUVs in Iraq; $85,000 brand new trucks were left by the side of the road because they had a flat tire and torched; $85,000 trucks discontinued to be used and left by the side of the road because they had a plugged fuel pump, and therefore torched. These purchasing agents were told it didn't matter, these are cost-plus contracts. It does not matter that money is wasted, they could spend what they wanted to spend. They were told the good old American taxpayer will pick up the tab.

We had a man named Rory in charge of food service, a supervisor at a food service area in Iraq. Rory described what his instructions were from Halliburton. His instructions were: If a government auditor comes by, you get out of there. You refuse to talk to a government auditor. If you talk to an auditor that comes by to try to evaluate what is going on, one of two things will happen to you. You will either be fired, or you will be moved to an area in Iraq that is under active hostile action. Those are your choices.

Rory decided to tell what was going on. He said they were feeding soldiers who did not exist. We have read the headlines, charging for 42,000 soldiers to be fed every day; 42,000 meals, three times a day. It turns out there are only 14,000 soldiers. A big error? Maybe. Rory says it was happening in his area, about 4,000 or 5,000 soldiers in his area. He said: By the way, we had expired food. The date stamp had long since expired, and we were told by the supervisors, it does not matter, just feed the food to the troops. Convoys come through in hostile action, with lead in the meat and lead in the food in the back of the truck, and they were told to separate out the lead from the food, and by the way, for the bullets, give them to the supervisors as souvenirs and feed the food to the troops.

That is on the record from a guy who worked there, came back to the country, and became a whistleblower. He says here is what is going on. We are being stolen blind.

Let me show a picture of another fellow who testified at a hearing I held. Incidentally, I am doing the hearings not because I enjoy holding hearings. We are holding hearings because there is no oversight in the Congress. My intention is not to embarrass anybody but to represent the taxpayer.

This represents hundred-dollar bills wrapped in Saran Wrap. This fellow testified at a hearing I held. He said: In our area, we wrapped up hundred-dollar bills like this in Saran Wrap and told contractors—this is contracting in Iraq—bring a bag because we pay in cash. If we owe you some money, bring a bag, we pay in cash. He said they actually played football in this office by passing back and forth these batches of hundred-dollar bills wrapped in Saran Wrap. He said it was like the Old West. Just bring a bag; if we owe you money, we fill it with cash.

When we hear these stories—and we pass emergency legislation for nearly $20 billion for reconstruction of Iraq; we spend $4 billion, $5 billion, or $6 billion a month now in Iraq and Afghanistan—we push a massive amount of money out there with some of it, a fair amount of it, going, particularly in the reconstruction, to no-bid contracts, to big companies, and then we hear stories such as, OK, here is the task: We will put air conditioning in this building. So the big company gets money for air conditioning, subcontracts it, the subcontractor contracts it, and when the work is all done you have ceiling fans—and we paid for air conditioners. Who cares? Who is watching over this massive amount of waste, fraud, and abuse? I will not go through it all, but it is unbelievable what is going on. Nobody seems to care.

What is happening with respect to reconstruction down in the gulf as a result of Hurricane Katrina and Rita? We hear people talking about $200 billion. This Congress has appropriated slightly more than $60 billion already. We have seen, once again, some of the same companies performing no-bid contracts in Iraq now with no-bid contracts in the gulf.

First, we start with waste, fraud, and abuse with FEMA, an organization that used to be something really special. I remember when my colleague, Fritz Hollings, sat in the chair behind me. Fritz Hollings, back in another era, said: We had two natural disasters down in our part of the country. The first disaster was a hurricane; the second disaster was FEMA.

But then FEMA changed. All of a sudden James Lee Witt came in from a background that was unusual. The guy had experience. He came from a background of disaster preparedness, disaster emergency services. And all of a sudden, FEMA became something very special.

I know that because my State had a community of 50,000 in the flood of 1997 in Grand Forks, ND, that required the evacuation of almost an entire city. It was a massive evacuation and flood response. Guess who was there at the lead. FEMA. Everybody there would say: What a remarkable organization. It worked. It knew what it was doing. It was sharp, on the ball, had plans, and it made things happen.

Now what has happened to FEMA? Let me describe it. I will not go into great length about FEMA because everybody knows some of the top positions of FEMA were filled with cronies who had no experience at all in disaster preparedness or emergency services and that then it was subsumed into the Homeland Security Department. I do not need to go into great length about that.

As shown in this picture, this is a truckdriver. We had a hearing the other day and he testified. This truckdriver, by the way, was contracted for by a company that was doing work for FEMA. He was asked to haul ice. You

can see all these trucks in the picture. There were hundreds of trucks where he was sitting. He was asked to haul ice to the victims of Hurricane Katrina.

He picked up a load of ice with his 18-wheeler in New York, and away he went. They said: We want you to go to Carthage, MO, so he drove his 18-wheel truck, with a refrigerated trailer, to Carthage, MO. He got there, and they said: Well, but now you need to go to Maxwell Air Force Base in Alabama. He said: Well, it would have been good to know that when I left New York. I would have saved about 700 miles. But that was the way it was, so he headed off with his truck to Maxwell Air Force Base, AL.

He got to Alabama with a load of ice, and was parked at the Air Force base with many others, hundreds of other trucks, we are told, that had food, blankets, clothing, ice—all the things the victims of Hurricanes Katrina and Rita were begging for on television. He was sitting there, watching the little television in his truck, hearing the victims of these hurricanes describing what their needs were—and the needs were in the back of these trucks.

He sat there 12 days—12 days—and he finally went up to them and said: What is going on? They said: We have changed our mind. We want you to drive your truck with ice to Idaho. He said: I didn't know there was a hurricane in Idaho, and I don't intend to haul this ice to Idaho. They said to him: You have a bad attitude. We are thinking of having the National Guard escort you off this base.

It cannot be funny because it is so unbelievably inept. But about 2 hours after they told him that, they said: OK, we have changed our mind; you won't go to Idaho. You haul this ice to Massachusetts. This is like that television program, ''Where in the World is Carmen San Diego?'' If I had a map, I would show you where these ice cubes went. To help the victims of the hurricane, directed apparently by FEMA and its contractor, they went from New York City, to Carthage, MO, to Maxwell Air Force Base, AL, to storage, now being paid for by the U.S. Government, in Massachusetts.

We paid $15,000 for this one truck to haul ice cubes between New York and Massachusetts—destined for victims of the hurricane. What unbelievable—unbelievable—ineptness by a Federal agency. This truckdriver could have run FEMA better than that.

When he testified, he said: It would have been easy. All they would have had to have is some sort of transportation system by which everybody calls in there and then you are directed. No such thing.

He finally said to them, as he sat 12 days on the base before they sent him to Massachusetts with his ice cubes: I'll tell you what I'll do; I will pay for the ice cubes in my truck. I will pay you $1,500. They said: What are you going to do with them? He said: I'm going to haul them to Biloxi, MS, and give them away to victims who want them. They said: Who is going to sign for them? He said: It shouldn't matter to you. Once I have paid for them, you're out of the picture. They said: We can't do that. You haul them up to Massachusetts. We are going to store them.

I told this story and somebody, the other day, said: Yeah. That's just one trucker. Oh, yeah, don't let the facts get in the way of good theories, right? This is one trucker, but he said there were hundreds of truckers in exactly the same situation.

This was chaotic bungling. And who gets paid for this? Well, I assume the contractor FEMA had who directed these truckers to haul ice cubes from New York to Massachusetts or, incidentally, a trucker who hauls ice cubes from Canada down to Maxwell Air Force Base and back to Canada. What unbelievable waste.

So now here is the second piece of all of this and why there needs to be investigations. This is a dormitory, by the way, as shown in this picture. It does not look much like a dormitory. It looks like a bunch of two-by-fours with blankets on top. This picture was taken last Saturday in Louisiana.

These people are not from Louisiana. These people were brought in to replace some people from Louisiana who had jobs—qualified electricians who had jobs—to begin doing some work under a contract. Those workers from Louisiana are displaced now by workers, most of whom, incidentally, are expected to be undocumented workers, who will come in and work for a fraction of the wage you would pay the people from Louisiana who need the jobs.

Why? Because Davis-Bacon is waived. What is Davis-Bacon? It is a foreign language to a lot of people, perhaps. The Davis-Bacon provision, in law for some long while, says when you are going to have the Federal Government come in and do contracting work, the Federal Government must pay the prevailing wage. The contractors who work for the Federal Government must pay the prevailing wage. They cannot try and ratchet up a contract for themselves by abusing their workers and deciding to pay them a tenth or a half of what they should be paid. You have to pay the prevailing wage.

Well, the minute that happened in this area, the people who had the jobs these people now have—the people, by the way, who were from Louisiana, skilled electricians, who needed the work in the shadow of Hurricanes Katrina and Rita—lost their jobs. The foreman who was on the jobsite with them was here and talked to me about it. They lost their jobs because they were replaced by these folks: largely undocumented workers willing to work for a fraction of the cost—not from Louisiana. The folks from Louisiana who had those jobs lost them with reconstruction. That is what is happening.

My point is this: There needs to be some investigation. I am not suggesting that it is an investigation to tarnish anybody. It is an investigation to evaluate what on Earth is wrong with the oversight for this waste and fraud and corruption that exists in these contracts.

In the newspaper this morning, in the Style section, there is a picture of a woman named Bunny Greenhouse, who was the highest ranking official in the Corps of Engineers in the U.S. Government working in the Pentagon. She lost her job. What a remarkable woman. She has three masters degrees.

As an aside, I did not know this, but the story says she comes from a dirt-poor background. Her parents were uneducated. Her sister became a professor. Her brother, incidentally, scored 27,000 points in the National Basketball Association, and was rated one of the 50 best basketball players to ever play the game—Elvin Hayes.

Bunny Greenhouse, this woman, rose to become the highest ranking civilian official in the Corps of Engineers. She just lost her job. Do you know why? All of her references, all of her evaluations were outstanding—outstanding. What a terrific person—until she started telling the ''old boys network'': You can't do what you are doing here. You can't give Halliburton big no-bid contracts and even have them sitting in on the meetings about the scope of the work. You cannot do that. It violates all of the rules and procedures. The minute she started interrupting the little playground that exists with these favorite no-bid contracts, all of a sudden she was persona non grata.

You can read the story in this morning's Washington Post. She has been here twice to talk to us on Capitol Hill. Not many seem to care about that. But it is a symptom of something much more than her; it is a symptom of a culture about corruption, about waste, and, yes, fraud. If you wonder whether that is justified, I will be happy to give you, and anyone in the Senate who wants, the written testimony of a good many witnesses who have testified on these very issues.

So my proposition is simple. My proposition is Congress should establish a type of Truman committee. I describe it as a Truman committee because we have done it before—a special committee that takes a hard look at all of this contracting that is going on and tries to shut down the waste, fraud, and abuse the taxpayers in this country should not have to be accepting and this Congress should not allow. This committee would not be necessary if we had aggressive oversight committees.

Let me say that the chairman from Missouri and the ranking member from the State of Washington—this is an appropriations committee. I just described the job they have done. They have done a great job. This amendment has nothing to do with them. They are good appropriators. I am proud of their work. This appropriations subcommittee, is awfully good, and I am

here to support the subcommittee work. So my amendment does not have anything to do with them.

But I would say this: Almost everyone who watches this Congress work understands there is virtually no oversight and no accountability after we do appropriate that money. The American taxpayers deserve better than that. We have had a previous vote, and we had more than a majority of the Members of the Senate say no, they do not want to have anything to do with a special committee to take a look at investigating this waste, fraud, and abuse. I hope others will change their mind. This is not about Democrats and Republicans; it is about protecting the American taxpayers. And it is about making sure we root out the waste, fraud, and abuse that exists in these sole-source contracts. What is happening is almost unbelievable to me. Yet this Senate seems nearly asleep on these issues.

Mr. President, I call up amendment No. 2078 and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 2078.

Mr. DORGAN. 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 printed in the RECORD of Tuesday, October 18, 2005, under ''Text of Amendments.'')

Mr. DORGAN. Mr. President, let me make the point that this amendment differs from one we have considered previously in that the scope of the evaluation and investigation of expenditures and contracting would include not just with respect to Iraq but also the contracting and reconstruction in the gulf in relation to Hurricanes Katrina and Rita damages.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank my colleague for bringing this forward. As I mentioned, this is an appropriations bill. It is a very important subject he has raised, but I raise a point of order under rule XVI that this is legislation on an appropriations bill.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, pursuant to rule V, I have offered proper notice to suspend the rules. My expectation would be we would have a vote on suspension of the rules. As the Senator knows, I referenced that in the Senate Journal last evening.

The PRESIDING OFFICER. The motion to suspend is debatable.

The Senator from Missouri.

Mr. BOND. Mr. President, I ask unanimous consent that this measure be set aside so we can work out a time for a vote on the measure.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, I, in fact, will agree to a time agreement at some point. I have no intention of extending debate. I do want to make some additional comments at some point when we set up a vote, but I understand there are others who wish to offer an amendment, so I will be happy to allow this to be set aside, after which I will consult with the Senator from Missouri and the Senator from Washington about a time for the vote.

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

Mr. BOND. Mr. President, I thank my colleague. I believe there are some on this side who will want to respond. I hope we can get a tight timeframe because we are going to be very busy this week. We have to finish this measure.

AMENDMENT NO. 2113

Mr. President, now, since it appears we are going to be having some action today, I ask unanimous consent that we bring up the amendment filed this morning, amendment No. 2113. I believe it can be adopted by a voice vote, with Senators who wish to speak on it permitted to speak during time later on today.

The PRESIDING OFFICER. Without objection, the amendment is pending.

Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2113) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, I thank my colleagues and I look forward to action on the bill.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I ask unanimous consent to be added as a cosponsor on the amendment offered by the Senator from Missouri.

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

The Senator from Wyoming is recognized.

AMENDMENT NO. 2115

Mr. ENZI. 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 Wyoming [Mr. ENZI] proposes an amendment numbered 2115.

Mr. ENZI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with, since copies have been given to both sides.

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

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. ENZI. Mr. President, I rise in opposition to the amendment offered by Senator KENNEDY that would increase the Federal minimum wage. I have offered an amendment myself. Although both of the amendments would raise the minimum wage by the same amount, $1.10 over 18 months, only my amendment recognizes the enormous burden mandates such as this one have on American's small business and works to alleviate that. We probably ought to be in agreement on this since the numbers are the same. All I do is add some things that will offset those burdens that have been placed with the minimum wage.

When Senator KENNEDY offered his original amendment, he referred to its economic effect as ''a drop in the bucket in the national payroll.'' A drop in the bucket in the national payroll? Comments like this are precisely why small business owners across the Nation feel that Washington, DC, politicians do not understand their needs.

We must also bear in mind that these are the people who create jobs, who provide an increasing percentage of employment for all workers, including those with minimum skills. It is usually the small business that takes a person who has minimum skills and trains them to a higher level. Quite often, they train them to a higher level where they even start their own business or they go to work for somebody else, taking the skills from where they are to an even higher level.

A lot of the problem with employment in the United States is that we don't have the people in the right places for the employment. They could be making more at what they are doing if they were in a different place. But sometimes they are not willing to move. They need more training, too. We have provisions for more training.

I would like to mention a little facility we have in Casper, WY, that will train people to work on oil rigs, and placement is 100 percent. The minimum is $16, and depending on what part of it you do, how long you are there, and what other skills you pick up, it goes considerably higher than that.

The mines in Campbell County, WY, are looking for additional employees. There are some requirements. You have to have a clean drug record. You have to be able to pass a drug test because when you are working around heavy equipment, if you don't have all of your capacities, you can hurt people, including yourself. That should not happen. So they do have requirements about having to have drug tests. But if you can pass the drug test, they will train you for the heavy equipment you need to operate in the mine. We are talking $50,000, $60,000, $70,000 without overtime, and then you have the right on both of those to have overtime as well, probably to the extent of whatever you are willing to put in and the law allows. There are some constraints on it since you are handling heavy equipment, but those are also nontraditional jobs.

We had a marvelous hearing in the HELP Committee. We had a person

from New York City. The young lady was talking about the training she had received in nontraditional jobs and the way her wages had increased. Quite frankly, at the present time she makes more than a U.S. Senator. What she is doing is putting rock trim on skyscrapers in New York. But there are some tremendous things out there, if a person gets the opportunity and takes the opportunity to increase their skills. If you are a minimum-skill person, if you are just doing the job and getting by and not learning anything, you are going to get minimum-skill wages.

I mentioned just getting by, just putting in the time. There is a difference. I know when my dad was interviewing people for the shoe business, he sometimes said, after he had interviewed them: That person told me they had 5 years' experience. I asked them a few questions, and what they had is 1 month's experience 60 times because they never learned anything from the first day they were on the job. They didn't have basic skills. He believed in training people and making sure they had, in 5 years, actually 5 years' worth experience. I can guarantee you, after the very first short training time, they never had minimum wage. But it is tied to the skills.

So to suggest that this is a drop in the bucket in the national payroll is a little bit offensive and does not recognize the job that small business is doing at getting people into the workforce and actually training them. It is particularly offensive to employers to suggest that a 41-percent increase in their labor cost, which is what is being proposed at this time, amounts to a drop in the bucket. A 41-percent increase in labor costs forces a small businessperson to face choices such as whether to increase prices, which often is not a choice, or face a potential loss of customers from lack of service or whether to reduce spending on health insurance coverage or other benefits to employees or to terminate employees. These choices are far more significant than a drop in the bucket, particularly if you are the employee who got terminated. It is a 100-percent problem to you.

Apart from its failure to mitigate the cost of this mandate for small businesses, the Kennedy amendment also fails to address the root of the problem for our lowest paid workers. I have touched on that a little bit. Congress, by simply imposing an artificial wage increase, will not meaningfully address the real issues of our lowest paid workers. Regardless of the size of any wage increase Congress might impose, the reality is that yesterday's lowest paid worker, assuming he still has a job, will continue to be tomorrow's lowest paid worker as well. That is not advancement. Advancement on the job and earned wage growth cannot be legislated. We do a disservice to all concerned, most especially the chronic low wage worker, to suggest that a Federal wage mandate is the answer.

What we need to focus on is not an artificially imposed number but on the acquisition and improvement of job and job-related skills. In this context, we should recognize that only 68 percent of the students entering the ninth grade 4 years ago are expected to graduate this year. And for minority students, that hovers right around 50 percent. In addition, we continue to experience a dropout rate of 11 percent per year. These noncompletions and dropout rates and the poor earnings capacities that come with them can't be fixed by a Federal wage policy. We have to get the kids to stay in school, to get the education. We have to make sure the education is relevant and that when they graduate at whatever level, there is a job out there for them and that the job is transportable, that they can take their skills other places in the country, as those areas open up, with a higher wage for those skills, and that they have the knowledge to be able to learn, to continue to advance their skills so that when they move, they get more.

What we want are the best jobs kept in America for the people who live in America. That is an opportunity we have but not with an artificially mandated minimum wage. I would hope that nobody in the United States would work at the minimum wage. I know for a fact that most of the people who start at minimum wage, if they pay attention to their job, are not in minimum wage very long. If they pick up the skills, they get paid for those skills. That is so that they don't go somewhere else and work. But if they don't have the skills, they are lucky to get a job at all. I have people I have hired before who couldn't read. What kind of opportunities do they have if they can't read? We have them in literacy programs. We moved them into GED programs and trained them in something they could do and be proud of, and that is a higher wage.

We must keep this in mind. The phrase ''minimum wage worker'' is an arbitrary designation. A more accurate description and one that should always be at the center of the debate is that we are seeking to address those workers who have few, if any, skills they need to compete for better jobs—that is what we are doing in the United States, competing—and then command higher wages. The effect may be low wages, but the cause is low skills. In short, the problem is not the minimum wage, the problem is minimum skills.

If we are to approach this debate in a constructive and candid way, we need to acknowledge certain basic principles of economics. Wages do not cause sales. Sales are needed to provide revenue to pay wages. Revenue drives wages. Wages can cause productivity, but the productivity has to come first to be able to afford the wages. When we raise the minimum wage, we are raising the price somehow. The people who get the minimum wage have to buy stuff just like everybody else. If the price goes up because a phony minimum wage went in, then their buying ability did not increase at all. How pleased can you be if you get more money and you can't buy anything more? What we are trying to do is set up a system where people will make more true wages and, with the true wages, be able to purchase more than they could before. Some of that is basic need, but we are hoping they all get past the basic need level and can get into the wants and desires as well, that they can be part of the American dream.

Skills, however, operate differently than wages. Skills do create sales, and sales produce revenue. Skills do create productivity. Skills get compensated with higher wages or people find another job. The employee simply goes elsewhere for higher wages. Wage increases without increased sales or higher productivity have to be paid for with higher prices. Higher prices wipe out wage increases. Skills, not artificial wage increases, produce true net gains in income for the individual and for the business. When it increases for the business, it increases their likelihood of keeping their job and getting to advance. The minimum wage should be for all workers what it is for most—a starting point in an individual's lifelong working career, their lifelong learning career. Those who advance in any jobs are the ones who look at it and say: How can I do this better? If they come up with a way to do it better, they will get more compensation. Their business will make more money or they will go start their own business, which is also a dream of mine, to get people to do that. I hold an inventors conference every year. The purpose of that conference is to get people to invent about their surroundings and their jobs and to find some product that they can make in Wyoming and ship around the world. I have found that anybody who has figured out a way to make a living in Wyoming lives in Wyoming. We are a little short on jobs out there. That is why we only have 494,612—that is last week's number—living in Wyoming. We hope to get past that half-million mark, but it does require jobs. The way to get jobs is to have the skills to be able to improve what you do.

The minimum wage should be for workers what it is for most; that is, a starting point in an individual's lifelong working career, their lifelong learning time. Viewed as a starting point, it becomes clear that the focus needs to be less on where an individual begins his or her working career. Instead, more emphasis should be placed on how an individual can best progress. Real wage growth happens every day, and it is not a function of Government mandate. It is the direct result of an individual becoming more skilled and, therefore, more valuable to his or her employer. As a former small business owner, I know that these entry-level jobs are a gateway into the workforce for people without skills or experience.

These minimum-skill jobs can open the door to better jobs and better lives for low-skilled workers because they get more skills if we give them the tools they need to succeed.

We have a great example in Cheyenne, WY, of minimum-skilled workers who were given the tools and the opportunity to reach the American dream. Mr. Jack Price, who is the owner of 8 McDonald's in Wyoming—and we use McDonald's as kind of a derogatory thing with people as being a minimum wage establishment; I assure you that people who start there, who learn something, are not at the minimum wage very long—has had 3 employees who started working at McDonald's at the minimum wage, and those 3 employees now own a total of 20 restaurants. They learned something. They started at minimum wage. They didn't like it, I am sure. They learned. They got experience. They delved into it and found out all they could about the business and wound up owning the business. That is what we want for people. It requires some individual initiative, and it does require starting at the bottom. With almost every job, you have to start at the bottom. If you learn it, you can progress in it. Three employees at McDonald's who started at the minimum wage now own 20 restaurants.

It is a great success story. That is where I would like people to go. This type of wage progression and success should be the norm for workers across the country. However, there are some minimum-skilled workers for whom stagnation at the lower tier wage is a longer term proposition.

The answer for these workers, however, is not to simply raise the lowest wage rung. Rather, these individuals must acquire the training and skills that result in meaningful and lasting wage growth. We must equip our workers with the skills they need to compete in technology-driven global economies.

It is estimated that 60 percent of tomorrow's jobs will require skills that only 20 percent of today's workers possess. Let me say that again. It is estimated that 60 percent of tomorrow's jobs will require skills that only 20 percent of today's workers possess.

Here is another interesting point. It is also estimated that the graduating student will likely change careers some 14 times in their life. There are a lot of people in America whose parents went to work for one company, worked there 30 years and retired. I am talking about a different world. It is estimated that the graduating students will likely change careers some 14 times in their life.

Here is the part that is even more stunning, and I am not talking about changing employers. I am talking about changing careers. Of those 14 careers, 10 of them have not even been invented yet. We don't even know what this change in technology is going to bring about, but we do know that people better be able to change to get those jobs, and they are going to have to change pretty dramatically. It is going to be based on the education they get and then the skills they acquire in the workforce after they get out of school. School is never out; learning is never over.

To support these needs, we do need a system in place that can support a lifetime of education, a lifetime of training and retraining for our workers. The end result will be the attainment of skills that provide meaningful wage growth and competition—successful competition—in the international marketplace.

As legislators, our efforts are better focused on ensuring that the tools and opportunities for training and enhancing skills over a worker's lifetime are available and fully utilized than they are on imposing an artificial wage increase that fails to address the real issues and, in the process, does more harm than good.

Skills and experience, not an artificial Federal wage hike, will lead to lasting wage security for American workers. We have to compete. It is an international competition. Skills count.

As chairman of the Health, Education, Labor, and Pensions Committee, one of my priorities is reauthorizing and improving the Nation's job training system that was created by the Workforce Investment Act. This law will help provide American workers with the skills they need to compete in the global economy. That will lead to real, not artificial, wage increases.

Last year, I was denied a conference committee being appointed to resolve the differences with the House on this important bill by the very people proposing this increase. This year, we reported it out of the HELP Committee by a unanimous voice vote again. It was unanimous coming out of committee 2 years ago, it was unanimous passing the floor of this body, it was unanimous passing out of committee again this year, and it is waiting to come to the floor. I am hoping we can get consent to get it over to a conference committee with the House.

This bill will start an estimated 900,000 people a year on a better career path. You can't tell me that some of the same people who are denied the opportunity in the last Congress now think a magic redetermination of the lowest wage for the lowest skills will change people's lives.

Outside the glare of election year politics, I hope we can quickly pass a job training bill that will truly improve the wages and lives of workers in this country.

Let's be clear about what a minimum wage hike will and will not do. First, we must realize that large increases in the minimum wage will hurt low-income, low-skilled individuals. Mandated hikes in the minimum wage do not cure poverty, and they clearly do not create jobs. The Congressional Budget Office has said:

> Most economists would agree that an increase in the minimum wage rate would cause firms to employ fewer low-wage workers or employ them for fewer hours.

That is a CBO estimate, October 18, 1999.

What every student who has ever taken an economics course knows is if you increase the cost of something—in this case a minimum wage job—you decrease the demand for those jobs. Misleading political rhetoric cannot change the basic principle of supply and demand. The majority of economists continue to affirm the job-killing nature of mandated wage increases. A recent poll concluded that 77 percent—that is nearly 17,000 economists; that is scary, isn't it?—but 77 percent, nearly 17,000 economists believe that a minimum wage hike causes job loss.

We simply cannot assume that a business that employs 50 minimum wage workers before this wage increase is enacted will still employ 50 minimum wage workers afterwards. Whether a business is in Washington or Wyoming, employers cannot absorb an increase in their costs without a corresponding decrease in the number of jobs or benefits they can provide workers. So we know there are losers when we raise the minimum wage, but who are the individuals who will benefit?

Minimum wage earners who support a family solely based on wage are actually few and far between. Fully 85 percent—85 percent—of the minimum wage earners live with their parents, have a working spouse or are living alone without children—85 percent; 41 percent live with a parent or relative; 23 percent are single or are the sole breadwinner in a house with no children; and 21 percent live with another wage earner.

Our research shows that poor targeting and other unintended consequences of the minimum wage make it terribly ineffective at reducing poverty in America, the intended purpose of the policy. In fact, two Stanford University economists concluded that a minimum wage increase is paid for by higher prices that hurt poor families the most.

A 2001 study conducted by Stanford University economists found that only 1 in 4 of the poorest 20 percent of families would benefit from an increase in the minimum wage. The way to improve—truly improve—the wages and salaries of these American workers is through education and training, not an artificial wage increase.

With these realities in mind, I am offering an amendment that recognizes the true cost of a minimum wage increase on American workers and businesses, particularly small businesses. My amendment includes a minimum wage increase of $1.10, which is just like Senator KENNEDY's amendment right now. So we are really not talking about the minimum wage amount.

My amendment addresses other needs for reform and the needs of small businesses that create most of the jobs in this country. That is where the two amendments differ. I have added some things beyond the $1.10 minimum wage increase, and that is to smooth out the bump a little bit for these small businesses that are creating these jobs, that are providing the training, that are helping people get better skills so they can get better jobs.

So my amendment addresses other needs for reform and the needs of small businesses that create most of the jobs in this country. Therefore, my amendment is protective of economic growth and job creation. I think if we had worked this out in committee, probably the other side would have accepted what I am about to do in additional pieces to this bill, and a lot of this discussion would not have been necessary.

Let me briefly review the provisions contained in my amendment. In doing so, we must bear in mind that small businesses continue to be the engine of our economy and the greatest single source of job creation. Any wage increase that is imposed on small businesses poses difficulties for that business, the owner, and his or her employees. I will tell you, in small business, the employees recognize how tenuous their job is. There are not a whole lot of layers that can be laid off before they get to them because there is the owner and a couple of employees. And because there are just a few in the business, they know how the business operates. They know what the dollars coming in are and what the ability is to change that unless they can increase productivity or sales.

Any wage increase that is imposed on small businesses poses difficulties for that employer and his or her employees. My amendment recognizes that reality and provides a necessary measure of relief for those employers. My amendment would make the following changes that are critical, particularly for small business.

First, we would update the small business exemption. Having owned a small business in Wyoming, I can speak from personal experience about how difficult any minimum wage increase is for small business and job growth, particularly for the entry-level people during the first couple of months they are on the job.

Small businesses generate 70 percent of new jobs. Let me say that again. Small businesses generate 70 percent of new jobs. Since a negative impact of a minimum wage increase will affect small business most directly, we have proposed addressing the small business threshold which is set under current law at half a million dollars. If the original small business threshold, which was enacted in the 1960s, were to be adjusted for inflation, it would be over $1.5 million.

The small business threshold was last updated 15 years ago. In those ensuing years, the national minimum wage has been hiked, the economy has undergone dramatic shifts, and the way work is done in this country has changed forever. The pending amendment raises that threshold to $1 million to reflect those changes. It ought to be at $1.5 million. That is what inflation shows. But we are being reasonable. I like to be reasonable on any of the proposals I put forward. So instead of going from a half a million dollars to $1.5 million, this bill only raises it to $1 million to reflect part of those changes.

My amendment also incorporates bipartisan technical corrections that were originally proposed in 1990 by then-Small Business Committee Chairman Dale Bumpers, who used to serve on that side of the aisle when I was first here. It was cosponsored over the years by Senators REID of Nevada, HARKIN, PRYOR, MIKULSKI, BAUCUS, KOHL, and many others.

As those Senators can attest, the Department of Labor disregarded the will of Congress and interpreted the existing small business threshold to have little or no meaning. The Labor Department would make a Federal case out of the most trivial paperwork infraction by the smallest businesses because of what it interpreted as a loophole in the law. Some would say that the 1989 bill to hike the minimum wage and small business threshold was unartfully drafted and permitted this result. Others say the Department is misreading the clear language of the statute.

Regardless, the fact is that a threshold enacted by Congress is not providing the balance and fairness that was intended. This amendment corrects that problem by stating clearly that the wage and overtime provisions of the Fair Labor Standards Act apply to employees working for enterprises engaged in commerce or engaged in the production of goods for commerce. My amendment also applies those wage-and-hour worker safeguards to home work solutions.

The second change: ensuring procedural fairness for small business. This next provision is commonsense, good Government legislation. Surely, we can all agree that small business owners, the individuals who do the most to drive our economy forward, deserve a break the first time they make an honest paperwork mistake when no one is hurt and the mistake is corrected.

Small business owners have told me over and over how hard they try to comply with all the rules and regulations imposed on them, mostly by the Federal Government. As a former owner of a small business myself, I know what they mean. Yet for all that work, a Government inspector can fine a small business owner for paperwork violations alone, even if the business has a completely spotless record and the employer immediately corrects the unintentional mistake. Who is hurt? Nobody is hurt, but it is an extra burden on small business.

I have to tell you a little bit about small business. They don't have a lot of employees. They don't have any specialists out there. Big business can hire people to take a look at the paperwork, and small business has to stay as lean and mean as they can to make a profit. Look at the difference between profits in your small businesses and your big businesses, and you will see they are staying pretty lean and mean.

I remember the first hearing I held in Wyoming after I became a Senator was on small business issues.

One has to remember, Wyoming has kind of a small population. So I was thrilled when people from about 100 businesses showed up for this hearing.

Afterwards, one of the reporters came up to me and said: Were you not kind of disappointed in the turnout?

I said, no, I was not disappointed in the turnout. These are small businesses we are talking about, and if they had an extra person to spend half a day at a hearing, they would fire them, as they have, to stay mean and lean, to stay in business.

So there is a whole world of difference in trying to meet some of the Federal paperwork mandates that are fineable. They are hard enough to learn about, so the first mistake that does not affect anybody and is corrected immediately ought not to be a fine. Even the best intentioned employer can get caught in the myriad of burdensome paperwork requirements imposed on them by the Federal Government.

The owners of small businesses are not asking to be excused from the obligations or regulations, but they do believe they deserve a break if they have previously complied perfectly with the law.

As Jack Gold, the owner of a small family business in New Jersey, told Congress a few years ago at one of our hearings:

> No matter how hard you try to make your business safe for your employees, customers, neighbors and family members, in the end, if a government inspector wants to get you, they can get you. The government cannot tell me that they care more for my family's safety and my company's reputation than I do.

When one has a small business, the people who work there are part of a family. Small business men and women who are first-time violators of paperwork regulations deserve our protection.

The third change: Providing regulatory relief for small businesses. As any increase in the minimum wage places burdens on small employers, it is only fair that we simultaneously address the ongoing problem of agencies not fully complying with congressional directives contained within the Small Business Regulatory Enforcement Fairness Act.

I will say that again: The Small Business Regulatory Enforcement Fairness Act. The titles are long to read, let alone the bills that go with them.

Under the law, agencies are required to publish small entity compliance guides for those rules that require a

regulatory flexibility analysis. Unfortunately, agencies have either ignored this requirement, or when they tried to comply have not done so fully or carefully. Now, the previous issue I talked about was small businesses having a little imperfection in a regulation for the first time and correcting it immediately. Now we are talking about the Federal Government having problems and ignoring requirements.

We do not have a penalty for that, but it is something to which the Federal agencies have to pay attention, and my amendment does this by including specific provisions that the Government Accounting Office has suggested to improve the clarity of the requirements. People ought to be able to read the rules and know what they say without having to hire a specialist or a lawyer.

The fourth change: Removing the barriers to a flexible time arrangement. My amendment includes legislation that could have a monumental impact on the lives of thousands of working men, women, and families in America. This legislation could give employees greater flexibility in meeting and balancing the demands of work and family. The demand for family time is evident.

Let me give some of the latest statistics. Seventy percent of employees do not think there is a healthy balance between their work and their personal life. Seventy percent of the employees say that family is their most important priority.

The family time provision in my amendment addresses these concerns head on. It gives employees the option of flexing their schedules over a 2-week period. In other words, employees would have 10 flexible hours they could work in 1 week in order to take 10 hours off in the next week.

We are not shifting pay periods or anything. We are making arrangements that if the employer and the employee agree, there can be a shift in their work schedule. Here is a really important part. Flexible work arrangements have been available in the Federal Government for over two decades. We are not asking for anything that the Federal Government does not already allow for Federal employees.

I have to say, one of the problems and one of the reasons this came to my attention is that Cheyenne, WY—that is our biggest city in Wyoming—has a little over 53,000 people. That is the capital. We have a lot of Government workers there because it is the capital. The Government workers are allowed to take flextime.

The private businesses that are there are not allowed to give flextime. So we have one spouse who works for the Government who can shift their schedule around to take an afternoon off to go watch their child play soccer in another town—and we have to drive some long distances in Wyoming to get to the other towns to watch the soccer games—but the other parent cannot because the other parent is working for a private company.

Why would we discriminate that way? Why would we allow Government workers to do some things that the private ones cannot do under the same law?

Flexible work arrangements have been available in the Federal Government for over two decades. This program has been so successful that in 1994 President Clinton issued an Executive order extending it to parts of the Federal Government that had not yet had the benefits of the program. President Clinton then stated:

> The broad use of flexible arrangements to enable Federal employees to better balance their work and family responsibilities can increase employee effectiveness and job satisfaction while decreasing turnover rates and absenteeism.

Now, why would we not want that to be in the private sector, too? I mean, the private sector ought to have broad use of flexible arrangements to enable their employees to better balance their work and family responsibilities, which would increase employee effectiveness and job satisfaction while decreasing turnover rates and absenteeism.

That sounds reasonable to me, that what we said the Government could benefit from that the private sector could benefit from, too. Why are we not allowing the private sector to do that?

I could not agree more with President Clinton, but we now need to go further and extend this privilege to private-sector workers. We know this legislation is not a total solution. We know there are many other provisions under the 65-year-old Fair Labor Standards Act that need our attention, but the flexible time provision is an important part of the solution. It gives employees a choice, the same choice as Federal workers.

I want to give a little bit of a summary on that flextime proposal because this is a key part of it. I have heard some flak before and, again, I think if we were debating this in the committee situation and working it out when we were not in front of the TV cameras that we would probably come up with this as a reasonable solution. It would be included in a bill, and we would probably pass it through by unanimous consent. But it gets mixed in with the minimum wage debate, and needs to be, so I want to make sure people understand this.

The flextime proposal would provide employees with the option of choosing time paid off for working overtime hours through a voluntary agreement with their employer. It will do this by allowing them the option of flexing their schedule over a 2-week period. In other words, employees would have up to 10 flexible hours they could work in 1 week in order to take paid time off during the following week.

I do not want anybody confusing this with a comp time provision that was put in before. This does not include the comp time provision. So any accusations that this is taking overtime away from anybody, I would contend, even under the comp time solution is not valid. Under a flextime proposal, it is not valid. Again, it is the same thing that we decided that Federal employees could have, and if we would put any extra strain on a Federal employee I am sure that would be illegal under wage and labor laws. So what we are proposing is the same thing as Federal workers.

Now, as I mentioned, this provision will allow them the option of flexing their schedules over a 2-week period, give them up to 10 flexible hours they could work in 1 week in order to take paid time off during the following week. This program would be strictly voluntary. No employer and no employee can be forced to enter into a flextime agreement. However, this legislation prohibits intimidation, threats, and coercion by the employers and would provide penalties for violations of the prohibition. The flextime legislation will not take away anyone's right to overtime pay.

The authority to allow employees flextime also sunsets 5 years after enactment of the bill. I am that confident that it will be proven to be a necessity for the employees, so much so that in all 50 States they will be demanding that their Senator keep flextime for them. The only reason it is not being demanded in all 50 States at the present time is because there are a bunch of employees who have not heard about it. Employees in Government areas such as Cheyenne, WY, have heard about it because, as I mentioned, one spouse has the right because they work for the Government. The other spouse does not have the right because they work for private business.

I have to say, both of those spouses are really upset that we have not changed the law. We need to do that.

Sometimes there is some criticism of this so I have to repeat again the flextime proposal does not affect the sanctity of the 40-hour week. The 40-hour week remains the law. Under the flextime proposal an employee would earn overtime in the very same way he or she currently does, by working more than 40 hours in the same 7-day period. This proposal does not impact any worker who prefers to receive monetary overtime compensation. It will not require employees to take compensatory time—I should say flextime. I do not even want that word ''compensatory'' in there because I do not want any confusion, as has been stated previously. Previously, we have offered flextime and comp time. This is a flextime proposal.

It will not require employees to take flextime, nor will it require employers to offer it. The bill contains numerous safeguards to protect the employee and to ensure the choice and selection of flextime. It is truly voluntary on the part of the employee.

The proposal does not prevent an employee from changing his or her mind

after he or she chooses time off in lieu of monetary compensation. An employee can choose at any time to cash out any and all time off. The employer must make the payoff.

The fifth change I am making: extending the restaurant employee tip credit. A major employer of entry-level workers is the food service industry. The industry relies on what is known as the tip credit, which allows an employer to apply a portion of the employee's tip income against the employer's obligation to pay the minimum wage.

Currently, the Federal law requires a cash wage of at least $2.13 an hour for tipped employees, and it allows an employer to take a tip credit of up to $3.02 of the current minimum wage. To protect tipped employees, current law provides that a tip credit cannot reduce an employee's wages below the required minimum wage. Employees report tips to the employers, ensuring that an adequate amount of tips are earned.

The facts are that seven States—Alaska, California, Minnesota, Montana, Nevada, Oregon, and Washington—do not allow a tip credit, however, requiring raises for an hourly employee when States increase their minimum wage. The lack of a tip credit requires these employers to give raises to their most highly compensated employees, the tipped staff, under State minimum wage laws. Non-tipped employees in these States, in these businesses, are negatively impacted by the mandated flow of scarce labor dollars to the tipped positions. In addition, employers in these States are put at a competitive disadvantage with their colleagues in the rest of the country who can allocate employee compensation in a more equitable manner.

My amendment expands the tip credit to non-tip credit States, consistent with the initial establishment of the credit under the Fair Labor Standards Act.

I can probably give a little better and more detailed explanation. What is the tip credit? The tip credit allows an employer to apply a portion of an employee's tip income against the employer's obligation to pay the minimum wage. Federal law requires a cash wage of at least $2.13 an hour, and it allows an employer to take a tip credit of up to $3.02 of the current minimum wage.

Seven States do not allow a tip credit, instead requiring the tipped employees receive the same minimum wage as other employees. Non-tipped employees are negatively impacted by the flow of scarce labor dollars. This amendment expands the tip credit to non-tip credit States, consistent with the initial establishment of the credit under the Fair Labor Standards Act. Therefore, States which do not currently recognize the tip credit will be allowed to take a credit for tips of up to $3.02 of the minimum wage, which will be $6.25. For other current law, this calculation will be based on employees' own reporting of tips to their employers.

There is a false accusation out there, and it happened in previous debates. The Democrats misconstrued the effect of this change and alleged it would nullify all State wage-and-hour statutes in States that do not have a tip credit. This was never the intent of the provision, and additional language has been added to clarify that only affects the minimum wage rate provisions. Furthermore, the provision will only affect States that currently lack a tip credit. So we have added language to clarify it so it is only the minimum wage rate provisions. That is a very important part of that.

The sixth provision is a small business tax relief. I apologize for having to explain all of these on the floor. Again, this would be much better as committee work, but that has not been the opportunity.

If we are to impose greater burdens on small businesses, we should give them tax relief at the same time. My amendment would extend small business expensing, simplify the cash accounting methods, and provide depreciation relief for restaurants. All these tax provisions are fully offset; they are paid for. But they, again, smooth the bumps on those businesses that will be most impacted by an increase in the minimum wage, which gives them a way to be able to pay the increase in the minimum wage. Remember, that has to be paid for, too. Otherwise it drives them out of business, which means fewer jobs or it requires them to reduce other benefits, and often there are not other benefits.

In total, the additional provisions of my amendment are intended to mitigate the small business impact of a $1.10 increase in the minimum wage. I share the view of my colleagues, if we are going to impose such a mandate on the Federal level, we must do our best to soften its blow. This may be the best we can do today, but I entreat all of my colleagues to look at the true root of the problem for minimum wage workers, and that is minimum skills. We all share the same goals, to help American workers find and keep well-paying jobs. Minimum skills, not minimum wages, are the problem. Education and training will solve that problem and lead to the kind of increased wages and better jobs we all want to create for our Nation's workers.

Let's work together to get the Workforce Investment Act passed and conferenced—conferenced this time—so the President can sign it and get higher skills training accelerated.

Let me run through quickly what those six proposals are: raise the minimum wage by $1.10 over 18 months—we agree on that; permit family flextime for workers so that workers in private business have the same opportunity as workers in the public sector; increase the small business exemption from the Fair Labor Standards Act so that the small business level changes from $500,000 to $1 million; the small business one-time paperwork errors relief, when it is for the first time and corrected immediately; the small business regulatory relief actually being operated to protect small businesses; the minimum wage tip credit for restaurant workers; and then some other small business tax relief mainly aimed at those businesses that will be most affected by what we are doing.

I urge my colleagues to oppose the amendment offered by Senator KENNEDY and urge all Senators to support my amendment so we get the whole process taken care of. Again, I thank my colleagues for their patience. I needed to explain this in some detail since it has not been handled in committee.

I yield the floor.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Rhode Island.

AMENDMENT NO. 2077

Mr. REED. Madam President, I ask unanimous consent the pending amendment be set aside and further ask unanimous consent to call up amendment No. 2077, pending at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED], for himself, Ms. COLLINS, Mr. KERRY, Mr. KENNEDY, Ms. SNOWE, Ms. CANTWELL, Mrs. CLINTON, Mr. COLEMAN, Mr. HARKIN, Mr. DORGAN, Mr. SCHUMER, Ms. STABENOW, Mr. SMITH, Mr. LAUTENBERG, Mr. BAUCUS, Mr. BINGAMAN, Mr. KOHL, Mr. DURBIN, Mr. JEFFORDS, Mr. SALAZAR, Mrs. LINCOLN, Ms. MIKULSKI, Mr. LEAHY, Mr. ROCKEFELLER, Mr. LIEBERMAN, Mr. JOHNSON, Mr. REID, Mr. CORZINE, Mr. LEVIN, and Mr. DODD proposes an amendment numbered 2077.

Mr. REED. 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 for appropriations for the Low-Income Home Energy Assistance Program)

At the end of title VI, insert the following:

ADMINISTRATION FOR CHILDREN AND FAMILIES

LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621 et seq.), $3,100,000,000, for the unanticipated home energy assistance needs of 1 or more States, as authorized by section 2604(e) of the Act (42 U.S.C. 8623(e)), which amount shall be made available for obligation in fiscal year 2006 and which amount is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

Mr. REED. I also ask unanimous consent Senator DODD be added as a cosponsor to the amendment.

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

Mr. REED. I further ask unanimous consent that Senator NELSON of Florida be added as an original cosponsor of amendment No. 2113.

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

Mr. REED. Madam President, the topic of this amendment is increasing the funds available for the Low-Income Home Energy Assistance Program, LIHEAP. We are about to see a second tidal surge from Katrina and Rita; it is not rising waters, it is rising energy prices, and those rising prices are going to break with ferocity on people all over this country, particularly those individuals who live in States that are going to see a cold winter, which is beginning shortly. Low-income Americans are going to be faced with extraordinary challenges in meeting their energy bills this winter.

We have already seen huge increases in prices of heating oil, natural gas, and propane. We understand, without some further assistance, we will be in a very precarious position, and these families will be in a distressed position. I particularly thank Senator COLLINS, Senator SNOWE, Senator COLEMAN, and Senator SMITH for their bipartisan leadership on this amendment—particularly Senator COLLINS—for joining me in this effort. She has been a stalwart over several Congresses with respect to supporting the Low-Income Home Energy Assistance Program.

We are reaching across the aisle and across the country to provide more assistance to the LIHEAP program. We offer this amendment with 30 cosponsors. It is bipartisan, stretching across the length and breadth of this country. It seeks to add $3.1 billion to the HUD appropriations bill in emergency energy assistance.

Energy costs for the average family using heating oil are estimated to hit $1,577 this winter, an increase of $378 over last winter's heating season. For families using natural gas, prices could hit $1,099 this winter heating season, an increase of $354. Families using propane can see heating costs on average this heating season to be approximately $1,400. That is another increase of $300. For families living in poverty, energy bills now are approximately 20 percent of their income compared to 5 percent for other households. Unless we take action now, we are going to see families in this country, low-income working families, families struggling with the issue of poverty, seniors who are living on fixed incomes being devastated.

Mr. REID. Will the Senator yield?

Mr. REED. I yield to the Democratic leader.

Mr. REID. I would state Senator BAUCUS has a unanimous consent request and would like to make a few remarks prior to that. Will the Senator yield to Senator BAUCUS?

Mr. REED. I am prepared to yield. My colleague from Maine is here to speak.

Mr. REID. I ask you to yield to your colleague from Montana first.

Mr. REED. If I could do so and then, with the order being that at the conclusion of Senator BAUCUS, Senator COLLINS be recognized to speak.

Mr. REID. We, of course, have no objection if you get the floor following Senator BAUCUS.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Let me make sure I understand this.

Mr. REID. I asked the Senator from Rhode Island to yield to the Senator from Montana. He has a brief statement and unanimous consent request he is going to make. Then I have no problem.

Mr. REED. Reclaiming the floor, I ask how long the Senator from Montana might speak?

Mr. BAUCUS. I expect maybe 4 or 5 or 6 minutes.

Ms. COLLINS. Madam President, the Senator from Rhode Island and I have been waiting for some time to give our comments. I expect that my comments are only going to be 5 minutes.

Mr. REID. We will be happy to wait until the Senator from Rhode Island and the Senator from Maine finish their statements.

Mr. REED. Madam President, I think probably the most efficient way to do this is let me yield the floor to the Senator from Maine. When she concludes, I ask the Senator from Montana be recognized. At the conclusion of the comments of the Senator from Montana, if I can be recognized again, I will finish my statement.

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

The Senator from Maine.

Ms. COLLINS. Madam President, first, let me thank my colleague and friend from Rhode Island for accommodating my schedule and for his usual graciousness. It has been a great pleasure to work with him on an initiative that is so important to low-income families in our country and that is increasing the funding for the Low-Income Home Energy Assistance Program. We are proposing to increase the funding to the amount authorized by the energy legislation that was signed into law a couple of months ago, so we are proposing to bring it to the fully authorized level of $5.1 billion.

Madam President, I am sure it is very similar in your State. When I go home to Maine, as I do every weekend, the No. 1 issue that people talk to me about is the high cost of energy. They have expressed over and over their fear that they simply will not be able to afford the cost of heating oil for their homes this winter. The cost increases have been enormous. They are, in part, attributable to the two hurricanes that we have endured, and that is why I view this as part of the emergency response to Hurricane Katrina and Rita.

Right now in Maine, we have already had some nights that have plunged below freezing. In Maine, 78 percent of all households use home heating oil to heat their homes. Currently, the cost of home heating oil is more than $2.50 per gallon. I actually paid $2.72 per gallon recently. That is a considerable increase, 60 cents or more a gallon, over last year's already high prices.

These high prices greatly increase the need for assistance. More low-income families are going to be in dire straits. Moreover, as it increases, it has an impact on the amount of money that can be given out, so we have a pot of money that is going to have to be spread over a larger population at a time when prices are soaring.

Last year, there was an average benefit in Maine of $480. This year it is expected that the benefit would have to be cut to $440. That would purchase only 173 gallons of oil, far below last year's equivalent benefit of 251 gallons, and not nearly enough, of course, to go through a Maine winter. To purchase the same amount of oil this year as last, Maine would need an additional $10.8 million in LIHEAP funds.

This really is a choice, for many low-income families in our country, of buying the home heating oil or natural gas that they need to keep warm or putting adequate food on the table or buying much-needed prescription drugs. Surely, in a country as prosperous as ours, no low-income family should be forced to make those kinds of choices.

I urge support for the amendment offered by the Senator from Rhode Island and myself, and again I thank the Senator for his courtesy in yielding to me.

The PRESIDING OFFICER. The Senator from Montana is recognized.

UNANIMOUS-CONSENT REQUEST—S. 1716

Mr. BAUCUS. Madam President, it has been more than 7 weeks since Hurricane Katrina hit the gulf coast—7 weeks. Nearly 1.5 million Americans have been displaced. Tens of thousands of these survivors have no health care coverage and no money to pay for care. It is high time for passage of the Grassley-Baucus Emergency Health Care Relief Act, S. 1716.

On Monday, the Los Angeles Times ran a story on a 52-year-old schoolbus driver from New Orleans, Emanuel Wilson. Mr. Wilson survived Katrina, but his life is still at risk. Why? Because he has intestinal cancer and he has no health insurance.

Mr. Wilson was getting monthly chemotherapy injections before the storm, but now he cannot get any health care.

He lost his job and his health coverage because of Katrina, and he is ineligible to receive Medicaid.

According to the New Orleans Times-Picayune, more than half of all hurricane evacuees still in Louisiana who sought Medicaid coverage since Katrina have been turned away. More than half were turned away. These are poor people. They aren't people with a lot of money. They are poor people. They can't get coverage because they do not meet the rigid eligibility guidelines under Federal Medicaid law.

We need to relax those guidelines on a temporary basis, on an emergency basis, to help those survivors desperately in need.

This morning, my staff met with Secretary Cerise, secretary of Louisiana's Department of Health and Hospitals.

And Dr. Cerise reported that Louisiana's Medicaid Program has enrolled 60,000 new individuals because of Katrina, which would cost the State about $83 million if they were to pay for the care.

Louisiana has just lost about one-seventh of its total expected State revenue this year, and they cannot bear these additional costs. They are likely to need to make dramatic cuts to the Medicaid Program if they don't get help soon.

Dr. Cerise reports that Louisiana will have to cut all optional services to beneficiaries if they do not get help.

What does that mean? That means ending their hospice programs, ending their pharmacy benefits, ending their institutional care for the mentally retarded, ending their dialysis and other benefits, cutting off care for their medically needy, breast and cervical cancer patients, as well as thousands of low-income children.

We have spent far too long talking about this bill. Far too many times have we been asking unanimous consent to get this bill passed—far too long. These are temporary provisions.

America can do better. America can help its people in need in times of emergency.

Where is America? Where is the Senate?

My colleagues, Senator GRASSLEY, Senator LANDRIEU, Senator LINCOLN, and Senator REID have all spoken passionately supporting moving this bill forward and moving it forward immediately.

I hope we can get this bill passed and enacted into law without delay. We owe at least this much to our fellow Americans hit by Katrina and its aftermath.

It ties in very much with the latest dialog on the floor with the Senator from Rhode Island about the need for LIHEAP money. Energy costs are going up around the country. They are going up so quickly, so high, and it is the kind of problem facing the people down on the gulf coast.

I urgently ask our colleagues to support this bill.

I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 214, S. 1716, a bill to provide emergency health care relief for survivors of Hurricane Katrina; that the bill be read a third time and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. SUNUNU. Madam President, if I might reserve the right to object, we had this conversation on the floor before. The bill has been brought to the floor, and attempts have been made to pass it by unanimous consent.

This bill includes provisions that change the reimbursement rates under Medicaid for 29 States, regardless of how many evacuees they might have in that State, regardless of whether they were affected by Hurricane Katrina or Hurricane Rita. It is completely inappropriate to try to make adjustments in Medicaid under the umbrella or the cover of hurricane relief.

There are legitimate questions about whether and how we can provide assistance to those under Medicaid affected by Hurricane Katrina or Hurricane Rita.

Eight States have already been granted waivers to modify eligibility to help provide that coverage. But in an effort to deal with some of the concerns I have—and other Senators have concerns about this bill—this $9 billion bill to support a statute that gives the Secretary of Health and Human Services the power to change reimbursement rates to compensate States for additional costs incurred under Medicaid as a result of the hurricane, we would put into law the uncompensated care pool that is part of this legislation to help deal with some of the costs outside of Medicaid. We have even proposed providing some support and assistance to community health centers, something that is not even in this legislation—community health centers being so critical to providing assistance not just to Medicaid beneficiaries but to those who are underinsured or those who are without any health insurance for whatever reason. I think these are very reasonable proposals.

I think this is a good-faith effort to address some of the concerns that have been presented, but even in the absence of legislation through the State waiver process, through the efforts of Secretary Leavitt of Health and Human Services, I think every good-faith effort is being made to provide assistance, to provide coverage to those in need.

Given that fact, I will object at this time to the unanimous-consent request.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Madam President, with all due respect, we have heard these lamentations before. We have heard it all, with due respect, before.

Let me just clear the record a little bit. The Senator mentioned waivers. The Secretary has admitted that he does not have authority under the waiver system to do what needs to be done. He does not have authority to make these hospitals—not whole but to get some uncompensated care for these hospitals. He does not have authority to do so. He does not have authority to make other provisions that are necessary in this bill.

I must say this is a temporary bill. It is only on an emergency basis.

I am willing to—and I think a lot of my colleagues are willing and concerned about the costs—take it out of the unspent FEMA money. We appropriated in this body about $60 billion for FEMA. I understand that maybe roughly $40 billion of that has not been spent.

If the Senator is concerned about the costs, we could take it out of FEMA and help people who really need help. The Secretary does not have the authority to do what needs to be done. And, second, the administration has not come up with any real plan to say where the money is going to come from. It is all just talk, words.

If the Senator from New Hampshire is willing to take the money out of FEMA, or if he is willing to say trim back a little bit to come up with a deal with 29 States to immediately pass a bill that may be trimmed down a little bit and paid for out of FEMA, then we would be doing the country a great deal of service.

But to stand here day in and day out for 27 weeks, for a Senator to stand on the floor and say we can't help people in Louisiana and the Gulf States, we could sure help New Yorkers after 9/11. We can help them, but we can't help the people on the gulf coast.

These are the same Medicaid provisions that we gave the people in New York City as a consequence of 9/11—the same eligibility standards, the same.

In other words, let us do it for the gulf coast people, if we can do it for New Yorkers. It is great for New Yorkers. We are all for it. Let us figure out a way to help the people in the Gulf States—help them a little bit. This administration does not want to do so, and the other side doesn't want to do so. I cannot believe it when the big rush right now is to cut Medicaid—cut Medicaid, cut Medicaid. We want to help the people.

Mr. DURBIN. Madam President, will the Senator yield for a question?

Mr. BAUCUS. I would love to yield to the Senator.

Mr. DURBIN. If the Senator from Montana will yield for a question, I would like to ask him about New York City. Isn't it a fact that after the 9/11 disaster, within 2 weeks we expanded Medicaid coverage under a disaster relief Medicaid assistance program so that 340,000 New Yorkers were able to start receiving Medicaid for 4 months? We spent $670 million on that assistance. We did that within 2 weeks. And now 7 weeks have passed, and this administration has not come forward with any help for Hurricane Katrina victims when it comes to Medicaid.

Mr. BAUCUS. In answer to the question of my colleague, it is absolutely true. We came to the aid of people who needed aid in New York within a couple of weeks. That was the right thing to do. We are a passionate people, a country willing to help people in need, particularly when it is an emergency need.

Mr. DURBIN. If the Senator will yield for a further question, this is a bipartisan amendment which the Senator just offered, along with Senator GRASSLEY, Republican of Iowa, Senator BAUCUS, of course, of Montana, and many other colleagues to come forward to try to help the victims of this hurricane. Have we turned the page now? Are we not thinking about what happened down there? I hope we haven't.

Let me ask the Senator from Montana, is it a fact, No. 1, that the relief

that he is proposing is temporary and short term? It is 5 months of Medicaid relief for these people who are in the worst circumstances. And, second, it would help States like mine and many others that have brought in evacuees. In our case, we brought 5,000 evacuees into our State to help them out. We have incurred more expenses in Medicaid expenditures to help these families so that these caring people in States around the gulf coast area who are really trying to help will not be ignored by the Federal Government.

Is that the intent of the amendment?

Mr. BAUCUS. The Senator is correct. That is the intent of the amendment. I thank the Senator for raising that point.

This is not a partisan effort at all. This is just a compassionate effort on the part of both Republicans and Democrats. I might say that all Senators—Republicans and Democrats—in the States affected would like to see this bill passed. All the Governors in the States affected—Republicans and Democrats—would like to see this bill passed. The House delegations from the States affected would like to see this bill passed. It is very much bipartisan.

The second point the Senator made is a very good one. A lot of evacuees have gone to a lot of States across the country—many in Illinois. Some have come to my State in Montana from New Orleans. We are very gracious and want to do all we can to help the people who are so dislocated.

If we stop and think for a moment, the Senators lead pretty comfortable lives. For these people, it is incredible hardships they are going through. We forget all they have to go through. They don't have houses, anyplace to live, no way to pay bills, no job, their kids are out of school, or where they can go to school, health care needs—they are incredibly affected.

I do not know how many Members have gone down to the gulf coast. Raise your hand if you have gone down to the gulf coast and have seen it all. There are two. We have seen it. It is Biblical. There is not a word for it. It is a tragedy that is affecting people on the gulf coast. It is Biblical. My Lord, my God, why can't the Senate do something about it?

Why are we here, Senators? To say no? That is not why we are here. We are here to do the right thing. We are not asking for the Moon. We are just asking for a little bit of help.

Mr. DURBIN. If I can ask one more question, so those who are following this debate understand, the Senator asked unanimous consent to go to this temporary measure—a 5-month measure, a bipartisan measure—to help the victims of Hurricane Katrina, and because one Senator from one State on the other side of the aisle objected, we cannot move to consider this issue at this time. Is that true?

Mr. BAUCUS. The Senator is correct. That is the situation we are in.

Mr. DORGAN. Madam President, if the Senator will yield for a question, I think I heard those who object to the unanimous consent request of the Senator from Montana suggest that somehow he is trying to solve a problem that doesn't exist; that this can be handled in other ways. Could the Senator from Montana describe to me the circumstances of people who are affected? If this legislation is not made available on an emergency basis in human terms, isn't it a fact that we have people, particularly low-income people, who have lost everything?

Incidentally, I went to the Armory here in Washington DC and talked to those folks who have come here, left home with nothing to escape the ravages of the flood waters and are there with their children and the clothes on their back and nothing else.

What are the real consequences for people who are in that situation if the Senator's legislation is not adopted? We did this for 9/11 victims. We did it for a good reason, I assume. If we don't do it here, and now weeks have marched by with no action, what are the human consequences of our deciding not to do this?

Mr. BAUCUS. I appreciate the Senator's question. People are not going to get health care. The diabetics will be scrambling wondering where they are going to get their insulin shots. People getting chemotherapy will be wondering where in the world they are going to get their chemotherapy. For mentally affected people, where are they going to get their assistance? Particularly those who have lost their jobs and don't have any insurance anymore, where are they going to get their insurance? If they lost their jobs and they do not have money to even pay for basics, let alone health care, how are they going to pay for food? Where are they going to live? It is incredible.

I wish all Members in this Senate would go to the gulf coast and walk around New Orleans, walk around the gulf coast of Mississippi, and feel, see, smell, taste how devastating this tragedy is. We would be rushing to pass this legislation if Senators would go down there to see what is going on.

Mr. DORGAN. If I might ask an additional question, this is about health care. Health care is not a luxury. When you or your kids are sick, particularly in the circumstances where you have been the victim of a significant disaster, you have been displaced and lost everything, health care ought not be a function of whether you have money in your billfold.

I ask the Senator from Montana, is it the case that your legislation will not break the bank? You have suggested other ways to pay for it. It is bipartisan. You are coming to talk about something that is an essential for people. This is not some luxury. We are talking about health care. When we talk about the five most important things for people here, there, or wherever, health care is right near the top. If you do not have health care, if you do not have your health, you do not have much.

The Senator from Montana has been here a number of times. My hope would be that our colleagues would not object and that the Grassley-Baucus proposal would be accepted and we would move on. This ought not be a point of contention at all. This ought to be easy for this Congress.

Mr. BAUCUS. Madam President, I might also add, the primary sponsor of this legislation is the chairman of the Committee on Finance, Senator CHUCK GRASSLEY from Iowa. Senator GRASSLEY is known in this Senate, probably more than any Member for doing the right thing. He is not a partisan. He is not political. He does what he thinks is right. It is clear to the chairman of the Senate Committee on Finance that this is right. I join with him to do something that is right.

We have talked this out with all members of the committee, both sides, how to tailor this, modify it, make it work or not work, and I am quite confidence it would be agreed to unanimously by all members of the committee.

I mentioned the States affected. The Senators of the States affected all want this. The Governors all want this—and there are more Republican than Democrat. And the mayors want it because they know it is the right thing to do.

Again I make the request.

Mr. SUNUNU. Madam President, reserving the right to object, and I apologize for taking additional time, I know Senator REED is due to be recognized by consent as soon as this lengthy and, in my opinion, unnecessary discussion is complete. It is important to note this bill does not take the funding out of FEMA as has been represented. We suggested that.

Mr. BAUCUS. If the Senator is willing to take it out of FEMA, we are willing to do that.

The PRESIDING OFFICER. Is there objection?

Mr. SUNUNU. Madam President, I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from Rhode Island is recognized under the previous agreement.

Mr. REED. Madam President, I will continue my remarks about the LIHEAP program. I certainly salute the Senator from Montana for his passion, his eloquence, and his sense of decency. We should be moving on this legislation. It is a bipartisan effort, just as this LIHEAP legislation is a bipartisan effort. They are both linked by the devastation in the gulf. So many families have been displaced from their homes, their homes destroyed. They are looking for health care. Other families in the Northeast, in the Midwest, in the Far West, and in the Mountain States where this winter will be cold and difficult to bear will also see the effects of Katrina. They have seen them already in rising energy prices.

As I indicated in my prior remarks, this is the second wave, the second surge. The first was waters through the gulf. The second is increased energy prices for the rest of the country.

No family should be forced to make choices between heating or eating. That is precisely what many families will be faced with this winter unless we adopt this proposal and increase LIHEAP funding by $3.1 billion.

The RAND Corporation found in a study that low-income households reduced food expenditures by roughly the same amount as their increases in fuel expenditures. They cut back on food to pay for heat. That is not something any American wants to see or wants us to tolerate.

It is particularly difficult for seniors. Recently, I visited the home of Mr. Ohanian in Cranston, RI. Mr. Ohanian is an 88-year-old veteran of our military service. He served this country. Now he lives on a Social Security check of $779 a month. One does not have to have advanced training in economics to figure out that with these energy prices this year in the Northeast—Senator COLLINS indicated she was paying $2.70 a gallon for heating oil—that adds up quite quickly, and it wipes out a monthly income of $779. As a result, Mr. Ohanian has to go to his daughter's house sometimes for food, goes to soup kitchens to get help. He deserves it. He served this country in a most difficult time, in uniform. What we have is a situation where last year Mr. Ohanian received $600 in LIHEAP payments. It helped. It did not pay for all the fuel costs, but it helped. Unless we put this money in, his costs will be way out of proportion to what he can bear.

Recently, the Social Security COLA was announced. It is $65 a month. Any increase is appreciated, but that is already wiped out more or less by increased contributions to health care programs that are required. When you put on top of that for a senior this huge spike in energy prices—be it natural gas, heating oil, or propane—they are losing ground rapidly, unless, of course, we act to at least bring them up to the level of last year's program.

We need to fully fund the LIHEAP program at the $5.1 billion authorized in the Energy bill. This amendment would do that. It would add $3.1 billion in emergency spending to the $2 billion the President has requested. That is roughly what we had last year, just a little bit below. Do the math. If we have just $2 billion and we have increased energy prices—just take heating oil. Last year, heating oil was roughly $1.92. Expensive? Yes. Now it is $2.70. The same amount of monthly income, huge increases in energy costs. How can we provide that assistance we provided just last year?

As Senator COLLINS indicated, look at the poverty numbers. Poverty has increased every year for the last several years. There are more people qualified for this program. This is an anticipated disaster—in some respects, the same way Katrina was anticipated.

I hope we can learn from Katrina, not just sit back and watch idly, watch the impact, watch poor people suffer. Not just poor people who were caught up in the tumult and terror of New Orleans—but poor people in Portland, ME; New Haven, CT; in Cleveland, OH; in Seattle, WA; in Butte, MT. I expect it gets cold out there in the winter. They will be caught up.

I thought after Katrina we had a coming together, led by the President, to recognize we are failing people who are poor, that we are not doing what we have to do to keep faith with them. I can remember his words at the Washington National Cathedral. Have those words evaporated already? Are those words not operative now? I hope they are. I hope we take them to heart. If we do, we will pass this amendment, and we will pass the legislation of Senator BAUCUS and Senator GRASSLEY. That is what I thought the President was telling us to do at the Cathedral speech.

Now, even if we do have funding of an additional $3.1 billion, we are still only serving about one-seventh of the 35 million households poor enough to qualify for assistance. So we are not talking about a program that has so much money that they do not know what to do with it. What they have is so many customers and clients that they do not know what to do with them. And what happens, is these people will apply to the community action agencies across the country, and they will be put on waiting lists. They will try to help some. We can do much better. I hope we can start by passing this legislation.

We also need Presidential leadership. What has happened from the speech on the pulpit of the National Cathedral until today when it comes to LIHEAP? Nothing. Those were very powerful words, but they require powerful actions. We have not seen, in this respect, those actions.

We have to do other things to get our energy house in order. In fact, this is not just an issue of domestic politics. It is probably the single most important thing we can do over the next several years to improve our strategic position in the world vis-a-vis those who would be our adversaries or those who compete with us. From a national security standpoint, we have to take steps to make our energy future more independent, more sensible. But we have to do things today that will help Americans.

I am very proud Senator CANTWELL is a cosponsor of this particular amendment. She is also the sponsor of the Energy Emergency Consumer Protection Act to bring prices down at the gas pump in the wake of natural disasters such as Hurricane Katrina.

In addition, we have to pass Senator DORGAN's Windfall Profit Rebate Act which imposes a temporary windfall profit tax on big oil companies and uses the revenue to bring a rebate to American consumers to help offset the higher cost of oil and gasoline products. I am told the oil companies—the energy companies—will be reporting their quarterly earnings in the next few days, and most estimates are they could be the most profitable reports ever issued by companies in this country because of this extraordinary run-up in pricing. Some of that money should come back to Americans.

Total energy spending in this Nation this year will approach $1 trillion—24 percent higher than in 2004. It will claim the largest share of U.S. output since the end of the oil crisis 20 years ago. Oil and natural gas companies make huge profits while workers' salaries are declining in real terms. This is wrong. We have to fix it.

We have to pass Senator CANTWELL's legislation, Senator DORGAN's legislation, and, of course, immediately, we have to help restore funding and increase funding for LIHEAP program. The President and Secretary Bodman have called on Americans to reduce their energy use. They have to lead by example. One way to lead is to support, articulate, and advocate, for sensible energy programs and this LIHEAP proposal to increase that funding.

We have to do much more. I hope we begin, with respect to energy, by recognizing the pending crisis that will face so many families in this country, so many seniors. They will be cold this winter. They will give up eating so they can heat their homes. They will miss mortgage payments and rent payments because they have to at least stay warm.

We can do much better. America can do better. I hope we do.

I yield the floor.

Mr. BOND. Pursuant to section 402 of H. Con. Res. 95 of the 109th Congress, the fiscal year 2006 concurrent resolution on the budget, I make a point of order against the emergency designation contained in this amendment.

Mr. REED. Madam President, I move to waive the applicable sections of the act referenced by the Senator and at the appropriate time would ask for the yeas and nays.

Mr. BOND. Madam President, I ask unanimous consent that this measure be set aside to be set for a vote at a time determined by the leaders on both sides.

The PRESIDING OFFICER. Is there objection?

Ms. CANTWELL. I object.

The PRESIDING OFFICER. The objection is heard.

Ms. CANTWELL. Reserving the right to object, Madam President, I would like to enter into a time agreement to speak on this amendment.

The PRESIDING OFFICER. Does the Senator object to the request?

Mr. BOND. Madam President, there is time to speak. We would be happy to find the time for the distinguished Senator from Washington to speak. We are just asking this be set aside. If the objection is sustained, we will go immediately to a vote and get it out of the way.

Mr. REED. Madam President, parliamentary inquiry: I believe what happened, the floor manager raised a budget point of order. I have requested a waiver of that act. We have agreed at some time in the future we will have a vote on that. Now it is in order to have further discussion of the amendment, and Senator CANTWELL can discuss her amendment.

Mr. BOND. Madam President, I believe that is correct.

The PRESIDING OFFICER. The Senators are correct.

Mr. BOND. Madam President, before I yield the floor to the other Senators who wish to speak, first, let me point out that while LIHEAP is a very important subject, it has nothing to do with this bill. There will be the Labor-HHS appropriations bill on the floor next week. There will also be a supplemental bill which will deal with it. While I am a big supporter of LIHEAP, this measure should be appropriately discussed in the forum where LIHEAP is handled. Either one of those two vehicles is appropriate.

Now, Madam President, I ask unanimous consent that at 4:30 today, the Senate proceed to a vote in relation to the Kennedy amendment No. 2063, to be followed by a vote in relation to the Enzi amendment No. 2115. I further ask consent that prior to those votes there be 3 hours for debate equally divided between Senators ENZI and KENNEDY to run concurrently on both the Enzi and Kennedy amendments; provided further that no second-degree amendments be in order to either amendment prior to the votes. I further ask consent that if either amendment does not have 60 votes in the affirmative, that amendment then be automatically withdrawn or fall to the point of order, if applicable. I further ask consent that there be 2 minutes equally divided prior to each vote.

The PRESIDING OFFICER. Is there objection?

The Senator from North Dakota.

Mr. DORGAN. Madam President, reserving the right to object—I do not think I will object—but in order to expedite consideration of amendments on the floor, I was wanting to offer the remaining amendment I have, with very brief comments, so that at least I have offered the amendment on behalf of myself and Senator CRAIG. I was hoping to be able to do that following the remarks of the Senator from Washington, who I believe is going to comment on the legislation she is cosponsoring with Senator REED. So if it would be acceptable to the chairman and ranking member, following the remarks of the Senator from Washington, if I would be recognized simply to lay the amendment down. I ask unanimous consent to do that.

Mr. BOND. No objection.

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

Is there objection to the initial request?

Without objection, it is so ordered.

The Senator from Washington.

Ms. CANTWELL. Thank you.

AMENDMENT NO. 2077

Madam President, I do rise to support the Reed-Collins amendment to further make a down payment on the low-income energy assistance program known as LIHEAP.

This is a program the State of Washington knows all too well. I say that because our State was hard hit by an energy crisis in the last several years that left many low-income people suffering the consequences of high energy costs. If anything, the Northwest is a poster child for what is about to happen to the rest of the country. Those results were devastating. In one county alone, Snohomish County, where I live, we had a 44-percent increase in disconnect rates in 1 year. That meant 14,000 people lost power to their homes because of high energy costs.

Those high energy costs were also passed on to school districts, which had to choose between hiring teachers and getting books and paying the high cost of energy. It also had an impact on economic development. Businesses decided that perhaps they did not want to move to that county if they were energy-intensive users and businesses on low margins until the energy rates come down again. We saw people who actually lost their jobs and lost their pensions because of those high energy costs.

What this amendment does, added to this bill, is to give the consumers in America who are the most hard hit by energy costs some relief. If you think about it, we are talking about the elderly, the disabled, those who are on low incomes. We are talking about an individual who may make less than $12,000 a year or a couple who may make less than $16,000 a year. Now they are faced with anywhere from a 30- to 50-percent increase in energy costs. It is a question as to whether they are going to be able to keep the lights on and the heat in the home or whether they are going to be left out in the cold by this administration and by this Congress.

I hope my colleagues will do the right thing in adopting the Reed-Collins amendment and being serious about LIHEAP, knowing the devastating consequences of the high cost of energy to our economy and people on the margins. It is heartless to think we would continue to adopt resolution after resolution dealing with other impacts to our economy and leave those most vulnerable out in the cold.

The LIHEAP Program serves a very small percentage of the people who actually qualify. Last year, 72,000 Washington State residents received assistance from the LIHEAP Program, but many more could actually qualify. That is, there are many more who are living on the margins who need that kind of help and assistance to stay in their home.

Last week, I met with a woman who has lung cancer, the mother of five, who is disabled, who needs the LIHEAP Program to continue to remain in her home. Yet 76 percent of those who qualify who will not get aid. This piece of legislation will not help all of them, but it will help a small percent. It will help a small percent of Northwest residents who will be battling the high cost of energy again for another year in a row, to get some assistance from the low-energy income program.

This amendment should be a top priority for the Members of this body. I say that because, having fought to get these LIHEAP Programs from the contingency fund in the past when my State was greatly impacted, I know how important it was to the residents who actually received them. Now the rest of the country is going to be impacted by those same dynamics of very high energy costs. The question is whether we will, as a body, approve the Reed-Collins amendment to actually take the appropriations level up to the level that has been in the authorizing bill. I think it is the prudent thing to do. I think it is the wise thing to do to help the residents of this country, who are going to suffer from a very tough winter and high energy costs.

I, like my colleague Senator REED, want to fight for other legislation that will help us reduce the high cost of energy and certainly look at the practices of predatory pricing. We need to give consumers the confidence that there is competition in the marketplace, that there are Federal agencies that will protect consumers from price gouging, and that those who participate in price-gouging activities will spend time in jail. But in the meantime, as we are continuing to push and fight for that legislation, we need to make sure those who are most vulnerable in our society get the help and support they deserve. So I hope my colleagues will take the Reed-Collins amendment this afternoon and realize we cannot give tax breaks to others and leave those most vulnerable in our society without the hope of a warm, secure winter.

America can do better. We can take care of the elderly, the disabled, and the low income when it means they are going to have to pay exorbitant energy costs.

I yield the floor.

The PRESIDING OFFICER (Mr. THUNE). The Senator from North Dakota.

AMENDMENT NO. 2133

Mr. DORGAN. Mr. President, I send an amendment to the desk on behalf of myself, Senator CRAIG from Idaho, Senator ENZI from Wyoming, and Senator BAUCUS from Montana, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota [Mr. DORGAN], for himself, Mr. CRAIG, Mr. ENZI, and Mr. BAUCUS, proposes an amendment numbered 2133.

Mr. DORGAN. 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 restrict enforcement of the Cuban Assets Control Regulations with respect to travel to Cuba)

At the appropriate place in the bill, insert the following:

SEC. ____. (a) None of the funds made available in this Act may be used to administer or enforce part 515 of title 31, Code of Federal Regulations (the Cuban Assets Control Regulations) with respect to any travel or travel-related transaction.

(b) The limitation established in subsection (a) shall not apply to—

(1) the administration of general or specific licenses for travel or travel-related transactions;

(2) section 515.204, 515.206, 515.332, 515.536, 515.544, 515.547, 515.560(c)(3), 515.569, 515.571, or 515.803 of such part 515; or

(3) transactions in relation to any business travel covered by section 515.560(g) of such part 515.

Mr. DORGAN. Mr. President, I offer this bipartisan amendment on behalf of myself, Senator CRAIG, Senator ENZI, and Senator BAUCUS. It is an amendment that has been considered previously, and considered successfully by the Senate, but it has not made it into law because of problems in conference committees. It deals with the issue of restricting the rights of the American people to travel to Cuba.

As you know, we now have a situation where the American people are not free to travel to Cuba. We are free to travel to China, a Communist country. We are free to travel to Vietnam, a Communist country. We are free to travel to North Korea, a Communist country. We are not free to travel to Cuba, however. The reason for that is Fidel Castro has been sticking his finger in America's eye for a long while. It is a Communist country, a government that causes a lot of problems for our country, and the decision was made some long while ago that we are going to somehow punish Fidel Castro by restricting the American people's right to travel to Cuba.

We also, for 40-some years now, have had an embargo with respect to the country of Cuba. For most of that time, we also prevented American farmers from selling food to the country of Cuba. I have always felt it is basically immoral to use food as a weapon and to prevent the selling of food to the Cubans. Canadians sell food to the Cubans. European farmers sell food to the Cubans. But we could not; that is, until then-Senator Ashcroft from Missouri and I offered an amendment on the floor of the Senate that opened, just a crack, that embargo so that we are now able to sell some food into the country of Cuba.

We have sold about $1 billion worth of food since that amendment of ours became law. Even now, the administration is trying to shut down that ability of farmers to sell food into Cuba, by dramatically changing the legal definition of the term ''payment of cash in advance'' that is in the law, something the Congressional Research Service believes is inappropriate for the administration to do. With this change of definition they are actually requiring the payment for the food products our farmers would sell into Cuba to be made before the food is even shipped. That is not the way commerce works, and yet they are doing that to try to shut down the ability of American farmers to sell food into Cuba.

Nonetheless, we have sold $1 billion worth of food to the Cubans. It is the right thing to do. Withholding food and medicine as a part of any embargo is the wrong thing to do. Fidel Castro has never missed breakfast, lunch, or dinner because of our embargo. He has eaten just fine, thank you. It is poor, sick, and hungry people who get hurt with these kinds of public policies.

I put in this appropriations bill at the subcommittee level a provision that trips the administration's attempt to inhibit farmers from selling into Cuba. So I fixed that problem. That is in the bill as it comes to the floor. We had kind of a contentious discussion about that in the subcommittee, but I won. And again, on a bipartisan basis, we stuck that in the bill. It says to this administration: You cannot be doing these things that we believe are not legal to impede the ability of American farmers to sell food into the Cuban marketplace.

We have not, however, dealt with the issue of restricting the American people's right to travel to Cuba. Are we hurting Fidel Castro by prohibiting Americans from traveling to Cuba? I do not think so. All that does is slap the American people around by restricting their right to travel.

Let me show you a couple of examples, if I might. This young woman in this picture was in my office. This young woman's name is Joni Scott, a wonderful young woman. She went to Cuba. She went to Cuba to distribute free Bibles on the streets of Cuban cities. Joni Scott went to distribute free Bibles in Cuba. Why? She is a person of great faith, with a missionary spirit, and she wanted to take that faith and talk about that faith with the people of Cuba.

Well, guess what happened to Joni Scott. The U.S. government says you can't distribute free Bibles to the people of Cuba. You have to get a license from the State Department to go to Cuba, and they are not going to give you a license. She did not know that, of course. She simply went to Cuba to distribute free Bibles. The U.S. government slapped her with a big fine. Do you know who did that? The folks who are being funded in the bill, OFAC, the Office of Foreign Assets Control, deep in the bowels of the Treasury Department.

The people in OFAC are supposed to be tracking the financing of terrorism. They are the folks who ought to be looking at the arteries that control the money that finances Osama bin Laden, for example, and other terrorist organizations. But guess what. Those folks down in OFAC, the Office of Foreign Assets Control, have been spending their time tracking down American citizens who are suspected of taking vacations in Cuba—American citizens under suspicion of taking vacations in Cuba.

Well, they tracked Joni Scott down and slapped a big fine on Joni Scott, an American citizen, for trying to distribute free Bibles in Cuba. Apparently, they are not even embarrassed about it.

This is a picture of Sergeant Lazo, U.S. Army National Guard. He won the Bronze Star for bravery in the country of Iraq, fighting for this country. His children are in Cuba. One of his kids was very ill. After he finished his tour of duty in Iraq and was back in this country, he wanted to go visit his sick son. This United States soldier, a hero, having fought and won a Bronze Star in Iraq for his country, was told by his country: You might have been fighting for freedom in Iraq, but you don't have the freedom as an American soldier—you don't have the freedom as an American citizen—to go visit your sick child in Cuba. Unbelievable.

We voted on that here on the floor of the Senate. The only way I could get that up for a vote was to require suspension of the rules, which takes 66 votes. I got 60 votes. It fell short. So this man has never been allowed to go to Cuba to visit his child.

There is an epilog to this. His children are going to come here for a brief visit. The Cuban Government has approved that. But the U.S. Government won't give him the freedom to travel to Cuba to visit his children.

I could talk about Joan Slote. Joan Slote answered an ad in a bicycling magazine to take a cycling trip to Cuba. Joan was 75 years old. She was a cyclist and she wanted to go on a bicycling tour with a Canadian bicycling group. She did. She came back and found out her son had brain cancer. She didn't get her mail on time and didn't see that the Federal Government was trying to fine her $10,000 for having traveled to Cuba to ride a bike. Because she was attending to her son, she didn't get the letter from the Treasury Department, so they decided they were going to try to slap an attachment on her Social Security check.

This is America? I don't think so. We should restrict the freedom of the American people because we want to slap around Fidel Castro? How about deciding we are not going to restrict the freedom of the American people. If you want to bring a different kind of government to Cuba, you do it through trade and travel. That is what we argue in regard to other countries. This administration and past administrations have said that the way to advance the interests toward democracy and greater human rights in Communist China is through trade and travel. The way to

advance the interests toward greater human rights and democracy in Communist Vietnam is through trade and travel. Cuba? No, we have to restrict the right of the American people to travel to Cuba. And if they do, track them down. There is a little agency, this arthritic agency in the Department of Treasury, called OFAC. They have more people in that agency tracking American citizens who are suspected of going to Cuba than they have searching for the financial links that are supporting Osama bin Laden's terrorism. Isn't that unbelievable? I have half a notion to offer an amendment to get rid of OFAC. We have all these acronyms around here. All I know is, these are people sitting someplace in the basement of the Treasury Department trying to figure out, through lists of names, whether somebody might have gone to Cuba. And God forbid they brought a cigar back. Let's double the fine.

In fact, even more Byzantine, last year OFAC sent people to airports around the country to train Border Patrol and Homeland Security agents on how to intercept Americans who were suspected of visiting Cuba. I looked through the list of what they recovered. The most ominous thing they recovered was carbon dioxide used to make seltzer water. They did pick up a couple cigars and some ordinary cold medicine. But they certainly took some resources away from Homeland Security that probably ought to have been looking at terrorist threats so they could track down Joni Scott who wants to deliver Bibles on the streets of a city in Cuba.

There was also the disabled sports team that participates in marathons using artificial legs and in wheelchairs. They planned to participate in the Havana Marathon and then distribute racing wheelchairs and handcycles to Cuba's disabled athletes. Except OFAC said that our team couldn't go. These disabled Americans were told, no, you can't go. That is unbelievable.

We will have a vote on this. The President will threaten a veto of the bill if it is in the bill, and we will have people around here scratching their heads and thumbing their suspenders and saying: How should I vote on this?

How about a simple vote that represents a little bit of common sense, just a smidgeon. Go to any café in America, have a cup of coffee and ask somebody, do you think it is a good idea that we ought to slap around the American people and go investigate them and chase them down and slap them with a $10,000 fine because they joined a Canadian bicycle tour of Cuba? Or do you think we ought to say to a veteran who earned the Bronze Star for heroism in Iraq that when you come back to this country, you have all the freedoms of an American except you don't have the freedom to travel to Cuba to see your sick son? We know what the answer is. If we have enough people around here with the courage to vote the right way, to use a smidgeon of common sense—I am not asking everybody to use all the common sense, just a smidgeon, this just requires a blink—to vote the right way, maybe we will get something done.

This isn't about Democrats or Republicans. It is about public policy that makes sense for this country. If something is happening that is basically ''dumb,'' we ought to fix it. This makes no sense. This policy is at odds with our entire foreign policy with respect to other Communist countries. Can you imagine today if I proposed having the Cuba policy with respect to China and Vietnam? We would say to those Americans, you can't travel to China. Why? Because we don't like the Chinese Government, so you can't go there. Does that make any sense? Do you think that would be in our best interest? Would that represent good foreign policy? The answer is no.

We have advocated that the best way to move these countries toward greater human rights and greater democracy is through trade and travel. It would be nice if the only voice Cubans are hearing would not be Fidel Castro but, in fact, Joni Scott or Joan Slote or a couple from Dubuque who might be vacationing in Havana. It would be nice if the Cuban people would hear those voices as well. They do not now because they are prohibited as a result of American law. It is a law I aim to change.

I offer this amendment with my colleagues, Senators CRAIG, ENZI, and BAUCUS—two Republicans, two Democrats. This is not about partisanship. It is about doing the right thing. My hope is this amendment will see a successful vote. I understand there will be some sumo wrestling between now and when we get a vote, because no one ever wants to have a vote on this. There will be all kinds of contortions going on to find a way to avoid having a vote on this. But it is perfectly germane and relevant. It is a restriction on funding. My expectation would be before the bill gets off the floor, we would have a vote on this. I hope a sufficient number of colleagues on both sides of the aisle will decide to vote for it and we can get this done finally.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I support the amendment offered by my friend from North Dakota. He has made an excellent case for this amendment. I want to note that I am a cosponsor of bipartisan legislation introduced earlier this year that would allow this travel between the United States and Cuba.

Current policy with regard to Cuba, as enforced by the Treasury Department's Office of Foreign Assets Control, permits travel to Cuba today only with permission in the form of a license from the Treasury office for certain reasons such as visits to relatives or journalism or religious or humanitarian purposes. According to Treasury documents, between 1996 and 2003, about a third of Cuba travel cases opened for investigation were referred for civil penalty enforcement action.

As the Senator from North Dakota said, these typical penalty assessments for unauthorized travel range from $3,000 to $7,500. That is preposterous. For the last 40 years, the United States has maintained this isolationist position toward Cuba, and the current regime has been there the entire time. I believe, as the Senator from North Dakota so eloquently stated, that permitting travel to Cuba will help demonstrate to Cuba's citizens what a democracy is all about.

I tell my colleague that I had a young group of baseball players who went through the entire rigmarole as a young team to go to Cuba a number of years back. They had to go through an entire process. It was amazing what they had to go through to go down and participate in a Little League team playoff with a number of players from Cuba. I had them come back and visit with me when they returned. They wanted to thank me for helping them get through this process. I sat there and listened to them as they told me that they actually lost every single game. Finally, it was so lopsided that the Cuban young boys and they got together and decided, this is ridiculous. We are just losing. So they intermixed their teams, half Cuban and half American, and finished the playoffs that way. What a great thing for democracy. These young people showed to all of us exactly what we want happening in Cuba, that we can sit down, a group of 12-year-old boys, and learn how to get along and to be able to promote some real important values.

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

Mrs. MURRAY. I am happy to yield.

Mr. DORGAN. I am wondering if that wasn't under the old rules. The new rules have been tightened up dramatically by administration edict. Under the new rules, teams such as that in most cases would not be able to visit Cuba.

Mrs. MURRAY. The Senator is absolutely correct. This was about 10 years ago. Since that time, if these young kids were to come today to my office to ask for help, they would not be able to go and do it. What a way to dampen the enthusiasm of young boys in our country. It is telling them that democracy is not about conversations and learning and education and participation. I think that is a negative message. I appreciate the Senator's offering the amendment. I know the administration has issued a veto threat on this bill if this provision is allowed to be included. I say that veto threats have been made on other provisions in this bill. I don't see any reason why the Senate should not go on record and state its view. It is time to lift the travel restrictions on Cuba for all the reasons the Senator from North Dakota has outlined today. I hope we will

get to a vote and be able to move forward on this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me finally show the chart I mentioned. I have many others. OFAC, Office of Foreign Assets Control, down in the bowels of the Treasury Department, is supposed to be tracking terrorists. Here is what OFAC did. These are disabled marathoners. They trained and trained. In fact, as I understand it, these folks even had airline tickets, and they had everything all set. But were they allowed to go to the international meet in Havana? No. No, they were turned down by our country because you don't have the freedom to do that. To say that these folks were disappointed is an understatement. They might wonder about whether we have freedom in this country, when we don't have the freedom to travel to this Cuba. Why? Because we don't like its leaders.

Look, there are many countries that have leaders I am not particularly fond of. I don't want to restrict the right of the American people to travel there. In addition to Joni Scott and disabled athletes and so many others, the stories now are unbelievable. In the last 3 years, this has been laced up tight, even for folks with close relatives. I can tell you of people whose parents were dying, on their deathbed, 3 days away from dying, and their children in this country were not allowed to go see their mother or father in Cuba.

I won't put up the picture of the guy from the State of Washington whose father died, and his last wishes were that his ashes be dispersed on the grounds of the church he served as a pastor in Cuba. So a compliant son, after the death of his father, said: I want to do that. It was his last wish. He took his dad's ashes and went to Cuba and went to the church and distributed his father's ashes on the grounds of the church his father had ministered at for many years. Then this country's Government tracked him down and tried to slap a big fine on him for doing it. Unbelievable. We can do better than that. Our country doesn't deserve this sort of nonsense.

I appreciate the support of the Senator from Washington. As I indicated, this is bipartisan. It is not about Republicans or Democrats. It is about what is thoughtful and what is thoughtless. Let's choose the thoughtful approach for a change.

Mrs. MURRAY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. 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. 2063, AS MODIFIED

Mr. KENNEDY. Mr. President, as I understand it, there is a general agreement among the leadership that the time between 1:30 p.m. and 4:30 p.m. be equally divided between myself, who offered an increase in the minimum wage, and the Senator from Wyoming, Mr. ENZI, who has offered a different approach. We will have an opportunity to control the time in that way.

Mr. President, I yield myself what time I might use.

At 4:30 p.m., we will have an opportunity to vote in this body on whether there ought to be an increase in the minimum wage, a minimum wage that has not been increased over the last 9 years. I am very hopeful that we will vote in this body in support of the proposal I have before the Senate which will increase the minimum wage by $1.10. This is the figure that was included in the Republican alternative of over a year ago. The Republican alternative had additional provisions, and we will have an opportunity to talk about those proposals.

For the information of those people who might be listening to the debate, here is our amendment. It is 2 pages long, and it provides an increase in the minimum wage of $1.10. This is the Republican proposal, which is 87 pages long, which will change the whole concept of the minimum wage and effectively eliminate coverage of the minimum wage for up to 10 million Americans.

The increase in the minimum wage is not complicated. We increase it $1.10. We do it over a 2-year period. It is all in the 2-page amendment I have offered.

There is an alternative, which is the Republican alternative, which basically undermines, in a very significant and important way, the coverage for minimum wage workers and effectively eliminates coverage and protection, even for minimum wage workers.

We will have a chance for this body to make a decision as to whether they want to see those workers in this country, who have been left out and left behind, get a modest bump in their income.

I offered this measure on this legislation because this is the vehicle which carried the increase in the cost of living for Members of the Congress and Senate. It seems to me, if we were going to vote on that, we ought to vote on an increase in the minimum wage. It is the judgment—and one I support—that Members of Congress will not take a cost-of-living increase in their pay this year. We defer that increase.

The fact remains that over the last 9 years, the Congress has increased its pay by $28,000 on seven different occasions. On seven different occasions, it has raised its salary, but we have not increased the pay for those who are at the lower end of the economic ladder who are making minimum wage. I think that is absolutely unconscionable. We will have an opportunity this afternoon to find out whether we are going to do that. In the institution that has raised its salary $28,000 over the last 9 years, we will have an opportunity to see whether we are going to increase annual income by $2,300.

This chart is an indication of the tradition of the Senate since the increase in the minimum wage.

This demonstrates very clearly the increase in the minimum wage. The initiation was by President Roosevelt back in the 1930s and then Harry Truman increased it and then Dwight Eisenhower, a Republican, increased it. The history of the increase in the minimum wage has been bipartisan. Dwight Eisenhower increased it. President Kennedy increased it; President Johnson; President Ford, a Republican, increased it; President Carter increased it; President Bush 1 increased it and President Clinton. So this has been bipartisan.

It is difficult for me to understand how the increase in the minimum wage has ended up as a partisan issue. It has been bipartisan. The reason it has been bipartisan is because of whom the minimum wage affects. The fact is minimum wage workers are men and women of dignity. They are hard workers. They are the men and women who clean out the buildings for American commerce. They help and assist our schoolteachers in schools all over this country. They work in our nursing homes to provide help and assistance for the frail elderly, the elderly who have sacrificed so much for their own children and have done so much to make this a great nation. Many of them are served by the minimum wage.

First, these are men and women of dignity, working hard, more often than not having two or even three jobs, trying to provide for their families and having an increasingly difficult time to make any ends meet, and we will get to that.

This issue primarily affects women because about 65 percent of all minimum wage workers are women. The majority of the women who earn the minimum wage have children. So it is a women's issue, it is a children's issue, and it is a family issue because we have families, heads of household in many instances, single moms or single dads, trying to provide for their children, working one or two or even three jobs, trying to make ends meet. So it is a women's issue because so many of the minimum wage workers are women and a children's issue because those children's lives are affected by obviously the circumstance of the one who is providing for them. It is a civil rights issue because so many of these jobs are open to men and women of color. So it is a civil rights issue, a family issue, a women's issue, a children's issue, but most of all it is a fairness issue.

The American people understand fairness. They understand if someone is going to work 40 hours a week, 52 weeks of the year, they should not have to live in poverty. Republicans

have understood that, Democratic Presidents have understood it, and I cannot for the life of me understand why our Republican friends on the other side of the aisle, when we have changed our increase in the minimum wage from $2.10 down to $1.10 over the next 2 years, refuse to be willing to accept it.

What is it that they have against working poor people, men and women who are trying to get the first rung on the economic ladder? What is it about it that is so offensive to this body that we do not give them an increase in the minimum wage and we give ourselves repeated increases? That is the issue. And at 4:30 this afternoon, this institution will have a chance to express itself.

The American people understand this. The American people understand the minimum wage. There are a lot of complex issues, and men and women across this country are working hard every single day. They have little time to spend trying to figure out a lot of different kinds of challenges, but they understand an increase in the minimum wage. They understand what difference this makes. They will have an opportunity to hear about it because this issue is not going away. No matter how this turns out this afternoon, the Senate, and most importantly the workers at the minimum wage, can be confident that I am going to continue to raise this as long as I am in the Senate. We will have an opportunity to vote on this repeatedly.

So we can find those of our colleagues who want to try and confuse the issue all they want with 87 pages, but this is an increase in the minimum wage which consists of 2 pages. That is what the vote is for this afternoon. Some of my colleagues want to rewrite the labor laws on this. Fine, let us get to it. But why are we doing that on this particular bill? Increase in the minimum wage, one can ask, why on this bill? Very simply, it was a good enough vehicle to increase the salary of the Members of Congress until yesterday when we neutralized it and it ought to be a good enough vehicle to provide some assistance to those on the first rung of the economic ladder. That certainly makes sense to me. That is not what the Republican alternative is about.

So we have seen that this has been historically something Republicans and Democrats, when they are at their best, have supported. Over a period of years, we have seen what has happened on the issues of productivity. We hear frequently that we cannot afford an increase in the minimum wage unless we are going to have an increase of productivity. It is an old economic argument we do not want to add to inflation, but if we have an increase in productivity, of course, then we can consider an increase in the minimum wage because it will not have an inflationary impact in terms of the economy.

All right. Let us take that argument and see what has happened in terms of productivity over the period of recent years. We have seen now, over the period of the last 40 years, productivity has gone up 115 percent. Notice that going back into the 1950s, the 1960s, the 1970s, the minimum wage and productivity lines were always intersecting because we kept the increase in the minimum wage and productivity together. That was an argument that was made. There is plausibility to it.

If that argument was good enough for the 30 or 40 years that we first had the minimum wage, look what has happened in recent times. Workers have increased their productivity 115 percent, but the minimum wage has declined some 31 percent. So one cannot say we cannot increase the minimum wage because we have not had an increase in productivity. So this is certainly one of the factors.

This chart is enormously interesting because it shows that Americans' work hours have increased more than any other industrial country in the world. Look at this chart. This is an indication of the changes in hours worked per person over the period of 1970 to the year 2002. Actually, in a number of the countries in Western Europe, the percent has gone down, but we have seen in Australia, Canada, and most of all in the United States, it has gone up. Americans are working longer, they are working harder, they are producing more, and one would think that their paychecks would reflect it, at least at the lower economic end, or in all areas it ought to reflect it, but, no, it does not work that way. We refuse to give that kind of a recognition.

Unfortunately, when the President was asked about the challenges that people working for the minimum wage face, the individual conversation between the President and Ms. Mornin, who is a single mother of three, one of whom is disabled, Ms. Mornin said this was on February 4, 2005, in the Omaha Arena in Omaha, NE—I work three jobs and I feel like I contribute.

President Bush: You work three jobs?

Ms. Mornin: Three jobs.

President Bush: Uniquely American, isn't it? I mean, that is fantastic that you're doing that. Get any sleep? (Laughter.)

That is an indication that there are people in this city who just do not understand what is happening to people who are earning the minimum wage level. They are not getting any kind of recognition. People do not understand what their particular challenge is, but they ought to. I think more Americans do today than they did several months ago.

One of the most moving covers of any magazine was this September 19 cover of Newsweek. It shows a child with tears on her face: Poverty, race, Katrina, lessons of a national shame.

In this rather extensive article about the enormous tragedy that took place in the gulf and in New Orleans, it talks about the other America: An enduring shame Katrina reminded us, but the problem is not new. Why a rising tide of people live in poverty, who they are, and what we can do about it.

There are the striking photos of people who were left out and left behind. The whole article is about hard-working individuals in that region of the country down in Mississippi, Alabama, and Louisiana. Suddenly, the Nation was focused on their particular plight because when the floods came to New Orleans, we saw the tragic circumstances that they were subject to, the lack of preparation, the lack of organization, and the lack of outreach to them for so many days. These people are still struggling. Along the gulf coast, many of those communities were absolutely obliterated.

I had the opportunity, with several of my colleagues, to visit those areas 3 weeks ago or so and to meet a number of the individuals, not the particular persons who are outlined in this article but individuals whose lives were absolutely the same. We find so many of our fellow Americans who are living in poverty. We find increasing numbers of Americans living in poverty. There are 5 million more people living in poverty. I have a chart that shows it, but it certainly does not tell the story that one sees when they visit the gulf area and visit New Orleans and meet some of these families or even visit with them.

In my own State of Massachusetts at the Otis Base, where we had several hundred of the evacuees who came there, many of them rescued very late in the whole process because they had remained in their homes, some of them trying to help elderly and disabled people, and more than half of whom had arrived at Otis still in their damp and wet clothes, and they received an enormously generous and warm welcome, which they have expressed to our fellow citizens in Massachusetts.

Their stories and their lives are stories of lost hope, lost homes, lost jobs, lost health insurance, lost every aspect, tangible aspects of their lives, separated families, and lost everything but their faith and a sense of hope, a desire to try and get back on their feet. I ask, How in the world is someone going to get back on their feet when they are getting paid $5.15 an hour? How are they going to get back on their feet?

All they have to do is read through this magazine and read the life stories of these individuals who work and struggle in two and three different jobs. There is the case of Delores Ellis: Before Katrina turned her world upside down, this 51-year-old resident of New Orleans' Ninth Ward was earning the highest salary of her life as a school janitor, $6.50 an hour, no health insurance, no pension, and then she bounced around minimum wage jobs.

Ellis said: I worked hard all my life. I cannot afford nothing. I am not saying that I want to keep up with the Joneses, but I just want to live better.

Well, one of the ways that she can live better is an increase in the minimum wage. We cannot solve all of her

problems, but we sure can provide some assistance by increasing her minimum wage. It is as simple as that.

Americans can understand that. ''What can we do?'' they say. Well, there are a lot of things that have to be done. We cannot solve all of the problems, but we have to start someplace, and we are starting with an increase in the minimum wage.

Here are the figures: 5.4 million more Americans in poverty over the period of the last 4 years. This is a fierce indictment, and we are going to see these figures have even expanded as a result of the terrible effects from Katrina.

This is what has happened. As we look over history, we see at other times and other Congresses, when Congresses were controlled by Republicans and Democrats—look here, from 1960 all the way through 1980, we have the minimum wage effectively at the poverty level. This is in constant dollars. This was over a period of some 30 years, Republicans and Democrats alike. We say if you work hard, want to work and work hard, you are not going to have to live in poverty here in the United States.

Look what has happened in recent years. Here were the last two increases we had in the minimum wage and here is the collapse again of the minimum wage in terms of its purchasing power.

What did our brothers and sisters in the Congress, what did Republicans and Democrats know then, over a 30- or 40-year period, that we do not understand now? What is it, so that we are so unwilling to see a bump, a small bump of an increase in the minimum wage?

Oh, no, we have an 85-page alternative, they will call it. This is an alternative filled with what we call poison pills, filled with taking people out of coverage, filled with new changes in overtime legislation to limit people from receiving any overtime.

We know the importance of overtime to workers. Many of them use that overtime pay they receive to put away to educate a child. Here we have an attempt to undermine overtime for workers.

An argument is sometimes made that we cannot afford a minimum wage because it will be an inflator in terms of our overall economy. Our economy is somewhat uncertain at the present time, and therefore we cannot afford to have an increase in the minimum wage because it will have an adverse impact in terms of our economy.

This is an interesting chart: Increasing the minimum wage to $6.25 is vital to workers but a drop in the bucket of the national payroll. All Americans combined earn $5.7 trillion a year. A minimum wage increase to $6.25 would be less than one-tenth of 1 percent of the national payroll; one-tenth of 1 percent.

You say this is an inflator; if we increase this to $6.25, this is going to add to the problems of inflation we are facing. Here it is, it is less than one-tenth of 1 percent.

Look at what these working people are faced with. There is an increase in cost of gas of 74 percent. You ask so many of those people down in New Orleans why they were left trapped in New Orleans, and so many will tell you they were trapped because they couldn't afford a car or they couldn't afford the gasoline to get out, and therefore they were trapped. A number of them lost their lives. Others lost everything, because we have seen the increase in the cost of gasoline, 74 percent; health insurance is out of sight for any of these families, up 59 percent; housing and rental gone up through the roof, and college tuition—it has gone up 35 percent, effectively eliminating those possibilities to so many.

Now over this coming winter here, we have now at the end of October a chance to raise the minimum wage $1.10, the figure the Republicans had suggested last year. Here we have what is going to happen in our region of the country. In the colder region—not only the Northeast but in many of the colder regions—we are going to see a 50-percent increase in the cost of natural gas for heating, we are going to get about a 27 to 30-percent increase in the cost of home heating oil, and about an increase of 5 to 7 percent in the cost of electricity. Our part of the country uses 40 percent natural gas, 40 percent heating oil, and this is the rest. We see what is happening in the home heating oil.

Now we can say at least Congress is going to help some of these families because they are going to recognize the explosion of these costs of heating and keeping warm in these homes. In many instances it is as important as their prescription drugs and the food they eat. They are going to have to make some hard choices. This is the reality. We are saying at least give them $1.10. You are going to find out if any of the minimum wage workers, maybe working a couple of jobs and maybe with a home up in New England—their heating bills are going to go up $600 or $800 or $900 over the course of the winter.

What is Congress doing? Basically it authorized the $5 billion to try to help provide some relief. We hear the explanation for the increase in these costs is because of what has happened to refineries in the gulf. That is an act of God. We couldn't control it. So those refineries are down. Now we find out that the gas and heating oil have gone up and it is going to be particularly harmful to needy people, to poor people, to people earning the minimum wage.

Are we giving them any help and assistance? The answer is no to that. We are not seeing any increase in the home heating oil program, the LIHEAP Program. We are not seeing any increase in that.

They are getting the short shrift every single way: No help and assistance in facing a cold winter, no help and assistance we can provide by approving a $1.10 increase.

I see my friend from Iowa here on the floor. I want to point out to him, as someone who has been such a strong supporter on these issues, here is a two-page increase for the minimum wage in $1.10. Here is the Republican alternative, 85 pages. It rewrites the whole of labor laws, 85 pages. If you are going to be against it, why don't you just be courageous enough to say no?

No, no, they want to say: Oh, no, we have a real alternative in here. We are going to exclude a number of people who are covered with the minimum wage. That is where we are going to start, so they are not even going to get the $5.15 an hour. And we are going to make many people work overtime and not get overtime pay. Oh, yes, we will do that.

You know what else, I say to Senator HARKIN. There are provisions in here that say if you are an employer and you effectively violate what they call a paper report in here, you will get a nonmonetary fine. You will get no monetary fine, even though that might be an oil spill, that may be contaminated food. Why are we pulling that here in the Senate this afternoon? What is it about it that we suddenly know so much about that particular issue here on this particular legislation?

If you are going to be against $1.10, be against $1.10. But they have all of the other shenanigans in that legislation that are going to provide additional short shrift for the neediest people.

I will be glad to yield some time to my friend and colleague from Iowa.

The PRESIDING OFFICER (Mr. SUNUNU). The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I thank the ranking member for his leadership on this issue and so many issues that affect working families in America. Senator KENNEDY has been trying for years to get some measure of justice for the working poor in this country, trying to get the minimum wage raised. Senator KENNEDY has been out here each of the last 7 or 8 years trying to get this done. Every year the other side turns him back. But this year we cannot turn him back. We have to adopt this increase, this modest increase in the minimum wage.

We debated this amendment by Senator KENNEDY last March on the bankruptcy bill, to raise the minimum wage. It failed on a largely party-line vote 46 to 49.

We are back at it again. You would think after what we saw with Hurricane Katrina, where the mask was ripped off of George Bush's America, an America where the poor are out of sight and out of mind, you would think that Katrina brought home to us that they are very much present all over this country. By the poor, we don't mean those who are just not working, who are loafing or sloughing off; these are people who work. They go to work every day. They work hard. They try to raise their families. Yet, our minimum wage law says they are only worth $5.15

an hour, the same wage it was over 8 years ago. We have not raised it in 8 years.

Thirteen percent of our people are living in poverty. I say to my friend from Massachusetts, there is always this talk about all the people who got off of welfare in the last decade. They may have gotten off of welfare but they didn't get out of poverty. They are the working poor. They are working every day but they are not out of poverty. They may be off of welfare but they are not out of poverty.

You would think those of us here in the Senate who have had our pay increased several times over the last 8 years to adjust for the increased cost of living would at least raise theirs. Right now minimum wage workers are earning $10,712 a year. I don't know if any of you have ever read the book by Barbara Ehrenreich called ''Nickel and Dimed,'' where she went out and tried to live on minimum wage jobs and what it was like. I commend it for your reading. It will give you an idea of what people go through as they try to work and raise their families.

We keep hearing the age-old argument. I have heard it every time in the last 30 years I have served in both the House and Senate every time the minimum wage comes up: These are teenagers flipping hamburgers; nobody else makes that.

But we know what the facts are. Facts are stubborn things. We have a lot of doubt—don't trust me, trust your own Department of Labor. Trust the one that is run downtown right now. Here is what they will tell you: 35 percent of those earning the minimum wage are their family's sole breadwinner—35 percent. It doesn't sound like a teenager flipping burgers to me.

Sixty-one percent are women and one-third of those are raising children—61 percent of those are women. This is a women's issue, too, when you think about it. Most of them are stuck. Many of them are single parents. Many of them are not receiving child support, and they are doing their darnedest to raise their kids. They are working and they are making $5.15 an hour.

Last March, when we voted on the Kennedy minimum wage increase, there was talk that the Senate Finance Committee would move a markup of a welfare reauthorization bill. I heard the words on the other side of the aisle—let's not do it now; we will wait for welfare reauthorization. We have been waiting. There is no welfare reauthorization bill. There is none.

So now is the time to do it. We cannot wait any longer and neither can the working poor. The minimum wage needs to be raised to a level that is not just a subsistence wage but a wage that respects work, honors work, and rewards work at a reasonable level.

Listen to this: Franklin Roosevelt, when we passed the first minimum wage law in the 1930s and Republicans were opposed to it—I assume that comes as no surprise to anyone here—President Franklin Roosevelt said:

> No business which depends for existence on paying less than the living wages to its workers has any right to continue in this country.

He went on to say:

> By living wages I mean more than a bare subsistence level. I mean the wages of a decent living.

President Franklin Roosevelt had it right. America can do better than what we are doing right now, a poverty wage of $5.15 an hour.

Senator KENNEDY went over some things I think bear repeating when you look at what is happening.

I was in Iowa this weekend. What I am hearing more than anything else is the cost of natural gas prices, heating oil prices double. I heard testimony from a man that his heating oil prices have doubled.

Low-income people have to go pay their heating bills.

There is another little quirk in the law. The Senator from Massachusetts mentioned the LIHEAP program. We need to put money in the LIHEAP program. There is a little quirk in the law that even I didn't know about, and I have been working and supporting LIHEAP for all these years. If you are cut off of your supply, you are then ineligible for LIHEAP. Imagine that.

Let us say you get heating oil. It is a deliverable commodity. It is not like a natural gas pipeline. Let us say you can't pay your bills. You have some bills left over, you can't pay them, and they refuse to deliver heating oil to your home. You are not now eligible for LIHEAP. That is right. You have to get the money upfront.

That is what we are trying to get, more money for LIHEAP. Yet the other side will not allow us to do so. I had testimony from a young mother who got LIHEAP in this past year. You hear these stories. They tear your heart out. She is a single mother with a small baby. She said because they ran out of money, she put her baby in the bathtub in the small bathroom with a space heater during the day. Then at night, she puts her baby in two snowsuits and covers her up hoping that they would be warm all night as she put her in bed next to her.

Real people live this way. It is hard for some of us to imagine. Real people live that way. They are making the minimum wage. That is what she was making, minimum wage.

If you look at the price of gas, up 74 percent; health insurance, up 59 percent; housing, up 44 percent; college tuition, up 35 percent, yet the minimum wage is stuck where it was 8 years ago. Who can afford to pay all of these increases? Obviously, if you are one of these big corporate CEOs, here is where you are, up here. Here is where workers' wages and benefits are, down here.

Listen to this. I don't mean to pick on any one person. Mark Hurd took over as CEO of Hewlett-Packard in March of this year. He may be a fine, decent person. I do not know. I am casting no aspersions on him. I am just talking about what he got: an employment agreement worth $20 million in cash, stock, and perks. Included in his pay package was a $2 million signing bonus, a $2.7 million cash relocation allowance, free housing for a year, and a 4-year mortgage interest subsidy.

With housing costs up 44 percent in the last 4 years, imagine what it would mean to a low-income family to have a year's worth of rent or mortgage-free housing. Imagine that. But Mr. Hurd, who got $20 million, got that.

In 1999, Mercer Human Resources Consulting began tracking the proxy statements of 100 major U.S. corporations. In 2004, according to Mercer's survey, CEO bonuses rose 46.4 percent to a median of $1.14 million, the largest percentage gain and the highest level in the last 5 years. CEOs in this study enjoyed median total direct compensation of $4,419,300 per year. That CEO compensation figure in excess of $4 million is 160 times the income of the average U.S. production worker last year.

All we are asking for is a paltry $1.10 increase in the minimum wage. You would think this would be adopted unanimously in the Senate.

So you can see the ''suits'' are taking care of themselves in our society. But the working poor, forget about it. They are left on the side of the road in the shadows.

President Bush in New Orleans after Katrina said: ''We should confront poverty with bold action.''

Where is the bold action? Where is the strong voice in the White House asking this Congress to step up to the plate to increase the minimum wage and do what is right. You have just the opposite. We have the White House supporting the Republicans in the Senate saying no to this small increase in the minimum wage.

I think it is unconscionable. Have we in the Senate finally joined the Neiman Marcus crowd? Have we become so totally insulated from real families who shop at Wal-Mart and Kmart? Have we become so insulated from families who struggle to get by day after day that we can't even see the necessity of raising the minimum wage $1.10 an hour? Is that what we have become? I certainly hope not.

I am sorry that somehow it becomes a partisan issue. It should not be a partisan issue. I would have thought the other side would join and say, yes, we have to do this together. We wouldn't be standing here having this debate.

I urge my colleagues to support the Kennedy amendment. It is the right thing to do. It is long overdue. I hope when people come to vote they think of those families out there who have nowhere else to turn.

If we don't increase the minimum wage, they are going to be colder this winter, they are going to be sicker, they are going to go to the emergency

rooms, and we will pick up that tab, too. Their kids are going to be less healthy. They will not learn as well in school. Anxiety levels will rise and families will disintegrate.

To me, raising the minimum wage is a small price to pay for domestic tranquility, to say to those 37 million Americans out there—as I said, most of whom are women, many of whom raise families on the minimum wage—we can do better, and we have to do better.

I urge my colleagues to support this amendment. I thank my leader and my colleague from Massachusetts, not only for today but for all of the battles he has waged for so many years on behalf of basic justice and fairness for America's working families.

I thank the Senator from Massachusetts for yielding me this time. I thank him for his great leadership on this and many other issues of basic justice.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield such time as the Senator from New York may use.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mrs. CLINTON. Thank you, Mr. President.

Mr. President, I find it almost hard to believe that we are on the floor of the Senate arguing over the necessity for an increase in the minimum wage.

I am strongly supportive of Senator KENNEDY's amendment, and proud to cosponsor it. I urge my colleagues on both sides of the aisle to vote in favor of it and to oppose the second-degree amendment.

This amendment does not go as far as I or Senator KENNEDY and others would have preferred. It raises the minimum wage to $6.25 an hour, far short of the $7.25 an hour that Senator KENNEDY and I and 48 other Senators proposed in March. But we could never get a vote on that. This amendment, however, should have even greater support than the 50 cosponsors we had last March. It should pass unanimously out of this body. Fifty Senators just last March supported an increase to $7.25. And now we have to cut the increase with a hope that we can get, No. 1, the vote we are hoping to get on this appropriations bill, and, No. 2, an overwhelmingly bipartisan passage.

Since March, we have seen even more evidence as to why this is critical. At a time when working families are struggling to make ends meet, it is critically important that we do something.

Senator KENNEDY has called this amendment a downpayment on what is truly needed. Today, the Federal minimum wage is $5.15 an hour, an amount that has not been increased since 1997.

Unfortunately, the same cannot be said of the cost of living. Over the past 3 months, according to the Federal Department of Labor, inflation has increased more rapidly than any time since early in 1990.

We also know the poverty rate is going back up. The fact is, there has not been one net new private-sector job created in the last 4½ years.

This chart, which should be a rebuke to all of us, shows that we now have increased the number of people living in poverty. In 2000, we had 31.6 million people, which was far too many. Now we are up 5.4 million. Why? Because the economy is not creating jobs, and many of the jobs that are in the economy are no longer paying wages that families can live on and can work their way out of poverty.

We know everything else has gone up. Across America, people are spending 74 percent more on gas than they did at the beginning of 2001. Heating oil prices are expected to rise by more than 50 percent this winter. Such rapid price increases will force consumers, especially poor working people, to cut spending on clothing, health care, and food so they can get to work and keep warm this winter.

These rising costs and falling wages are illustrated in this chart. Where heating oil is going up dramatically, the buying power of the minimum wage is going down. Of course, we are in the post-Katrina phase, which, lest we forget, demonstrated in stark terms how so many Americans live every day on the brink of economic disaster. Any setback becomes a major obstacle to being able to pay for gas, pay for food, pay for health care and prescription drugs, pay for tuition, pay for all of the necessities of life.

It is hard to stand with this amendment before the Senate and not wonder, when will the majority stop giving privileges to the already privileged? At what point is it too much? Never has a political party given so much to so few who needed it so little. And it never ends. We are more than happy to continue to provide tax breaks for the wealthiest among us while we cut the social safety net, while we refuse to raise the minimum wage. Shame on us. At some point, there has to be a recognition that we are tilting the scales dramatically against average Americans. The middle-class wages are stagnant. Health care costs are going up. The number of the uninsured is going up because people who work hard for a living are no longer offered insurance or cannot afford to pay what it costs. Pensions and retirement security are at risk. There is something wrong with this picture.

With all due respect to those who have a different economic philosophy, rich people did not make America great. I am all for rich people. Ever since my husband got out of office and got into the private sector, I think it is great. I never knew how much the President really liked us; he cannot give us enough tax cuts. I have nothing against rich people; that is part of the American dream. But with all due respect, it is not rich people who made America great. It is the vast American middle class. It is the upward mobility of people who thought they could do better than their parents.

For more than 100 years, we have worked very hard to make sure the deck was not stacked against the average American. Teddy Roosevelt understood that if we did not have a fair playing field, if people were permitted to monopolize capital and abuse labor, a lot of people would get rich, but the vast majority of Americans would never get ahead. So he began to agitate for and accomplish making sure we had a fair economic system.

As we moved through the 20th century, we saw adjustments made. Franklin Roosevelt understood that the hazards and vicissitudes of life strike any of us and that a fair and just society tries to provide a little help so that people overwhelmed by circumstances often beyond their control would be able to keep going, raise their children, and plan for the future. We put in a lot of Government programs to make sure we had a balance of power, a balance of power between capital and labor, between management and employees. And it worked very well.

The history of the economic prosperity of the American middle class in the 20th century is the greatest example of what can happen in a democracy where people's energies are freed so they can compete for themselves but within a framework of rules. I am very proud of the progress we made in the 20th century, and I am particularly proud of the last 8 years of the 20th century where 22 million people were lifted out of poverty, where we raised the minimum wage, where we said to people: You have to work, but if you work, we will make sure you and your children have a fair chance.

We have reversed that progress. It appears as though people are just sleepwalking through this Chamber and the Chamber on the other side of the Capitol. Don't we see what is happening before our very eyes? We are undermining the American dream. We are making it nearly impossible for people to believe that tomorrow will be better than today and yesterday.

These numbers speak for themselves. Look at this. The minimum wage no longer even lifts a family out of poverty. You can go to work 40 hours a week, you can clean the rooms and the toilets in a motel, you can serve the food in a restaurant, you can work in a small factory, you can make that minimum wage, and you cannot even get your family out of poverty. What kind of message does that send? The whole idea of America is if you work hard and you play by the rules, you will be successful, you will have a chance to do better.

Look at that chart. It speaks for itself. We have been on a steady slow decline. Even when we got a bipartisan agreement to raise it in 1997, we still did not get above the Federal poverty line.

What message are we sending to millions of hard-working Americans? I represent a lot of them. I represent

people who are working hard for a living. You see them on bicycles in Manhattan delivering food. You see them doing all the hard work, the janitorial services at night. In upstate New York, I see them as they get up every day and go to work and believe that they are doing what they should do. What message are we sending them? Too bad, keep working. Don't expect anything from us. We are too busy giving tax cuts to the wealthiest of Americans.

That is a choice that will be made by this Senate. As far as I can tell, it will be a choice to vote against the minimum wage and to vote instead for the second-degree amendment which is designed not only to defeat Senator Kennedy's amendment but to do even more harm to the paychecks of working Americans.

This is what I don't understand. The second-degree amendment denies more than 10 million workers the minimum wage, overtime, and equal pay rights by ending individual fair labor standards coverage and raising the threshold for which a business would be held accountable to 1 million from 500,000. In short, and let's make no mistake about this, the second-degree amendment would be the end of the 40-hour workweek. So we can go right back to the end of the 19th century because that is where we are heading. There are those, bless their hearts, who believe America was better off at the end of the 19th century, when you were told what to do, and you had to do it, and you did not have much of a choice about it. I don't agree with that. I am proud of the progress we made in the 20th century, but I am absolutely convinced some people are trying to head us right back there.

If it is the end of the 40-hour workweek and the end of the American weekend because there are no rules on overtime, that means a pay cut of $3,000 a year for the median-income earner and an $800 pay cut for those earning minimum wage. Now employees are already free to offer more flexible schedules under current law, but today if they come in and they tell an employee, ''Guess what, I need you this weekend, you are going to have to work'', they have to offer overtime when the work is more than 40 hours a week. The second-degree amendment would undermine that basic protection. So instead of making it easier for families to spend time together, we basically are going to tell workers that they have to do whatever they are told at risk of losing their job without any overtime pay or any other compensation.

The second-degree amendment also prohibits States from providing stronger wage protections than the Federal standard for employees such as waiters and waitresses who rely on tips. The amendment removes agency discretion and creates a safe haven for violators of a broad range of consumer, environmental, and labor protections by prohibiting Federal agencies from assessing civil fines for most first-time reporting violations and preempts States' abilities to enforce these laws.

In my State, we happen to think that some of those rules need to be enforced. James Madison said in the Federalist: If men were angels, there would be no need for a government. But we aren't, and we never will be, not on this Earth. The job of government is to help level that playing field, help right that balance. Otherwise, people are powerless to defend themselves, especially when they have to get up every day and go to work to keep body and soul together and food on the table, particularly if they are single parents trying to make do on minimum wage.

It is disheartening. We could have had an up-or-down vote on the minimum wage. If you want to vote against the minimum wage, vote against the minimum wage. But to introduce a second-degree amendment loaded with poison pills that are against workers, that are against fairness, that speaks louder than any words I could say in this Senate.

There will be a day of reckoning. We cannot continue to tilt the scales against the vast majority of Americans and not be held accountable in the political process. The mask has been ripped off of compassionate conservatism, and people see it for what it is—partisan politics to favor the rich. If that is what we are going to be fighting against in this Senate, I guess bring it on, because on that fight the vast majority of Americans, regardless of what party they claim, are on the same side. They want to make sure the deck is not stacked against them, that they have a fair chance to compete, and that their labor gets a fair return.

I hope our colleagues will rally in support of Senator KENNEDY's amendment and vote against the second-degree amendment. We should pass an increase in the minimum wage, and it should not come at the cost of denying basic rights to millions of Americans and turning the clock back to the 19th century, which is what it would do.

I yield the floor.

Mr. ENZI. I yield the Senator such time as he may consume.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from New Hampshire.

Mr. GREGG. Mr. President, as we speak in the Senate, sometimes we are caught up in hyperbole. I am certainly afraid that has been the case on the other side as they try to describe flextime. To say this is a return to the 19th century is a unique view of something which all Federal employees have the right to do today, which is to exercise flextime.

Why is flextime allowed for Federal employees? Because there are a lot of people who work in the Federal Government who would like to have the opportunity, if somebody in their family, for example, is getting married, to be able to restructure their workweek so that one week they will work more hours, and the next week, maybe the week their daughter or son is getting married, they work fewer hours so they can participate in the excitement of planning for that wedding.

There are a lot of people in the Federal Government who, when one of their family members, unfortunately, gets very sick and has to go in for an operation, want to be able to be with that loved one during that time of tremendous trauma. They want to be able to get to that hospital and not worry about not doing their job correctly at the same time. So they seek the opportunity of flextime, too.

Then there are other people who work for the Federal Government who have children who do exciting things. Maybe they are in plays. Maybe they are in bands. Maybe they are good athletes and in sports. Maybe they are not good athletes but sit on the bench, but they like to go to those games, they like to go to those plays, they like to go to those band recitals. Maybe they are a fair distance away, so they want to drive them, they want to take that extra Friday afternoon and take them out to that event because it is a big part of their life, a big part of their family, and they take advantage of flextime to do that so they do not undermine their ability to do their job.

Is that the 19th century way we deal with employees? What an outrage to make a statement like that. Maybe the Senator from New York has some unique view of the 19th century that says that when you give a family more time off to deal with family issues, that is counterproductive to having a strong family. Maybe we are not raising a village when we do that, but I sure think we are encouraging the strength of the family when we do that for our Federal employees.

What are we suggesting here? We are suggesting the employer and employee in the private sector have the right to reach the same agreement that the Federal employee has with the Federal Government; that over a 2-week period, an employer and an employee, only with the consent of the employee, only under a voluntary condition, without any mandate, and with significant safeguards so there cannot be any coercion, that employee and that employer, if they decide it is to the benefit of both of them to allow the employee to shift their workweek from a 40-hour week one week and a 40-hour workweek the next week to a 50- or 45-hour week one week and a 30- or 35-hour week the next week or something in between, they will have the right to do that. It does not undermine the 40-hour workweek. It encourages more productivity, and it gives people more opportunity to be home, in most instances, to participate in important events, some of them unasked for, some undesired such as health issues, and some very exciting such as weddings or children doing special things in school. Or it may simply be a young couple who wants to get away a little early some week in order

to enjoy the fact they are newly married. Or it could be any other multiple of personal events that might occur that causes somebody to say: I would like to work longer one week and less the next week so I can take advantage of that.

How can the other side of the aisle, in good conscience, and with a straight face, come to this floor and say that is some sort of coercive event, that is some sort of event that undermines the right of individuals and the labor force of America, especially when that right is given to all Federal employees and many State employees? The exaggeration is extraordinary. The hyperbole is excessive. The policy they are suggesting is 19th century. They are saying: You are going to work 40 hours this week, and you have to work 40 hours next week, and no matter how much you might not want to work under that structure, you cannot change because we know better than you know. I, the Senator from New York, know better what the employees' workweek in New Hampshire should be like. Or the Senator from New York knows better about the workweek than the people of New York.

Well, I happen to think that allowing people to develop some opportunities to structure their workweek so they can better care for their family, better assist their family's lifestyle, have a better quality of life—doing it all in the context of protecting the rights of the worker so they are not asked to work any more hours, doing it all in the context of a voluntary program, doing it all in the context of allowing the employee to make the decision, not the employer—I happen to think that is a pretty appropriate way to deal with somebody's work in relation to their lifestyle. I think that is a 21st century approach.

I think the other side's proposal is a 19th century approach. Or maybe that is too much hyperbole. Let me just say the other side's approach is misguided. I think our approach gives people the type of flexibility—that is why it is called flextime—in which most people would like to have the opportunity to participate. This is a good proposal.

It is especially good because it comes in the context of being the essence of the debate now. The Senator from Massachusetts has adjusted his amendment so the amount of increase in the minimum wage is essentially the same as the amount of the increase in Senator ENZI's bill. The issue of dollars relative to the wage increase is no longer a factor. That is no longer a factor. The only thing we are really debating about right now is giving small businesses some relief and allowing people flexibility in their workweek, which we give to all Federal employees, but for some reason the other side resists giving to people who do not work for the Federal Government and who are subject to the 40-hour work rules.

So I must say, with respect to the other side, I find it disingenuous for them to argue that it becomes a 19th century approach to say we would like people who are in the private sector to have the same rights as people in the Federal sector. People in the private sector should have the same rights as people in the State sectors. People in the private sector should have the right of their own volition, of their own initiative, protected by significant laws which avoid coercion, to choose to work longer one week and less the next week so they can do things such as participate in their family's lifestyle, whether it is a soccer game, a wedding, or whether it would be, unfortunately, some medical event, or anything else that is appropriate.

Mr. President, this amendment by the Senator from Wyoming is an excellent amendment, and in the context of the debate, it is especially excellent because, essentially, we are not fighting over increasing the minimum wage any longer in the two amendments. All we are fighting over is whether we are going to give small business a little more protection, a little more right to be productive and therefore create more jobs, whether we are going to give individuals the opportunity to have more flexibility and a better lifestyle.

Mr. President, I yield the floor and yield back the remainder of my time, to the extent I have any, to the Senator from Wyoming.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I have a question on time. How much time remains on either side?

The PRESIDING OFFICER. The minority has 24 minutes. The majority has 76 minutes.

Mr. KENNEDY. We have 24 minutes; is that correct?

The PRESIDING OFFICER. Twenty-four minutes.

Mr. KENNEDY. Mr. President, I yield 8 minutes to the Senator from Illinois.

Mr. DURBIN. Mr. President, I thank the Senator.

Mr. DODD. Mr. President, may I ask unanimous consent that I be allowed to follow the Senator from Illinois? I ask unanimous consent that I can speak for 7 or 8 minutes following the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Massachusetts controls the time.

Mr. KENNEDY. Mr. President, I yield such time to the Senator from Connecticut as he has requested in his request, following the Senator from Illinois.

The PRESIDING OFFICER. The Senator will be so recognized.

The Senator from Illinois.

Mr. DURBIN. Mr. President, America will not soon forget the images of Hurricane Katrina, some of the poorest people in our country exposed to the worst natural disaster in current memory. We watched that television screen 24/7 and saw our fellow Americans struggling to survive, fighting the floodwaters, trying to keep their children and their families together.

America may not soon forget that image, but, sadly, many politicians in Washington have already forgotten. The poor people of New Orleans who suffered—as those who did in Mississippi and Alabama—those poor people were underwater long before Hurricane Katrina arrived. They were underwater because they were submerged by poverty. They were submerged by a health care system that denies them basic health care protection. And, yes, they were underwater because if they got up and went to work every single day, and worked 8 hours a day, the most they could hope for under Federal law is $5.15 an hour.

It has been 8 years since we have raised the minimum wage. Senator KENNEDY of Massachusetts has valiantly raised this issue every year, begging the President to come forward and stand up for those poor, vulnerable people in America. Today he asks for what is a modest increase in the Federal minimum wage: 55 cents an hour within 6 months of enactment, and another 55 cents an hour 1 year later.

Not a single family with this increased minimum wage will really get out from under the burden of poverty. We know it. Take a look at what families face today. Since 2001, the price of gasoline has gone up 74 percent. I think it is even higher. Health insurance, has gone up 59 percent, if you are lucky enough to have it. Housing has gone up 44 percent. College tuition has gone up 35 percent.

Yet when we come to the floor and ask for the most basic minimum wage increase for the hardest working people in this country, we are told by the Republican side of the aisle, no. No. They have forgotten the images of Hurricane Katrina. If they ever experienced them, they have forgotten what it is like to have a limited amount of money to try to feed and clothe and shelter a family. Mr. President, $5.15 an hour in the United States of America? Why in the world are we even debating this? For Senators to come to the floor and say: Well, we want to give employers more flexibility on overtime—do you know what that means? It means denying workers overtime pay.

Do you know what their proposal is? If your employer comes to you and says, ''Listen, the boss says you are going to work 50 hours this week and 30 hours next week,'' you put them together and it is 80 hours. No overtime. ''I hope you enjoy a little more time with your family.'' Really? Fifty hours this week, 10 hours of overtime but not an extra penny in overtime pay. That is the Republican proposal. Great ''flexibility.''

One of the Senators said that gives you more time to go to soccer matches with your kids. Well, assuming you can afford the gasoline for your car to get to that soccer match, you realize in your heart of hearts you are making less money than you would have made

trying to make ends meet and keep your family together.

Let me tell you something else that troubles me, too. How many people are standing up on the Senate floor and talking about what is happening to corporate profits while workers' wages are suffering? Corporate profits have gone up 105 percent, while basic workers' wages have gone up 3.2 percent. It just tells you that when it comes to providing some opportunity in this country, there is plenty of opportunity for those with the highest levels of income. We give them the tax breaks and ignore the working families struggling every single day to keep it together.

Senator ENZI of Wyoming is a good colleague. He and I have worked together on many good things, and I am happy to work with him in the future. I have to tell you, his amendment is a very bad idea. The Enzi amendment would deny to more than 10 million workers across America the minimum wage, overtime pay, and equal pay rights. And, sadly, it would be the death of the 40-hour workweek.

In the home I grew up in, we knew that the Good Lord gave us the Sabbath. We knew that organized labor gave us the weekend, understanding that families would work hard Monday through Friday, and they could spend time together on Saturday and Sunday. You will see the end of that weekend with the Enzi amendment. You will see workers plunged into extra hours of work without overtime pay, for a whole week, and fewer hours the following week, and no overtime benefits.

That really cuts the heart out of opportunities for families across America. We have to understand something very basic in this country. We are going to make some important decisions in the closing weeks of this session. Will we remember the vulnerable people who were the victims of Hurricane Katrina? Will we understand how many other families across America are underwater today because they do not have health insurance, they cannot afford gasoline? They are working 40 hours a week and cannot make ends meet. They are deep in credit card debt and cannot get out of it.

For once, wouldn't it be great if the Senate came together on a bipartisan basis to stand up for working families? The way to do that is to vote for the Kennedy amendment and to oppose the Enzi amendment.

Mr. President, I reserve the remainder of my time and yield the floor.

The PRESIDING OFFICER (Mr. MARTINEZ). The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, let me begin by thanking our colleague from Massachusetts for, once again, offering this amendment. As he has pointed out already, this is a pared-down version of what was offered before. It is hard to comprehend how anyone, let alone a family can make ends meet on $5.15 an hour. How do you pay for housing, food, clothes and other staples?

I have often said—and it has been repeated by others—the best social program ever created was not by an act of Congress. It was not created by a regulation or rule. The best social program ever created was a job. Think of all the benefits, the intangibles, that accrue as a result of having a good-paying job.

Here we are saying to people: Work hard and make only $5.15 per hour. You cannot even begin to provide for the basic needs of your own family.

What bothers me a great deal is how things have changed here in the Senate. In my 24 years in the Senate, I recall with great vividness the real discussions we had. I won't bore my colleagues going back to the Roosevelt administration, although it is not insignificant to talk about it. But just in more recent years, the minimum wage battles were not battles. They were resolved in a bipartisan way. My colleague from Massachusetts can tell you chapter and verse how it was done.

What has happened to us? What is wrong with this Congress, in these days, that we are incapable of raising the minimum wage to meet even the level of inflation for poor people in this country? Increasing the minimum wage was never a divisive battle. That was done by almost unanimous consent. We would work it out, come up with an amount that we could afford that made sense for people, and enact it.

These are familiar examples, as shown on this chart, going back to the Roosevelt administration, when the minimum wage was enacted, going through the Clinton administration, where we were actually able to get those kinds of agreements between Republicans and Democrats. And here we are now, for the last 5 years, still battling over whether we can get a modest increase in the minimum wage.

I am really stunned by it. This increase of $1.10, gets you to $6.25. It provides for some additional groceries and rent, 1 year of childcare. That would be an additional $2,288 if we adopted the Kennedy amendment.

There are so many examples that can be cited about what this means and what people are going through. The Senator from New York raised this earlier. Senator KENNEDY has, as well. This is that chart that shows where the minimum wage is. As shown here, this is the poverty line. The black line is the poverty line. We have been without these increases in the minimum wage. People are literally staggering at the bottom with a little more than $12,000 a year. Here is the poverty line.

How do you explain to people, good people, what we are doing in this Congress when we cannot even get this number up even close to the poverty line for people to make ends meet? What has happened? This never was a debate that caused great friction—to talk about making sure people out there working hard would be able to provide for their family. Now, we would turn around and say: You are not even going to get the kind of level of support that makes it possible to make ends meet.

I would hope that, No. 1, we would adopt this amendment. Let's get back to the days when we were able to come to agreement on something that would take people who are struggling and give them a chance to make ends meet.

I have one more chart that highlights the importance of all of this. Consider what is going to happen as heating oil prices go up by more than 30 percent. We are talking about the minimum wage actually going down in excess of 8 percent in terms of its ability to help people make ends meet. We have the Bush economic plan that is going to have rising energy costs with a declining minimum wage. What in the world do we think people are going to do? How are they going to make ends meet? How does that get done? What happened to compassionate conservatism? What happened to the days of the first Bush administration, and the Reagan administration as well, when we were able to come to agreement about the minimum wage?

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

Mr. DODD. I am happy to yield.

Mr. KENNEDY. The Senator very eloquently pointed out the fact that we haven't seen an increase in the minimum wage in 9 years. Inflation has eaten away from that $5.15 as costs and prices have gone up. Is the Senator aware of the increase in the minimum wage that has taken place, for example, in Great Britain? They have the second most successful economy in Europe; Ireland being No. 1. They were at $8.56 an hour. This year they have gone to $8.85 an hour. Next year, in October, they will likely go to $9.44 an hour. From 1999 to 2003, Great Britain has brought more than 1.8 million children out of poverty. That is what has happened in another economy that says that the increase in the minimum wage and providing at least a living wage for individuals is not adverse to the economy. It is important to an economy. And most importantly, it has been crucial to lifting children out of poverty and avoiding the kinds of circumstance that we have seen after Katrina.

Why is it that they can understand this and be so successful, and we, 9 years later, are still on the floor of the Senate for an hour and a half, and I bet we will still be unwilling to provide an increase of $1.10 for some of the hardest working Americans?

Mr. DODD. In response, the Senator makes a very good point. We have a tendency to think about raising the minimum wage as being a cost to society. What the Senator from Massachusetts is pointing out is quite the contrary. Raising the minimum wage is an overall benefit. In fact, the Senator is absolutely correct. In Great Britain, in fact, in no small measure because they have actually raised the minimum wage, the economy of that nation has improved. In the years since we have

not increased the minimum wage in this country, we have watched millions more of our fellow citizens fall into poverty. There is a direct correlation. We now have some 13 million children in America living in poverty. What is the 21st century going to offer if we are raising a generation of so many of our children living in poverty? Overall, 37 million Americans are living below the poverty level. In fact, more than 5 million Americans have fallen into poverty in the last 5 years. In Great Britain, as the Senator points out, as a result of increasing the minimum wage, people have actually been lifted out of poverty and the economy of their country has improved.

What the Senator from Massachusetts is offering today is substantially less than proposals he made earlier. This increase would be to $6.25, if we can get it approved. We ought to come together around this. What a great day it would be in America for the Senate, on a bipartisan basis, to support this modest increase in the minimum wage.

With all due respect to my good friend from Wyoming, his amendment is some 80 pages long. I suggest to my colleagues, in the hour you have left before we vote, that you read this amendment carefully. I think you will be stunned to discover the impact of this amendment.

I ask my friend from Massachusetts, on page 17 of the Enzi amendment, correct me if I am wrong, as I read line 7, subsection 5 of this amendment, it says:

> Notwithstanding any other provision of law, no State may impose a civil penalty on a small business concern, in the case of a first-time violation by the small business concern of a requirement regarding collection of information under Federal law, in a manner inconsistent with the provisions of this subsection.

That is a license, in my view, to go off and do anything, notwithstanding any other provision of law. It could wipe out all other Federal laws. Do my colleagues know which laws are being eliminated, notwithstanding any other provision of law? You could lie and cheat and steal. Am I reading this correctly?

Mr. KENNEDY. The Senator is correct. Effectively, what this does is preempt all 50 States from being able to enforce any of the Federal laws which they are mandated to enforce. I don't know where we get this idea. That could be on safe water, environmental, toxic substances. It could be on oilspills. It could be on any other matter. They preempt the States. Where is this idea coming from? Where did this idea come from? Preempt the States from any kind of enforcement, what in the world has that to do with an increase in the minimum wage?

Mr. DODD. Again, we are looking at an 80 page amendment. This is only one provision that I happened to read quickly. Do my colleagues know what they are voting for? It literally could wipe out all the Federal laws that a State would have to protect its people. That is ridiculous. With all due respect, this amendment ought to be defeated.

I know very little time remains. I urge my colleagues to consider this modest request to increase the minimum wage and reject the Enzi amendment. That amendment goes beyond raising the minimum wage and requires far more work than we can do in a 1-hour debate. Its implications may only be discovered weeks or months from now.

This ought to be rejected if for no other reason than I don't think we even know all that is in it.

I urge adoption of the Kennedy amendment and the rejection of the Enzi amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I yield myself such time as I need. I probably need quite a bit because the problem with debate on the floor of the Senate is that we don't listen to each other. I have said a lot of times that in committee, we are a much more informal group when we are marking up things. Consequently, if there is a misunderstanding or a disparity, we can get together and we can talk about it and we can find out how people were wrong.

I am disappointed that we haven't talked about this. A lot of these have been available before. But what the American people get to see is the 20 percent of the stuff that we will not agree on and, worse than that, probably 40 percent of the stuff that we don't want to listen to.

There have been some gross misstatements here. I want to start with just the last one, talking about allowing people to do whatever they want without a fine. That is such a gross misstatement that I am really disappointed in the opposition. I even heard the opposition say that that would allow people to have oilspills. I don't know how oilspills fall in the category of a first-time paperwork collection. That is all it applies to. If a small business makes a mistake sending data to the Government, just data, just a form—they miss a little bit on the form or they miss the deadline slightly and they immediately correct it and it doesn't hurt anybody—that is all that provision does.

If you are a small businessman out there trying to comply with the thousands of pages we have in a whole bunch of different areas, and you miss one paperwork deadline, you can be fined pretty severely. That is paperwork. That is not oilspills. That is not EPA. That is not any of the other things. It is data collection. That is what the amendment says, data collection. Read the whole amendment. If a small businessman misses a deadline or makes a mistake on paperwork and it is correctable and it is corrected immediately and it doesn't harm any employee, then they are not subject to the fine that time. That is a small concession to the small businessman, a very small concession.

On this whole bill, I am absolutely amazed. We are talking about the same $1.10 increase on the Democratic side that we are talking about in my amendment. There is no difference. Both of them provide for a $1.10 increase over the same period of time. We are not talking about which side is going to put people in poverty. Obviously, there is no listening from that side.

I have to be upset when it is claimed that apparently the minimum wage is the reason for Katrina. You can't go that far, folks. You can't. There isn't a connection between the minimum wage and Katrina happening. There isn't. Yes, there were people involved in that tragedy who were at the minimum wage, just as there are people under the minimum wage across the whole United States. But there isn't a connection with Katrina. It makes nice rhetoric. That is what we tend to do on the floor, make rhetoric. We ought to be making policy. What I have here is good policy for small business.

I also heard some statements about how all the small businessmen are wealthy, and they do that on the backs of employees. First, they are not all wealthy. Secondly, the implication that they are unethical to get that money is also not correct. There are small businesses out there that wind up paying their employees more than they get, even if the employee is on the minimum wage. There is no guarantee for the small business owner. We have to remember that.

I was surprised that the other side didn't say: Here is the chance to get the minimum wage increase and to help small business, not to harm employees. There is nothing in here that harms employees.

Part of the rhetoric was, we are taking away the 40-hour workweek. No, we are not. We are matching Federal employees' benefits to private employee benefits. That is it. What the Federal employees are allowed to do, we say that all employees ought to be able to do. How is that taking away overtime? Because it doesn't take away overtime from the Federal employees, so it also wouldn't take away overtime from the private employees. There is a provision in this amendment that says there cannot be coercion. They talk about forcing people to work on the weekend. That provision says that it has to be in an agreement between the employer and the employee. It truly is designed to be able to get them in a position where, without losing any money, they can have some extra time at the time that they want to have it.

I mentioned before—obviously, nobody was listening—that where this comes up the most is where there are Federal employees married to private employees. The Federal employee gets this special break where he or she can rearrange their schedule so that they

work a little more one week and then they can get time off the next week without any penalty. But the spouse who works in the same town but for a private employer is told by Federal law: You can't have that benefit.

That is wrong. Why can't we, after two decades of seeing that it works for the Federal Government, believe that it might work for private business? If it doesn't work, I would be one of the first ones to move to get it out of there, but it is going to work. There is no indication it would not work.

I think if we sat down and talked about these proposals, there would be some agreement on both sides of the aisle. It has become one of those rhetoric things where we can appeal to the base by blasting the Republicans for having any kind of a proposal, such as this, that would help small businessmen.

There are a lot of statements I ought to correct. One of them is 2 pages versus 85 pages. Clearly, 85 pages versus 2 pages, but that is like me trying to imply they have a Federal Tax Code idea and it is just send your money to the Federal Government. That would not be true. That is what they are saying when they say 2 pages versus 85 pages.

I have additional pages because of the provisions I have talked with the Democrats about and tried to nail down in a very clarified way so there could not be those objections. It is a few pages to do six different things for small business. That is not a lot. Small business is the one that takes the bump on this proposal. I am trying to smooth out the bump, not at the cost of the employee, but as a little bit of help to an employer. And it is offset. It is paid for. We are not driving up the deficit by doing any of these things, but we are providing a way for them to stay in business and provide an increased minimum wage for their employees.

I heard a comment that there were no net new jobs in the private sector in the last 4½ years. Overall, it could be a true statement. I don't know; I have not checked it. But I do know that in the small business sector, there have been some huge net job increases.

Unemployment in the United States is about the same as it was. There has been an increase in population. Those people have been employed. Where have they been employed? In small businesses. We know that big business lost employees. They keep downsizing. They call it rightsizing; I call it losing jobs. But the small business sector has picked up those jobs.

There are people out there generating ideas willing to take risk. Anybody out there who thinks if you have a small business all you do is open the doors and make a lot of money is wrong. Talk to the small businessmen in your community. See how many of them in the middle of the night sit straight up in bed and say: How do I meet payroll tomorrow? But they do, and they solve it, and one of the ways they usually do that is they don't pay themselves. Later, when they make some more money, they may make up for what they lost in that period of time. But talk about no flexibility, they do not have any flexibility; they have to pay their employees. A lot of people who go into business find out it is not the cakewalk they thought it would be.

When I was a small businessman we used to employ some extra people during the slow time so we would have them during the time when we needed them, during the back-to-school rush and the Christmas rush. We were always a little bit disappointed after we paid them through the slow times, when we were not making the money, to then have them leave at the busy times or be sick at the busy times. We understand sick. People get sick. Sometimes as an owner we were sick, but that did not mean we could not come to work because we had to keep the business running.

Small business is different than big business. It runs on fewer people. That is why we call it small business. The small business people have to compensate different ways for themselves, meaning if they are short an employee, the trip they were going to take, the meeting they were going to go to, which could be to buy products for the store, is canceled because somebody has to be there to run the store to provide the customer service. That is how small business works.

I can tell you, too, when you have a small business, the employees are more like family, and so they have insight into more of what is happening in the company than they would in a big company. In a big company, if they know about their own department, it is probably a big deal. In a small company, they know about the whole business. They probably do things in the whole business and they know how tentative the whole business is.

Talk to some of the small businessmen in your own community. Find out what kind of a ''wealthy'' life they live. You will find out most of what they earn they have to put back into the business to keep it growing.

Another significant part of what they earn they have to pay in taxes because the tax structure is set up so that most of what they make looks as though it is personal wage, and that puts them in a very high tax bracket and they wind up paying that out.

Being in small business is not a cakewalk. When the Federal Government forces on them any new regulation, that causes problems.

I also heard a statement that the minimum wage increase only applied to one-tenth of 1 percent of the national payroll. That is another myth I need to address, because, again, having been in business, I know that when the minimum wage rises, it raises all wages. If you have somebody else who is in a tier above the minimum wage, and you raise the minimum wage, you eliminate part of the tier. Nobody can do that in small business because everybody knows what everybody makes. So you raise that one and then you raise the one above that, and then you raise the one above that.

We are not talking about an impact on one-tenth of 1 percent of the national payroll. We are not just talking about those people at the bottom of the ladder; we are talking about most of the people in the United States.

I would like to give all of the people in the United States a pay raise. The problem with giving everybody a pay raise is that it has to be paid for. Somebody has to pay that bill. It is not like the Federal Government. The employer out there, particularly the small businessman—well, even the big businessman—cannot print their own money, so they cannot run deficits very long or they are out of business.

How will businesses go about paying for a raise in the minimum wage? Let's see, you can do it by having less people; but, that is people losing jobs, and I don't know of a single small businessman out there who likes to get rid of people. They feel for these people who work for them. They know these people who work for them. And when they lay them off, they see the hurt in their eyes. In small businesses, it is the little guy who has to look them in the eye and say: I have to have one less employee because I am paying others more. In some businesses, when there is a tight spot and the boss goes to them and says: ''Look, I have this problem, I am not going to be able to make wages so I am going to have to let somebody go'', the people in the business will often say: ''In the short term, we will take a little less because we understand the problem; we don't want you to be forced to lay off anybody.''

That is not the option when the higher wage is mandated, there is no slack to get through a particularly hard time, even if it is a short one. We are talking about the prospect of people losing jobs. That is, unfortunately, one way mandated, increased wages can be paid for. For every businessman I know this would be the least preferable way to meet increased cost, but it is certainly one of the possibilities.

Another possibility is that they can raise their prices. This almost certainly will happen. Essentially, if we raise most of the wages in the country, we are also going to raise most of the prices in the country just to cover the increase in the wage. If what I buy increases in cost, did I get a raise? Not really. So we can create these phony, feel-good pay increases, but if they do not increase buying power, they do not do anything.

What is another way that increases in the minimum wage can be for ? I certainly don't like either of the two options I just noted. Another way to pay for wage increases is to have more productivity. We had one chart that

showed that productivity has gone up. Some of those productivity gains have arisen partly because we have mechanized more. Unfortunately such productivity gains do not employ more people. It switches the way products are made and drives up productivity per person. But increases in productivity will help keep people around at higher wages.

The employees who are out there and are being creative and are looking at their job and saying: ''There has to be a better way of doing this'', and are coming up with improved ways of doing business usually get rewarded. They get more money.

I remember when I was going to college, I was taking a course in Fortran. One of my friends worked at the May D & F Company. He did some inventory work for them. This is in the old days when you had to write your program out by hand and then take it to a card punch operator. They punched the cards for you, and then you would go over the huge mainframe, and run cards through that. When you got them back, you had a bug list and you could rewrite lines so it would work. And the next day you get cards punched again. Eventually you get through the bugs and get this little simple thing done that today a child on a home computer could probably do in about, oh, 20 minutes. But we were amazed at the capacity, the productivity that this provided.

One of my fellow students figured out in doing inventory, that instead of the 40-hour week he was putting in to accomplish the work, that he could write a program, run it through the university computer on class time, and do the same amount of work in 1 hour. Now here is where I was pleased with the company he worked for. They let him do that and they paid him for 40 hours. He was thrilled. He is now a programmer.

What he did was increase his skill level and get paid more for it. That is what we are talking about here. There are a lot of people who start at minimum wage jobs. If they pay attention to the job, I bet they are not at the minimum wage, for most of them, for more than a month, and then they get promoted. They get a pay raise, a real pay raise because they did not force the price up, they increased their productivity.

I mentioned this morning that there is a fellow in Cheyenne, WY, who owns eight McDonald's. Some people try to suggest that working in food service is a bad job, and we kind of run them down. We should never run down any job that people do with their hands.

If you are like that small businessman—and I contend most small businessmen are that way—not trying to take advantage of their employees, but trying to help their employees, these employees can go through a program and get not only a lot of increases in position, but they can actually own a McDonald's—that's right, own it. The McDonald's owner I referred to this morning has had three employees who started at minimum wage and who today own 20 McDonald's. That is the achievement of the American dream.

They did not achieve what they did because of the minimum wage. They achieved this success and advancement because they increased their skill level. That is the key. We have programs that help people increase their skill level. I would be willing to bet that the Federal programs to increase skill level are minimal compared to the business efforts to increase the skill level of their employees. That is how employers increase and improve their business. They help their employees. They do not beat up on their employees. They help their employees.

The smaller the business, I am willing to bet, the more they help their employees. That is what we are talking about here—helping the employees, helping them get higher skill levels.

We do have a Federal program—and I am hoping we can get it through the Senate by unanimous consent or even with some limited debate, whatever it takes and whatever will fit in this packed schedule between now and Thanksgiving . There is some important legislation we need to do. One of them is passing the Workforce Investment Act.

The Workforce Investment Act will provide for about 900,000 people a year—a year—to be trained in higher skilled jobs.

That can be people who are unemployed or people who are employed but trained to higher skilled jobs. I also would like to put in a little plug for Wyoming at this point. We are short of people. We are the least populated State in the Nation. Previously, one of the reasons has been we did not have jobs. Now we have jobs. We do not have people to operate them. So we have started some special training programs in my state so people can work in some of the mines. One might say, Oh, I do not want to be in a mine. Mines are dirty and unsafe places. I want everyone to take a look at the record because there are rules with which they have to comply.

I once had a fellow from Japan, who worked for a newspaper, who was fascinated that I did not do national media, I guess, and he wondered if he could follow me for a day. I said he could follow me for a day if he came to Wyoming and followed me for a day. His paper let him do that. I also invited him to visit a mine.

He came, and we did one of our normal weekend things my wife and I do in Wyoming. We go back to Wyoming most weekends and we travel a different part of Wyoming. We hit all the towns, no matter what size. On that particular trip, we went to Wright, WY, Midwest, Edgerton, Kaycee, and Buffalo, and we held town meetings. I met with schoolkids and businessmen in those places.

I remember the first town that we were in. I think I got to talk to 115 kids at the school. I talked to about 30 businessmen. I had about 40 people show up for a town meeting.

He said: You do not get to meet with many people.

I said: Take a look at the little brochure I gave you that outlined where we were going today and what the populations were.

He said: My goodness, you got to talk to 90 percent of the people.

I said: What size building would that take in Tokyo?

One advantage of being in Wyoming is we get to talk to most of the citizens.

The next day, I did not go with him, but he went to one of our coal mines. We have 14 coal mines in Campbell County. I hope people will come out and take a look at them. If you are using electricity, there is a good chance that you are using electricity from the coal mined in Campbell County, WY. It supplies a third of the coal in the Nation because it is considered clean coal. It does not have a lot of the chemicals in it. We send some to West Virginia. We send some to Kentucky. We send it to most States. In those States, they mix it with their coal, and they meet the clean air standards. That is one of the reasons we mine so much coal.

He went through the mine, took a look at it, and looked at their safety record. I was very pleased when I saw what he had written, which was that he believed Wyoming had participatory democracy. Most States cannot do that because of the bigger populations. On the coal mining, he said he expected it to be dirty and unsafe. He found that it was clean and safe.

Now, here is the real telling part of this story. The next year, he brought his family to Wyoming. In Wyoming, we have Yellowstone Park, the Grand Tetons National Park. We have the first national forest. We have the first national monument, Devil's Tower. He brought his family to see the little towns he had visited and how far apart they were. He brought them to a coal mine because he was impressed.

So come out and work in our coal mines. You can make $50,000 $60,000, $70,000, $80,000 a year.

For women, that would probably be a nontraditional job, but there are a lot of women working in the mines. One of the reasons they can is because it is all huge heavy equipment that has all kinds of things on it that are ergonomic and that make it easy to operate. A woman can drive a coal truck that I guess two of these trucks might fit in this chamber, but I doubt it. The wheels on those things are about 18 feet tall, which means they are 18 feet in diameter. It might fit in the room this way. It is huge equipment. One would be fascinated to see it. Women drive those, and they make the same wage as men. Of course, that is a Federal law, and it ought to be. That helps to get rid of some of those disparities we have between what women make

and men make. Sometimes it is taking nontraditional jobs like that. These are good-paying jobs.

They used to be able to put out an application and then select from those people who had experience on that kind of heavy equipment. They could select the best operator for that piece of equipment. The world is changing. There are fewer people out there to take those jobs, so they now will train someone to run this heavy equipment with no experience.

There is one little catch for some people, and that is that they have to have a clean drug record. They have to be able to pass a drug test because they do not want people running over somebody with this huge piece of equipment.

We have some of those mines that have gone 2, 3, 4 years without a lost-time accident. No lost-time accident, let alone a death. How safe is that? Safer than most of the businesses in the United States.

Like I say, this equipment is designed so that it is easy to operate, it is air-conditioned. The person is inside the whole day. And they are having trouble getting employees at $50,000, $60,000, $70,000, $80,000 a year.

We have a special training center in Casper, WY, for people who want to work in the oil industry. They will take completely untrained people and train them to work in the oil fields and have 100 percent placement on the people who graduate from there. Again, the only catch is a clean drug record, they must be able to pass a drug test. It is a good living.

I am making the point that skills are important. If one does not have the skills, there are ways to get the skills.

The only people who are poor are the people who do not have hope. Now, that is a quote from ''The World Is Flat'' by Thomas Friedman. The only people who are poor are the people who do not have hope. In the United States, everyone should have hope. Everyone should be able to find some way to increase their skill level and get a better job.

When I make those trips around Wyoming, I go to a lot of schools. I talk to a lot of kids. They are making choices down in first and second grade about what is going to happen to their employment capability. I am very pleased with the Wyoming kids. I believe they do an outstanding job. I have had an opportunity to work with some of the kids in the District. The first year I was here, the school board learned when the first day of school opened that the roofs leaked. I do not think that was a good time for the school board to figure that out, but that is what happened. They decided that since the high school students did not have anyplace to go to school, that maybe we could take them as interns on the Hill.

I agreed to take some. The first young lady I talked to, I said: What do you want to be? She said: I want to be a doctor. I was pleased. This is a ninth grader. She has her goal set on being a doctor. I found out later that day that she could not read. Now, what does one think the chances are of a ninth grader ever being a doctor if they can't read? It is not going to happen probably. Well, instead of her working in my office, I sent her to a literacy class. When we finished the internship, I offered to pay her to go to the literacy class. She never showed up. So I am pretty sure she is not a doctor anywhere.

Kids are making choices about what they can do with the decisions they make. I am hoping they make good decisions. I am hoping they get into science and math and work those skills through and make some good decisions as they get into high school to learn where their talents lie.

I have had a person on my staff ever since I got here. Her name is Katherine McGuire. She used to be my legislative director. Now she directs a committee I am on. Her college degree was in agriculture. Her parents did not have a ranch, so I was not sure about that. Then she went on to get a master's degree in agricultural economics. I asked her how that happened. She said: I got some really good advice when I was early in high school from a teacher who said, Every one of you kids ought to have something you can do with your hands because you can always fall back on that. She took that advice. She looked at the agricultural field. She got a degree in that, and then she got an agricultural economics degree. She still has that fallback position. It is important for kids in the country to be thinking about things like that.

There is not any job in the United States that is not needed. Some of the ones that are hands-on are going to be the most needed. The way the economy should work, those should be some of the highest paid.

I am reminded of a fellow who came to solve a little problem in a house where they were having a pipe leak. He climbed under the sink and worked for about 5 minutes and had it fixed.

When he got ready to leave, he said: That will be $75.

The owner of the home said: Seventy-five dollars? You only worked on that for 5 minutes.

He said: Actually, for my time, I only charged you a nickel. The rest of that is for the knowledge I had of how to change that pipe.

So knowledge is worth something. Skills are worth something. Skills are the way one gets higher wages. We can impose any kind of a minimum wage, and what we do is drive up wages so that there has to be more money to cover that wage, which will probably come from higher prices, which wipe out the benefit of the wage.

Another argument that has been made, which I will refute, is that this amendment is taking away overtime. There is no overtime taken away in this. We have flextime in it. Again, I want to repeat, that is the same benefit the Federal Government employees get, and we are just extending exactly the same thing to private employees. If there is anybody in this place who thinks we are taking away from overtime, we should not have given the Federal employees that disadvantage. Of course it is not a disadvantage. They do not get overtime taken away from them. They get to rearrange their schedule so that it helps them in times they want to take off.

It does have to be done in conjunction with the employer. The employee and the employer have to agree. Right now, even if the employee and the employer agree, in the private sector, it is illegal. In the public sector, it is fine. So why would we object to extending to those small businessmen and particularly the people who work for them the same opportunity a Federal employee has?

That covers a few of the misconceptions that I think we got from listening to the last hour and a half of rhetoric about this issue. I am kind of surprised that they have not adopted this amendment and taken credit with the small business community for helping out small businesses while they get the $1.10 increase in minimum wage that both of us are talking about. Both bills have the $1.10, the same amount of raise, the same time period. So all we are talking about is whether, in addition to giving small businesses help, we also help the small businesses to be able to afford it, be able to put some cushion in there so they can pay this increase in the minimum wage and the increase that will go to all of their other employees because one does not just raise the bottom wage; it forces the next tier up to get a raise and the tier above that to get a raise. So virtually everybody is getting a raise. I know I always had to do that when I was in business. I do not know of any other employer who is not faced with the same situation. So we are not just talking about that minimum wage earner, we are talking about many more people.

Let me run through the six basic things we are providing. The first one is updating the small business exemption. Small business generates 70 percent of new jobs. Right now, the small business exemption covers businesses that gross less than half a million dollars. When was that law put into effect? It was in 1960. There has been no update or change since that time. Has there been any inflation during that amount of time? I think so. In fact, if we were doing the adjustment according to wages, that would be over $1.5 million—not half a million but $1.5 million. So what did I do? I compromised on that one. I should have gone for the whole $1.5 million. If I hadn't thought the other side of the aisle was going to be upset over adjusting to inflation, I would have gone the whole $1.5 million, but I did not. I tried to be reasonable on this one. I went in between the two. Like I say, it has

been awhile since we readjusted that threshold and the economy has undergone some dramatic shifts and the way work has been done in this country has changed forever.

My amendment also incorporates some bipartisan technical corrections that were originally proposed in 1990 by the then Small Business Committee chairman. This is very important. The Senate at that time had a majority of Democrats, so the Small Business Committee chairman was a Democrat. That chairman was Dale Bumpers, who was in the Senate when I got here.

The same thing was cosponsored over the years by Senator REID of Nevada, Senator HARKIN of Iowa, Senator PRYOR of Arkansas, Senator MIKULSKI of Maryland, Senator BAUCUS of Montana, and Senator KOHL of Wisconsin.

There were many others, too. All that I named were the Democrats who thought that these technical corrections could be useful to small business. So I hope those Senators who are still here would vote for that.

As those Senators can attest, the Department of Labor disregarded the will of Congress and interpreted the existing small business threshold to have little or no meaning. The Department is misreading the clear language of the statute. This amendment corrects the problem by stating clearly that the wage and overtime provisions of the Fair Labor Standards Act apply to employees working for enterprises engaged in commerce or engaged in production of goods for commerce.

My amendment also applies these wage-and-hour worker safeguards to homework situations. That is very important.

The second thing it does is ensure procedural fairness for small business. That is just commonsense, good Government legislation. Surely, we can all agree that small business owners, the individuals who do the most to drive the economy forward, deserve a break the first time they make an honest paperwork mistake; a first-time, honest, paperwork mistake, where no one is hurt and the mistake is corrected. That is very limited.

The paperwork small businesses face is certainly not limited. Paperwork is practically unlimited for a small businessman. But this amendment is very limited. Small business owners have told me over and over again how hard they try to comply with all the rules and regulations imposed on them, mostly by the Federal Government. As a former owner of a small business, I know what they mean. Because I did accounting for small businesses, I know what they mean. I filled out a lot of that paperwork. I want you to know I got it right. I didn't have any first-time violations. But that is because I was supposed to know about the kind of paperwork that I was doing, and I was being paid for taking care of that. It is one way a small businessman can have a specialist—they can hire an accountant to do some of the paperwork for them. But for the most part, they do their own paperwork.

Yet for all that work, a Government inspector can fine a small business owner for paperwork violations alone, even if the business has a completely spotless record and the employer immediately corrects the unintentional mistake. Even the best intentioned employer can get caught in the myriad of burdensome paperwork requirements imposed on them by the Federal Government. The owners of small businesses are not asking to be excused from any obligations or regulations—although they would probably like for us to do that, and it wouldn't hurt for us to have a commission that would review all those things and see if anybody actually uses the paperwork that is required.

One of the forms I used to get to work on was an annual OSHA report. Annually, they had to fill out a form that showed what accidents had occurred—lost-time accidents—and they had to post that in the break room and they had to file it with the Federal Government.

Any time you have an accident or a near miss, it is good to sit down and talk to your employees about it, have them sit down and figure out how it could have been avoided. That will save accidents and lives. It isn't the paperwork that saves the accidents and lives, it is actually talking about it, timely talking about it, not a report that is filled out at the end of the year and stuck up on the bulletin board where people may or may not read it.

Incidentally, I hope everybody will take a look at that form because it is not that readable. It is not that useful. It could be a lot more useful. It actually could help prevent accidents. It doesn't.

It gets sent to the Federal Government. What do you think happens to that form? Nothing useful. There could be a good use for it. We actually could compile that and find out, in the different industries, what sorts of things were happening and share that with those industries. We do not do that. That is a wasted piece of paper. But if you do not send it the first year you are in business and you have been working like crazy to meet payroll and January 31 comes around and it is about the third of February and somebody says, Did you send in that OSHA report? Actually, I think that one goes the end of February, so it is the 1st or 2nd of March. They say, Did you send that in?

Oh, no, I didn't.

He can be fined for that, even though on the 4th of March he fills out the paperwork, posts it in the break room and sends it in and has, during this whole year, been recording all of the accidents in a readable form, talking to his employees about it, and solving the problem.

Why should he be fined for that? Nobody is going to use it. But that is the kind of paperwork violations we are talking about. Remember, it is a Government inspector fining a small business owner for paperwork violations alone—paperwork violations alone, not the oilspills that you heard about earlier. That would not be a paperwork violation. That would be a most definite violation, outside of paperwork. So they have to have a paperwork violation alone and the business has to have a completely spotless record and the employer has to immediately correct the unintentional mistake.

Surely we ought to be able to give small business owners who are trying their best a break on mistakes that don't hurt anyone. Even the best intentioned employer can get caught in that myriad of paperwork requirements.

They are not asking to be excused. What they are asking for is a break, if they have previously complied, they didn't hurt anybody, have a completely spotless record, and they correct for the unintentional mistake.

One small businessman who I had testify before my committee a few years ago when I was working on some of the OSHA things and I was a subcommittee chairman of the Workforce Safety and Training Subcommittee of this same committee, he told Congress:

> No matter how hard you try to make your business safe for your employees, customers, neighbors and family members, in the end, if a Government inspector wants you they can get you. The Government cannot tell me that they care more for my family's safety and my company's reputation than I do.

Small businessmen and women who are the first-time violators of paperwork regulations that don't hurt anyone deserve a break.

Let's talk about providing some regulatory relief for small business. You can see these are not costly things I am talking about here. They should not be controversial. They are pretty common sense. I think we could sit down and draft a bill and probably agree on a lot of this still if we had not polarized ourselves on the floor of the Senate first. It is one of the worst things we do, polarize things instead of work them out. If we try to work them out, we can probably come to agreement on 80 percent of the issues. That is usually what we can do when we work things out together.

The third thing my amendment would do is provide regulatory relief for small businesses. Any increase in the minimum wage places burdens on small employers. It is only fair that we simultaneously address the ongoing problem of agencies not fully complying with the congressional directive that is contained within the Small Business Regulatory Enforcement Fairness Act. Under the law, agencies are required to publish Small Entity Compliance Guides for those rules that require a regulatory flexibility analysis. Unfortunately, agencies have either ignored this requirement or, when they try to comply, they have not done so fully or carefully. My amendment addresses this lapse by including specific revisions that the Government

Accountability Office has suggested to improve the clarity of the Compliance Guides.

The Government Accountability Office suggested that we should clarify the requirements; not change them, clarify them. It would force the Federal agencies to take into consideration the ways that they are harming small business by placing non-commonsense, confusing rules and regulations on them. It is a chance for the small businessman to say: If you impose that, I don't see where it goes anywhere. I don't see where it does anything. Why would you impose that on me?

It is an opportunity for small businesses to respond when the Federal Government is about to change the way they do their business. And it is a law that we passed. Congress said: You have to do this. You cannot affect small businesses without listening to them.

I ought to rephrase that. You can't affect small business unless you present them an opportunity to speak. There is no requirement that the Federal Government listen. No matter what the small businessman says, the agency that is affecting small business does not have to listen. They have to accept the comments. But, currently, that law is not clear enough that they even accept the comments.

I have seen some documents that small business people have sent in to the Federal Government about a problem with a law or regulation that they were trying to comply with. The response they got was, ''No response necessary.''

I have no idea why ''no response necessary'' is a response. That doesn't answer the question. Of course one of our problems is one-size-fits-all Government. We think we can sit in Washington and figure out a rule that will apply to the whole country and to every kind of a business out there and every kind of a job that is out there. That is egotism at its highest, I think. The businesses that are out there have constructive comments to offer about ways to do things better. But you know what? We don't let them contribute.

We vote on a lot of legislation that affects small businesses, and it is only right that they have some opportunity to express their thoughts on how that is going to affect them and in many cases to suggest a better idea.

One of the reasons I go back to Wyoming most weekends is so that I can go around and talk to those people who are doing real jobs. Often, when I talk to them, they say: ''I have got this little Federal requirement that I have to meet and I don't understand it.'' Often, I don't understand it either. But what I like to say is: ''What do you think we ought to do about that?'' By golly, you wouldn't believe some of the commonsense, simple things they suggest that would achieve the same Federal principle in a less complicated, straightforward way. Often, the problem arises because we don't talk about the issue with the people who are actually doing the work out there. There are a lot of people out there doing a good job, working hard, and trying to figure out what in the heck it is we did in Washington. This is one small place where they are supposed to have input. We said: ''You are supposed to get input.'' Actually, I would like for them to say not only that you get input, but that the Federal Government has to listen as well. That should be the goal.

Let me move on to another one of the six small things that my amendment calls for.

My amendment seeks removal of the barriers to flexible time arrangements in the workplace. I have covered this a couple of times. I need to cover it a couple more times because obviously the other side of the aisle doesn't understand what I am talking about yet. I will try it yet a different way.

What we are talking about is legislation that could have a monumental impact on the lives of thousands of working men and women and families in America. The legislation would give employees greater flexibility in meeting and balancing the demands of working families. The demand for family time is evident. Let me share with you some of the latest statistics: Seventy percent of employees do not think there is a healthy balance between their work and their personal life. Seventy percent of employees say the family is their most important priority. The family time provision in my amendment addresses these concerns head on. It gives the employee the option of flexing their schedules over a 2-week period. In other words, employees would have 10 flexible hours they could work in 1 week in order to take 10 hours off in the next week.

Flexible work arrangements have long been available for employees of the Federal Government. Government employees have been able to do this for two decades, and no one has said: ''You took away the overtime right of Federal employees''.

The flex time program was so successful that in 1994 President Clinton issued an Executive Order extending it to the parts of the Federal Government that had not yet had the benefit for the program. That wasn't a Republican idea then. It might have been in the beginning. But none of these things matter whether they are Republican ideas or Democratic ideas.

It was a Democratic President who extended that benefit to all of the Federal Government and said:

> Broad use of the flexible arrangement enables Federal employees to better balance their work and family responsibilities and increase employee effectiveness and job satisfaction while decreasing turnover rates and absenteeism.

That sounds pretty good to me. However, while employees in the Federal Government have these rights, employees working for a small company in Wyoming don't have the same rights. They may be married to somebody in the Federal Government who has these rights and can rearrange their schedule to do things. But the spouse in the private sector and the employer in the private sector are not allowed to make a similar arrangement. That shouldn't ever happen in America. For years, Federal government employees have had these rights—rights that were extended by a Democrat President of the United States who noted: These arrangements work, reduce turnover, and reduce absenteeism. How can you provide these rights to Federal employees and not allow other people the very same right?

I have heard some arguments that with flexible time arrangements employees in the private sector would be forced to do things such as work on a weekend. That is not correct. The bill specifically prohibits any coercion in making these flex time agreements. It has to be a mutual agreement between the employee and the employer.

Unlike the Federal Government, there are businesses out there that do work on weekends. There are people out there who would like to be able to shift their schedule one week to the next without losing their pay, without having to take a day off, and they are willing to do that by working a little bit more in one week and a little less in the next week and having the funds they anticipated, similar to Federal employees.

I don't understand how we can say that is wrong.

I couldn't agree more with former President Clinton. I did not agree with him a lot, but that is one of the things he had right. Now we need to go further and extend this privilege to the private sector workers.

We know this legislation is not a total solution. We know there are many other provisions under this 65-year-old Fair Labor Standards Act that need our attention. But the flexible time provision is an important part of the solution. It gives employees a choice, the same choice as Federal workers. If we are going to keep that from applying to the private sector, maybe we ought to take that away from the Federal employees so they can get their full rights.

Does anyone on the other side of the aisle really want to do that? Do you want to see a revolution? It is the kind of revolution that small business employees may soon provide as well, as they become aware that they have been denied this benefit.

Mr. President, what is the remaining time?

The PRESIDING OFFICER (Mr. COBURN). The Senator from Wyoming has 18 minutes; the Senator from Massachusetts has 6 minutes.

Mr. ENZI. Thank you. I still have two provisions that I need to run through, and I wanted to make sure I got underway on that before my time expires.

The fifth provision in my amendment is extending the restaurant employee

tip credit. The food service industry relies on what is called a tip credit, which allows an employer to apply a portion of an employee's tip income—income they are getting on the job—against the employer's obligation to pay the minimum wage.

To protect the tipped employees, current law requires that a tip credit cannot reduce an employee's wages below the required minimum wage. Employees report tips to the employer because the employer has to report it. Tips that are earned are reported.

We have a few States that do not allow a tip credit. Increases in the Federal minimum wage would require raises for all affected employees in all States. Lack of a tip credit in some States could result in employers having to give raises to what are often are their most highly compensated employees—the tipped staff. As a result the nontipped employees are negatively impacted by the mandated flow of scarce labor dollars to the tip positions. In addition, the employers in these States are put at a competitive disadvantage with their colleagues and the rest of the country that can allocate employee compensation in a more equitable manner.

I must also note that my amendment clarifies that the tip credit provision does not apply all parts of a State wage law. That argument that was used the last time the tip credit was brought up. That is clarified in this amendment. That should not be an argument anymore. The tip credit provision applies only in States that do not have a tip credit; and, only to the minimum wage portion of that State's overall wage hour law.

The sixth and final provision in my amendment is one which provides small business tax relief. As I noted before, some of the people who pay the most taxes in the United States are small business owners. Even the money that business owners put back into the business to reinvest has to have the taxes paid on it. That is at the highest tax rate in the country. If we are going to impose even greater burdens on small businesses, we should give them some tax relief at the same time.

My amendment would extend small business expensing. It would simplify cash accounting methods that make it a little easier for them to do their accounting, and it would provide restaurant depreciation relief.

All of these tax provisions are fully offset. In total, the additional provisions of my amendment are intended to mitigate the small business impact of a $1.10 increase in the minimum wage.

These steps are a partial way in which the cost of a minimum wage increase can be addressed. They will help the businesses that must absorb these increased costs. I share the view of many of my colleagues regarding such an increase on the Federal level. We must do our best to soften the blow. This may be the best means to that end.

I would also encourage all of my colleagues to look at the true root of the problem of minimum wage workers, and that is minimum skills. We all share the same goal—I don't think anybody can deny that—and that is to help American workers find and keep well-paying jobs. I am even going beyond that. I hope they get to own their own businesses. We must, however, realize that minimum skills—not minimum wages—is the problem. Education and training will solve that problem and lead to the kind of increased wages and better jobs we all want to create for the Nation's workers.

Let us work together to get that Workforce Investment Act passed, and go to conference. We didn't get that done 2 years ago. Without the conference, those 900,000 people a year that could be getting paid a higher amount are not. We need to get it passed and get it conferenced. We need to get the President to sign it, and as a result, higher skills and training will be accelerated, and wages in this country will go up.

I urge my colleagues to oppose the amendment offered by Senator KENNEDY and support my amendment that raises the wage by the same amount, but then has additional provisions, that provides small business benefits and soften the impact of the increases on the businesses that will have to pay them. If you are interested in small business, you need to support my amendment.

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

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I understand we have 8 minutes.

The PRESIDING OFFICER. Six minutes.

Mr. KENNEDY. I will use 3 minutes now.

I have listened to my good friend talk about the fact that Government workers have some flextime and small businesses don't. Of course, the principal answer is that many of the Government employees have protections. They have the Federation of Government Employees, they have the Treasury Employees Union. AFSCME protects a great number of them. They have different collective bargaining benefits. Their interests can be protected. That is completely different from the current situation.

Second, the Senator from Wyoming points out the pressures on small business.

Look at this. States with higher minimum wages have more jobs in small businesses. This is the Commerce Department. This isn't just general rhetoric. This is the Commerce Department. From 1998 to 2001, 10 States and Washington, DC, with minimum wages higher than $5.15, had an employment rate of 4.8 percent. In the 40 States with minimum wage at $5.15, it was 3.3 percent.

This is the answer. We have seen it with the employment growth, that is, with the small businesses, which responds to the Senator's point with regard to small business. States with higher minimum wages add more retail jobs. Employment growth between January 1998 to 2004: 11 States and Washington, DC, with minimum wages higher than $5.15, a growth of 6.1 percent; 39 States with $5.15, 1.9 percent.

The fact is we are talking about fairness. We had a wonderful exposition. I am always delighted to hear from my friend from Wyoming. I always value it and I always learn something. But I didn't learn much about the minimum wage today. We are talking about the fact that every other time we have had a successful increase in the minimum wage, we have expanded the coverage, except with the proposal we will have on the floor of the Senate this afternoon with the Enzi proposal, which will actually reduce the total numbers of people who are covered.

Let's get back to what this issue is all about. This issue is about fairness, about the fact in 9 years we have not increased the minimum wage. We have increased Members' salaries in here. I didn't hear those who are opposed to our increase in the minimum wage out here speaking against the increase in Members' salaries. We have increased them 8 times for a total of $28,000. We have not hesitated to increase our salaries, but now we are not going to increase the minimum wage for working men and women who have not seen an increase in 9 years?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. KENNEDY. I withhold my remaining 3 minutes.

The PRESIDING OFFICER. Who yields time?

Mr. ENZI. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Wyoming has 12 minutes 30 seconds.

Mr. ENZI. Notify me when I have 3 minutes remaining.

The PRESIDING OFFICER. The Chair will so notify the Senator.

Mr. ENZI. I will go through the GOP alternatives again. They ought to be bipartisan alternatives. I am afraid in previous discussions they got polarized in spite of changes to the extent that some god policy initiatives that deserve bipartisan support will never have support from the other side. That would be a tragedy.

When the opposition says that my amendment does not have a minimum wage increase, I wonder what bill he is looking at. My bill has a $1.10 increase over the same period of time as his, although I think he is going to make a small change to his bill because there is a slight paperwork problem—but since it is the first-time paperwork problem it probably ought to be forgiven, just like my proposal would forgive small business first-time paperwork errors.

What we are talking about is six provisions that soften the blow of the increased mandate on small businesses.

First, permit family flextime for workers. Employees have the option of flexing their schedules over a 2-week period so they can work more hours 1 week and take hours off the next. The argument we have heard is that we are cutting overtime pay.

If flextime is a pay cut, then Senator KENNEDY and many of the Senate Democrats have voted to inflict pay cuts on workers. If flextime is wrong, then so was former President Clinton in 1994 when he extended it to all Federal employees because it increased effectiveness and job satisfaction and decreased turnover rates and absenteeism, the same thing it will do in the private sector. Why cannot somebody married to a Federal employee have the same advantage the Federal employee has?

Second, it would increase small business exemptions from the Fair Labor Standards Act. We have had, since the 1960s, the small business exemption has applied to businesses with $500,000 in receipts. This exemption amount has lagged behind inflation. The small business exemption should be at about $1.5 million. We are only raising it to $1 million.

Every Federal labor law has a small business threshold. To the Civil Rights Act of 1964, it was 15 employees. For the Family and Medical Leave Act, the threshold is 50 employees. Proponents minimum wage increases assert it is necessary to adjust the minimum wage to account for inflation. For the same reason, it only makes sense to adjust a small business threshold as well.

The real value adjusted for inflation of the small business exemption established in the 1960s exceeds $1.5 million. Senator KENNEDY uses his benchmark as the minimum wage rate for the same era. The Republican proposal is restrained and reasonable.

The third issue is relief for small business, one-time paperwork errors. Small business people making paperwork errors would receive an automatic forgiveness for the first mistake in paperwork matters. It applies only to routine administrative paperwork requirements imposed on small business by the Federal Government. This is commonsense protection for small businesses from the otherwise ''gotcha'' mentality of Government inspectors and only applies to businesses with spotless records who immediately correct the unintentional mistakes. My amendment also gives small businesses regulatory relief by increasing federal agencies compliance, review, and enforcement of the Small Business Regulatory Enforcement Fairness Act. It requires better compliance assistance for small businesses. Federal Government officials have given too often short shrift to the existing requirement to solicit public compliance guidelines. The Republican package includes specific provisions that the Government Accounting Office suggested to improve the clarity of these requirements.

Another provision of my amendment relates to the minimum wage tip credit for restaurant workers. This is so the restaurant can be sure all employees are being treated fairly, not just the high tip employees.

We also have small business tax relief in the form of simplified cash accounting methods for small businesses. It will mean they do not have to see accountants as often. As an accountant, I think that is a good idea.

It gives quicker depreciation for restaurants, who are a major employer for low skilled workers, and all of the tax provisions are fully offset.

The very modest tax cuts were targeted directly to businesses most likely to have minimum wage workers. Remember that in spite of the rhetoric, this amendment increases the minimum wage in the same amount and on the same dates that Senator KENNEDY's two-page proposal does. The difference is that my amendment attempts to smooth some of the bumps for those employers who will be most adversely affected by the increase.

These tax benefits will help small businesses that employ low-skills workers survive without drastic cuts in employment. We are trying to help the small business so that they will be able to afford the increase in the minimum wage. It is not an easy thing to come to the Senate and ask for a minimum wage increase. I am sure Senator KENNEDY knows that. He has been working on it a long time. I appreciate he dropped it back to what the Republicans were asking for earlier and what we have in my proposal at the present time.

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

Mr. KENNEDY. I yield myself the remaining time.

Mr. President, we have had a good discussion. We did not have a chance to go through this excellent book, ''Raising the Floor,'' with these heart-rending stories happening in America every single day. Their recommendation? Increasing the minimum wage, ending poverty as we know it. It talks about increasing the minimum wage.

I didn't have the chance to go through ''Communities in Crisis,'' the excellent survey about the increase in hunger in the United States of America. The one thing we know how to do in this country is grow crops. The second thing we know how to do is deliver them. We know how to deliver product. But the explosion in the numbers of hungry in this country, particularly among children—there is an increasing number of homeless in our society, in all parts of our society. Talk to the various church groups about what is happening in every part of our Nation.

This is not going to be the sole answer to it, but we have not increased the minimum wage in 9 years. We have reached out to the Republicans. We have accepted their figure of $1.10 over 2 years. Our amendment is two pages long. Senator ENZI's amendment, with all respect, is 87 pages and includes all kinds of things.

We believe this is the time. Fairness demands this. The American people understand fairness. We are talking about men and women who work 40 hours a week, 52 weeks of the year. These are hard-working men and women who have a sense of pride and dignity in their work. They work hard, they try to provide for their children, they work one, two, or three jobs. We have not increased the minimum wage now for 9 years. Prior to that time—the 50 years before this—it was bipartisan. President Bush 1 signed an increase in the minimum wage, Jerry Ford, President Nixon, Dwight Eisenhower, and now we have been 9 years without this kind of increase.

This demands fairness. It demands we give hard-working Americans, those at the lower end of the economic ladder, on the first rung of the economic ladder, working hard, an increase.

I remind all of our colleagues of that extraordinary Newsweek cover talking about the other America. It talks about the problems of hunger, the problems of homelessness, and the problems of people being left out and left behind. We can make a downpayment with an increase in the minimum wage. I hope we will do it this afternoon.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENT NO. 2063, AS FURTHER MODIFIED

Mr. KENNEDY. I have a consent request for a technical modification.

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

The amendment (No. 2063), as further modified, is as follows:

At the appropriate place, insert the following:

SEC. ___. MINIMUM WAGE.

(a) INCREASE IN THE MINIMUM WAGE.—

(1) IN GENERAL.—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

''(1) except as otherwise provided in this section, not less than—

''(A) $5.70 an hour, beginning 6 months after the date of enactment of the Transportation, Treasury, and Housing and Urban Development, the Judiciary, District of Columbia and Independent Agencies Appropriations Act, 2006.

''(B) $6.25 an hour, beginning 12 months after that date.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect 60 days after the date of enactment of this Act.

Mr. ENZI. I rise to summarize my comments regarding the amendments and to urge my colleagues to cast a vote against the Kennedy amendment and in favor of the minimum wage amendment I have offered.

What is before the Senate are two amendments that raise the minimum wage by the same amount, $1.10 over 18 months. The difference between the bills is that the Kennedy amendment, while raising the minimum wage the same amount as my amendment, fails to acknowledge that any raise in the minimum wage has some negative consequences on the employers, particularly small employers, who must find

the means to pay for the increase. The fact is that a negative economic impact on a small employer will probably result in a negative impact on that small employer's employees. This is an important aspect. When you give a pay increase, you have to find a way to pay for it.

My amendment recognizes that reality and provides some relief for those employers. It should be borne in mind these employers, particularly small employers, are the source of the vast majority of jobs that are held by minimum wage workers. We have to continue to keep these businesses viable and growing as a source of job creation. As I said before, I wish for the people working in those places to be the ones owning the business, and I have shared some examples of how that happens.

I ask that everyone bear in mind it is little solace to an individual earning minimum wage to learn that the minimum wage is increased but that he or she no longer has a job at which she can now earn the higher wage, or that it is not worth anything anymore because inflation took it away.

It is for this reason my amendment contains not only the same increase as Senator KENNEDY's amendment but includes provisions designed to soften the blow and ensure that those most-affected businesses continue to create jobs and entry-level, low-skilled employment opportunities.

I urge my colleagues to reject the amendment offered by Senator KENNEDY and to vote in favor of the more balanced and comprehensive approach to the minimum wage which is represented by my amendment.

I ask for a unanimous consent request that following the scheduled votes at 4:30 the Senate proceed to the vote in relation to the motion to suspend the rules in relation to the Dorgan amendment No. 2078, with no amendment in order to the amendment prior to the vote; provided there be 2 minutes equally divided prior to the vote. I further ask that Senator DORGAN be recognized for up to 5 minutes prior to the start of the scheduled votes.

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

The Senator has 3 minutes 17 seconds remaining on his allotted time.

Mr. ENZI. I yield back my remaining time.

The PRESIDING OFFICER. The time is yielded back.

The Senator from North Dakota is recognized for 5 minutes.

AMENDMENT NO. 2078

Mr. DORGAN. I understand my amendment has been ordered in a group of three amendments to be voted on. I will take 5 minutes to explain this amendment.

This amendment deals with the establishment of the creation of a committee in the Congress to investigate the waste, corruption, and abuse in contracting in Iraq and also contracting, in most cases, sole-source contracts, no-bid contracts, by companies that have gotten billions of dollars for reconstruction in Iraq, and now for reconstruction on the gulf coast.

Let me go through some headlines to explain my concerns. In 5 minutes I cannot do much more than headlines, but I have held seven hearings on this subject now in the Policy Committee. ''No-bid contracts win Katrina work.'' That is the most recent one. ''White House uses practices criticized in Iraq rebuilding for hurricane-related jobs.''

''Ex-Halliburton workers allege rampant waste.'' ''They say the firm makes no effort to control costs, overspending taxpayer money in its contract with the United States in Iraq and Kuwait.''

''Halliburton faces criminal investigation.'' ''Pentagon probing alleged overcharges for Iraq fuel.''

''Audit questions $1.4 billion in Halliburton bills.''

I mention Halliburton. It has nothing to do with the Vice President. Everyone says, Well, you are attacking the Vice President. He used to be president of Halliburton, yes, but this is long after he was involved in Halliburton. The fact is this is about contracting abuse.

Let me go through a couple of the specific examples: New $85,000 trucks paid for by the American taxpayers abandoned or torched by the side of the road in Iraq if they have a flat tire or a plugged fuel pump. A case of Coca-Cola, $45.

They had gasoline delivered for twice the price that the folks who used to do the work in the Defense Energy Support Center said that gasoline could have been delivered for. Halliburton charged for 42,000 meals served to soldiers every day, when they were serving 14,000 meals to soldiers. They missed it by 28,000—overcharging 28,000 meals a day.

There was the loss of $18.6 million worth of Government equipment in Iraq that Halliburton was given to manage. There is also the leasing of SUVs. Listen to this, the leasing of SUVs for $7,500 a month. They ordered 50,000 pounds of nails, and they came in the wrong size. They are laying in the sands of Iraq. It does not matter. The taxpayer picks up the cost. This is all cost-plus.

Do you want to buy some hand towels for the troops? The Halliburton buyer who was to order the hand towels was told by his superiors, ''You have to order hand towels with the company logo on them,'' which more than doubled the price. It does not matter. The taxpayer is picking up the tab for all of this. It is unbelievable waste, fraud, and abuse.

Let me show one additional chart. This fellow shown in this picture testified at one of our hearings. These are $100 bills, batched together with Saran Wrap. He said: We used to play football with them. He said it was like the Old West. This is in Iraq. He said: We told people, subcontractors and contractors, we pay by cash. Bring a bag. Bring a bag. Here is the cash.

Now, for Hurricane Katrina, no-bid contracts once again. By the way, the top civilian official at the Army Corps of Engineers said this: I can unequivocally state that the abuse related to contracts awarded to Halliburton represents the most blatant and improper contract abuse I have ever witnessed during the course of my professional career.

Do you know what happened to her? She lost her job. Why? For speaking out. You don't dare say these kinds of things.

I spoke this morning about contracting abuse with respect to Hurricanes Katrina and Rita, the contracts down in the Gulf of Mexico. I will not go into that again except to say this: When the Government and FEMA pay a truck driver $15,000 to haul ice cubes from New York to Massachusetts—yes, New York to Massachusetts—where they are now in storage, to provide relief to hurricane victims in Louisiana, somebody ought to have their head examined.

Oh, the truck did go from New York, to Missouri, by mistake. FEMA directed them to Missouri. Then they said: Oh, we want you to go to Maxwell Air Force Base in Alabama. He took those ice cubes to Alabama. He sat there for 12 days, with hundreds of other trucks with food and clothing and ice and other things for victims—he sat there for 12 days—and then they said: We want you to put this back in storage in Massachusetts. So the taxpayers paid this trucker—and there were hundreds of them—$15,000 for hauling ice for the relief of hurricane victims in Louisiana, hauling that ice from New York to Massachusetts. Once again, somebody ought to have their head examined.

My point is, I would like to see a congressional committee examine this. This amendment would create a special committee. I hope my colleagues will believe, as I do, this waste, fraud, and abuse is intolerable, and we ought to deal with it by investigative committee.

Mr. President, I yield the floor.

AMENDMENT NO. 2063, AS FURTHER MODIFIED

The PRESIDING OFFICER. There is now 2 minutes equally divided before a vote in relation to the amendment offered by the Senator from Massachusetts.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, minimum wage workers are men and women of dignity. They are predominantly women. They are women with children. So it is a children's issue, a women's issue. These people who earn the minimum wage are men and women of color. It is a civil rights issue. But most of all, it is a fairness issue.

Over the period of these last 5 months, we have passed class action legislation to provide special help and assistance to many of the largest corporations in this country. We have

passed bankruptcy legislation to take care of the credit card companies. We passed an energy bill that will provide enormous bonuses to the oil companies.

We have an opportunity this afternoon to pass an increase in the minimum wage for workers who have not seen an increase in the minimum wage over the last 9 years. This is about fairness. Americans understand it. They have seen it on the cover of their magazines with Hurricane Katrina. They know our fellow Americans need a helping hand. This can be enormously helpful to those Americans.

Let's go ahead and pass it this afternoon.

Mr. FEINGOLD. Mr. President, I rise to lend my strong support to the amendment offered by the Senator from Massachusetts, Mr. KENNEDY, of which I am proud to be an original cosponsor.

It is far past time that we increase the Federal minimum wage. The last time Congress voted to increase the minimum wage was 9 years ago in 1996, and the last portion of this increase went into effect 8 years ago, in 1997. Since that time, consumers have faced increased prices for everything from food to clothing to housing to childcare. And in recent months, gas prices have skyrocketed, and home heating costs are expected to follow suit this winter.

And while prices have increased, the purchasing power of the current Federal minimum wage of $5.15 has decreased by nearly 20 percent. A minimum wage employee working 40 hours per week can expect to earn $10,712 per year—this is $4,500 below the poverty line for a family of three.

Many minimum wage earners are struggling to provide for the basic needs of themselves and their families. They cannot make ends meet on $10,712 per year. These are hard-working Americans who deserve a fair shake and who deserve a raise. Many work more than one job, sacrificing time with their children just to scrape by. Without an increase, these workers will continue to work long hours to support their families with little hope of saving for the future when they are barely able to afford the basic necessities of the present.

According to a recent report by the Center on Budget and Policy Priorities and the Economic Policy Institute, ''[t]he minimum wage now equals only 32 percent of the average wage for private sector, non-supervisory workers. This is the lowest share since 1949.'' In other words, the average minimum wage worker makes less than one-third of the average nonsupervisory private sector worker.

I am concerned about the argument made by some who oppose this amendment that most minimum wage workers are entry-level workers in first jobs who will advance their way out of these jobs and move on to better paying jobs. While that is certainly true for some workers, about two-thirds of those who would benefit from this increase are adults, and one-third of them are the sole breadwinners for their families.

I was proud to vote for the 1996–1997 increase that brought the minimum wage to its current $5.15, and I am pleased to be a cosponsor of legislation introduced by the Senator from Massachusetts, Mr. KENNEDY, that would increase the minimum wage to $7.25. The Economic Policy Institute notes that such an increase would directly help more than 7.3 million American workers. This increase will also help the children and other dependents of these workers potentially more than 15 million people.

Congress's inaction on this issue over the past several years has led to a growing grass-roots movement to increase the minimum wage at the state level. A number of States have enacted increases over the past few years, including Wisconsin. On June 1, 2005, the minimum wage for most workers in my State was increased to $5.70 per hour. The Wisconsin Department of Workforce Development estimated that this increase would help between 100,000–150,000 workers in my State. While this increase represents a step forward for Wisconsin workers, more work still needs to be done to boost the purchasing power of these and other workers around our country.

The amendment that we are considering today would increase the minimum wage by $1.10 to $6.25 over the next 18 months. While this modest increase will not go as far as I and many others in this body would in supporting the hard-working Americans who badly need a raise, it is a long-overdue step in the right direction.

The amendment offered by the Senator from Wyoming, Mr. ENZI, would also provide a $1.10 per hour increase in the Federal minimum wage. However, this amendment would also undermine low-income workers' struggle to break the cycle of poverty by allowing employers to deny these workers badly needed overtime pay through a so-called flex time scheme. This amendment, which is a total of 87 pages, also includes a number of other incentives for businesses that are intended to dampen the opposition of business groups to even this modest $1.10 increase in the Federal minimum wage. However, what these proposals would really do is continue the process of dismantling the 40-hour work week that was initiated with the implementation of the administration's ill-conceived overtime rule changes last year.

By the Senator from Wyoming's, Mr. ENZI, own admission, the committee which he chairs, the Committee on Health, Education, Labor, and Pensions, has not even considered many of these provisions. These provisions should not be rolled into a proposal to increase the minimum wage. The need to increase the Federal minimum wage stands on its own merit. And while I am certainly willing to consider a package of reforms for business, this is not the way to do it. Passage of such antiworker proposals should not be a condition of providing a much-needed wage increase for the lowest income Americans.

I urge my colleagues to oppose the Enzi amendment and to support American workers by voting for the Kennedy amendment.

Mr. KERRY. Mr. President, I want to voice my strong support for an amendment offered by Senator KENNEDY to raise the Federal minimum wage from its current, astonishingly low, rate of $5.15 an hour to $6.25 an hour.

An increase in the minimum wage is long overdue. Today, the real value of the minimum wage is more than $3.00 below what it was in 1968—and at the lowest real rate in half a century. Since Congress last acted to raise the minimum wage in 1996, its value has eroded by 17 percent. This indifference is simply unacceptable. To have the same purchasing power it had in 1968, the minimum wage would have to be more than $8.50 an hour. Yet nothing has been done, and the consequences of our inaction are very real and very painful to millions of Americans.

Since President Bush took office, the number of Americans living in poverty has increased by 5.3 million. Today, 37 million people live in poverty, including 13 million children.

Yet, despite the damage we do to our citizens and to our economy, this body has been unwilling to increase the Federal minimum wage. We had no problem passing a budget that gives tax cuts to millionaires and trillion-dollar companies. Yet we have had tremendous problems ensuring that hard-working Americans, Americans who work full time jobs and play by all the rules, won't have to live below the poverty line, won't have to decide between educating their children and feeding their family, won't have to chose between heating their home and buying prescription drugs.

It is time for us to get our priorities straight. Seven and a half million workers will directly benefit from a minimum wage increase. Raising the minimum wage to $6.25 an hour would give minimum wage earners an additional $2,288 a year—enough to pay for a community college degree. Congress should act now to pass a minimum wage increase that makes up for our inexcusable failure to act in the past. I support Senator KENNEDY's amendment to increase the Federal minimum wage, and I urge my colleagues to do the same.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Thank you, Mr. President.

Mr. President, I urge my colleagues to oppose the Kennedy amendment. Both amendments have the $1.10 minimum wage increase in them. But only my amendment provides for some way to offset that mandate so that small businesses which employ minimum

wage workers can afford the minimum wage.

My colleague's amendment will harm small businesses' economic growth and job creation. It would raise the cost for small businesses without providing any relief to soften the blow, forcing employers to make difficult choices, such as raising prices, reducing employee benefits, or terminating employees.

I urge my colleagues to support my amendment. My amendment protects small businesses' economic growth and job creation. As I said, they both raise the minimum wage by $1.10, to $6.25, in two steps of 55 cents over 18 months.

My amendment recognizes and addresses the fact that all minimum wage increases have certain costs. My amendment protects against the negative impact of this wage hike on small businesses, the biggest source of job creation. This proposal is responsible and reasonable and designed not to dislocate or unintentionally harm workers.

I ask you to support my amendment.

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

The question now occurs on amendment No. 2063, as further modified, offered by the Senator from Massachusetts.

The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I raise a point of order under section 425(a)(2) of the Congressional Budget Act that the amendment is an unfunded mandate.

Mr. KENNEDY. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. CORZINE) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey (Mr. CORZINE) would vote ''aye.''

The yeas and nays resulted—yeas 47, nays 51, as follows:

[Rollcall Vote No. 257 Leg.]

YEAS—47

Akaka	Dodd	Levin
Baucus	Dorgan	Lieberman
Bayh	Durbin	Lincoln
Biden	Feingold	Mikulski
Bingaman	Feinstein	Murray
Boxer	Harkin	Nelson (FL)
Byrd	Jeffords	Nelson (NE)
Cantwell	Johnson	Obama
Carper	Kennedy	Pryor
Chafee	Kerry	Reed
Clinton	Kohl	Reid
Conrad	Landrieu	Rockefeller
Dayton	Lautenberg	Salazar
DeWine	Leahy	
Santorum	Schumer	Stabenow
Sarbanes	Specter	Wyden

NAYS—51

Alexander	DeMint	Martinez
Allard	Dole	McCain
Allen	Domenici	McConnell
Bennett	Ensign	Murkowski
Bond	Enzi	Roberts
Brownback	Frist	Sessions
Bunning	Graham	Shelby
Burns	Grassley	Smith
Burr	Gregg	Snowe
Chambliss	Hagel	Stevens
Coburn	Hatch	Sununu
Cochran	Hutchison	Talent
Coleman	Inhofe	Thomas
Collins	Isakson	Thune
Cornyn	Kyl	Vitter
Craig	Lott	Voinovich
Crapo	Lugar	Warner

NOT VOTING—2

Corzine	Inouye

The PRESIDING OFFICER. On this vote there are 47 yeas, the nays are 51. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to. The point of order is sustained and the amendment falls.

Mr. CORZINE. Mr. President, I rise today to speak in support of Senator KENNEDY's amendment to increase the Federal minimum wage to $6.25 an hour. I strongly support this amendment. Unfortunately, I was delayed in arriving in Washington, DC, this afternoon. Had I been here, I would have voted yes.

An increase in the Federal minimum wage is long overdue.

It has now been over 8 year since the minimum wage was increased to its current level of $5.15 per hour. Since that last increase, Congress's failure to adjust the wage for inflation has reduced the purchasing power of the minimum wage to record low levels. In fact, after accounting for the loss of real value due to inflation, the purchasing power of the minimum wage has not been this low since the wage increase of 1945.

When Congress acted to raise the minimum wage in 1996, the wage was raised from $4.75 to its current $5.15. At the time, this modest increase had real results for American families. The adjustment increased the take-home pay of nearly 10 million hard-working Americans. But with inflation, the real dollar value of that increase is long gone.

So that we are clear, raising the minimum wage is a family issue. So often in this body we talk about family issues. This is our chance to act.

No family gets rich from earning the minimum wage. In fact, the current minimum wage does not even lift a family out of poverty. A person earning the current minimum wage, working 40 hours a week, 52 weeks a year, earns only $10,700—nearly $4,000 below the poverty line for a family of three.

Seven out of every 10 minimum wage workers are adults, and 40 percent of minimum wage workers are the sole breadwinners of their families. Moreover, a disproportionate number of minimum wage workers are women. Sixty percent of minimum wage workers are women, and many are single mothers who must put food on the table, make rent payments, and provide childcare. Increasing the minimum wage by a mere $1.10 per hour would provide tangible help to these families in the form of groceries, rent, and the ability to pay rising energy costs.

I am proud that lawmakers in my State have recognized that the Federal minimum wage level simply is not adequate for a decent standard of living in high-cost States such as New Jersey. On October 1, the minimum wage in my State increased to $6.15, and on October 1, 2006, it will increase again to $7.15. I know that this increase will have a meaningful effect on people's lives: it means on average 15 months of child care; over a year of tuition at a community college; 10 months of heat and electricity; 6 months of groceries; and 5 months of rent. It is estimated that the increase will directly benefit some 200,000 workers.

But fair wages should not be guaranteed only to workers in a few States. I support Senator KENNEDY's amendment because I believe that all Americans should be entitled to a decent standard of living. Unfortunately, neither the current minimum wage, nor Senator ENZI's amendment, can relieve the problems of low-income families in this country.

I support the Kennedy amendment because it seeks to provide a real-wage increase to workers that will help them keep up with the rising cost of living in our Nation. I strongly oppose the Enzi amendment offered by my Republican colleagues, because it is a cruel hoax on hard-working Americans.

It is politics over policy, and it is just plain wrong.

All of our hard-working families nationwide need and deserve a minimum wage that reflects the increased cost of living in America. It is the least we can do for people who work hard and make a positive contribution to our great Nation.

I strongly support a raise in the minimum wage for the millions of Americans who work so hard to support their families. We as Americans can do better. We must act now.

AMENDMENT NO. 2115

The PRESIDING OFFICER. There are now 2 minutes equally divided prior to a vote in relation to amendment No. 2115 offered by the Senator from Wyoming.

Who seeks recognition?

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 1 minute.

Mr. ENZI. I thank the Chair.

Mr. KENNEDY. Mr. President, I make a point of order. The Senator is entitled to be heard and I think the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Wyoming.

Mr. ENZI. Mr. President, I ask my colleagues to vote for my amendment,

which raises the minimum wage level by the same amount as the previous amendment. The reason this amendment deserves your support whereas the last one did not is that my amendment has some small business offsets that will actually give them a chance to be able to pay the minimum wage increase without having to lay people off, without having to accept some other alternatives that would be very detrimental to employees. This amendment helps the small business people that employ minimum wage workers by giving them some tax breaks which are all offset. This amendment also includes five other good policy initiatives which I have mentioned previously in great detail.

I would ask that you vote for this amendment and provide small businesses with the help they need to be able to afford a minimum wage increase.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, if you are interested in an increase in the minimum wage, this is not the way to go. We offered an increase in the minimum wage which was two pages. His amendment is 87 pages, and in that 87 pages includes 3, at least, very important items that are going to short-change American workers.

First, it changes the eligibility of those who are going to be covered and eliminates 10 million workers who are covered today.

Secondly, it eliminates overtime. It is called flextime, but the decision whether it is going to be flexible will be decided by the employer, and therefore you are going to find that for the average worker in this country earning $44,000, $3,000 in overtime will be eliminated.

Finally, this legislation effectively preempts 31 States that have a tip credit program. On page 21: Any State may not establish or enforce their tip credit.

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

Mr. KENNEDY. That will disadvantage workers in 31 States. This is the wrong amendment for American workers and it should be defeated.

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

Mr. KENNEDY. Mr. President, I make a point of order that the pending amendment violates section 425 of the Congressional Budget Act of 1974.

Mr. ENZI. Mr. President, I move to waive the applicable section of the Budget Act and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The yeas and nays resulted—yeas 42, nays 57, as follows:

[Rollcall Vote No. 258 Leg.]

YEAS—42

Alexander	Domenici	Murkowski
Allen	Ensign	Roberts
Bennett	Enzi	Santorum
Bond	Frist	Sessions
Brownback	Graham	Shelby
Bunning	Grassley	Smith
Burns	Hagel	Snowe
Cochran	Hatch	Specter
Coleman	Hutchison	Stevens
Collins	Kyl	Talent
Craig	Lugar	Thomas
Crapo	Martinez	Thune
DeWine	McCain	Voinovich
Dole	McConnell	Warner

NAYS—57

Akaka	DeMint	Lieberman
Allard	Dodd	Lincoln
Baucus	Dorgan	Lott
Bayh	Durbin	Mikulski
Biden	Feingold	Murray
Bingaman	Feinstein	Nelson (FL)
Boxer	Gregg	Nelson (NE)
Burr	Harkin	Obama
Byrd	Inhofe	Pryor
Cantwell	Isakson	Reed
Carper	Jeffords	Reid
Chafee	Johnson	Rockefeller
Chambliss	Kennedy	Salazar
Clinton	Kerry	Sarbanes
Coburn	Kohl	Schumer
Conrad	Landrieu	Stabenow
Cornyn	Lautenberg	Sununu
Corzine	Leahy	Vitter
Dayton	Levin	Wyden

NOT VOTING—1

Inouye

The PRESIDING OFFICER. On this vote, the ayes are 42, the nays are 57. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained. The amendment falls.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. REID. Mr. President, on vote No. 257, the Kennedy minimum wage amendment, Senator CORZINE was absent because of a plane delay. If he were present, he would have voted ''aye''.

AMENDMENT NO. 2078

The PRESIDING OFFICER. There is now 2 minutes equally divided prior to the vote on the motion to suspend.

Who seeks recognition?

The Senator from North Dakota.

Mr. DORGAN. The motion to suspend is my amendment. It deals with an underlying amendment that would establish an investigative committee to deal with waste, fraud, and abuse dealing both with the country of Iraq and the reconstruction in Iraq, as well as reconstruction in Louisiana, Mississippi, and in the gulf region following Hurricanes Katrina and Rita.

I will not recite all of the examples of substantial abuse from sole-source contracts, but it is dramatic. I believe very strongly, just as Harry Truman did back in the 1940s in uncovering substantial waste, fraud, and abuse in the Department of Defense at a time when a member of his own party occupied the White House, I believe this Congress deserves good, strong oversight. We will get that with a special committee looking into this massive waste, fraud, and abuse.

I would hope very much my colleagues would agree with me. If they believe we are spending too much, that there is waste, fraud, and abuse that we ought to get after, they ought to be voting for this amendment and vote to suspend the rules.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I appreciate the concern of my friend from North Dakota, who is a vigilant guardian of taxpayer dollars. I point out that the Armed Services Committee is doing work literally every day and every week on this issue. We also have Appropriations Committee oversight on much of this, and I believe that under the existing structure we have today, including the excellent leadership of our chairman and vice chairman of the Homeland Security Committee, that this amendment is not necessary.

I understand the concern of the Senator from North Dakota. I just do not believe it is necessary at this time.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I also point out that there is a special inspector general overseeing all of these contracts. His name is Stuart Bowen. He does an excellent job. He has been very aggressive in his audits and investigations. He regularly briefs all Members who are interested, and he issues a report every quarter on his findings. So I do believe we have an adequate structure in place, a needed structure to be sure.

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

The question is on agreeing to the motion to suspend rule XVI, paragraph 4, for the consideration of amendment No. 2078 offered by the Senator from North Dakota.

Mr. BOND. 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 legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Montana (Mr. BURNS).

Mr. DURBIN. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The yeas and nays resulted—yeas 44, nays 54, as follows:

[Rollcall Vote No. 259 Leg.]

YEAS—44

Akaka	Durbin	Mikulski
Baucus	Feingold	Murray
Bayh	Feinstein	Nelson (FL)
Biden	Harkin	Nelson (NE)
Bingaman	Jeffords	Obama
Boxer	Johnson	Pryor
Byrd	Kennedy	Reed
Cantwell	Kerry	Reid
Carper	Kohl	Rockefeller
Clinton	Landrieu	Salazar
Conrad	Lautenberg	Sarbanes
Corzine	Leahy	Schumer
Dayton	Levin	Stabenow
Dodd	Lieberman	Wyden
Dorgan	Lincoln	

NAYS—54

Alexander	DeWine	McCain
Allard	Dole	McConnell
Allen	Domenici	Murkowski
Bennett	Ensign	Roberts
Bond	Enzi	Santorum
Brownback	Frist	Sessions
Bunning	Graham	Shelby
Burr	Grassley	Smith
Chafee	Gregg	Snowe
Chambliss	Hagel	Specter
Coburn	Hatch	Stevens
Cochran	Hutchison	Sununu
Coleman	Inhofe	Talent
Collins	Isakson	Thomas
Cornyn	Kyl	Thune
Craig	Lott	Vitter
Crapo	Lugar	Voinovich
DeMint	Martinez	Warner

NOT VOTING—2

Burns	Inouye

The PRESIDING OFFICER. On this vote, the yeas are 44, the nays are 54. Two-thirds of the Senators voting not having voted in the affirmative, the motion is not agreed to. The point of order is sustained, and the amendment falls.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, we are going to clear a number of amendments, including the amendment by the Senator from Iowa. The ranking member and I were going to clear a number of amendments and agree to them one at a time. Did the Senator have a very brief statement which he wants to make on that or does he want to speak for a longer time?

Mr. HARKIN. Mr. President, I have about 5 minutes at the most.

Mr. BOND. Mr. President, on that assumption, we will defer to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the managers of the bill. I have an amendment to send to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

AMENDMENT NO. 2076

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] proposes an amendment numbered 2076.

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 provide that no funds may be used to provide assistance under section 8 of the United States Housing Act of 1937, to certain students at institutions of higher education, and for other purposes)

At the appropriate place insert the following:

SEC. 1____. (a) No assistance shall be provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to any individual who—

(1) is enrolled as a student at an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002));

(2) is under 24 years of age;

(3) is not a veteran;

(4) is unmarried;

(5) does not have a dependent child; and

(6) is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible, to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(b) For purposes of determining the eligibility of a person to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), any financial assistance (in excess of amounts received for tuition) that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002), shall be considered income to that individual.

(c) Not later than 30 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue final regulations to carry out the provisions of this section.

Mr. HARKIN. Mr. President, in June of 2004, an article appeared in the Des Moines Register outlining serious systemic abuses of the section 8 program by a number of wealthy athletes at the University of Iowa. For example, Brian Ferentz, a Hawkeye football player, was found to be living in subsidized housing despite the fact that his father, Kirk Ferentz, lives in a million-dollar mansion in the same town and is paid $2 million a year to coach his team. To add insult to injury, Brian's scholarship actually included a $700-per-month stipend for housing, yet he was living in section 8 housing.

After reading about this abuse, I immediately wrote to the Secretary of Housing and Urban Development, urging him to close this loophole, which was the unintended consequence of a 1995 regulation allowing students to qualify for section 8, in order to help people of modest means have a chance at an education and to better themselves. Unfortunately, HUD's response was far from adequate. HUD's solution allowed students who live away from home for just a year into the program, if their parents stopped claiming them on their taxes. It is a pretty easy calculation to see that a simple deduction is worth less than a year's rent, so it is easy for parents to decide to stop claiming their otherwise dependant children in order to save money.

Fortunately, language was included in the final omnibus appropriations bill last year closing a little more of this loophole. It said that if you get an athletic scholarship, anything above tuition should be counted as income. Unfortunately, this doesn't go far enough. This doesn't address people who are getting housing stipends from other kinds of scholarships, and doesn't address students whose millionaire parents decided not to claim them on their taxes, but have those kinds of resources available to them.

Recently, the Des Moines Register took another look at who is living in the notorious housing project that has housed so many student athletes in the past. The problem is still there, in full force, well over a year after my first letter to HUD. The Register's Lee Rood reported the following:

While other students foraged this month for new apartments, at least three dozen Hawkeye athletes—many of whom receive $6,560 annually for room and board as well as free tuition—returned to one of the best low-rent housing deals in this notoriously high-rent city: Pheasant Ridge Apartments.

It is time to solve this problem once and for all. These students are taking up housing that is meant for truly needy people—people who typically have to wait 2 years for housing assistance, despite the fact that they may have the means to pay rent.

My amendment would simply require students' parental income to be considered in determining their eligibility unless they are independent students under the same qualifications that the Department of Education uses in their Free Application for Student Financial Aid. That is to say, students' parental income would count against them unless they are over age 24, married, have kids, or are veterans. Further, it would require a student's scholarship above the cost of tuition to be counted as income.

Clearly, students who are truly needy should have access to section 8. Help with housing often makes the difference between being able to get an education and not being able to make ends meet. However, kids whose parents have the means to help them should not be living in this housing. And if they are getting a housing stipend, some of it should actually be spent on housing. That's all I ask.

We cannot allow our system to be abused by people who take taxpayer dollars inappropriately, and then go off to sign multimillion-dollar NFL contracts. People who do need the help—including our most frail elderly, people with disabilities, and genuinely disadvantaged folks—are getting displaced. This has been going on for well over a year, and despite pleas to HUD to fix this, the abuse has not stopped. There is no other way to put a quick end to this fraud. My amendment will end it with the stroke of the President's pen.

This amendment will finally close all those loopholes.

I thank the manager of the bill and the ranking member for their consideration. I urge acceptance of this amendment.

Mr. BOND. Mr. President, we believe the amendment of the Senator from Iowa makes good sense. It has been cleared on both sides. I believe it can be agreed to by voice vote.

The PRESIDING OFFICER. Is there further debate on amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2076) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, I have a number of amendments which have been cleared on both sides. We propose to bring them up individually and ask for their immediate consideration and a voice vote.

I ask unanimous consent to set aside any pending amendments in order to offer those amendments.

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

AMENDMENT NO. 2070

Mr. BOND. First, I call up amendment 2070 on behalf of Senator COLLINS. This amendment would repeal the increased limit on the micropurchase threshold on Government credit cards.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Ms. COLLINS, Mr. LIEBERMAN, Mr. AKAKA, Mr. WARNER, Mr. LEVIN, Mr. COLEMAN, Mr. DORGAN, and Mr. WYDEN, proposes an amendment numbered 2070.

Mr. BOND. 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 repeal the increased micropurchase threshold)

On page 406, between lines 7 and 8, insert the following:

SEC. 724. REPEAL OF INCREASE IN MICRO-PURCHASE THRESHOLD.

Section 101 of the Second Emergency Supplemental Appropriations Act to Meet Immediate Needs Arising From the Consequences of Hurricane Katrina, 2005 (Public Law 109–62; 119 Stat. 1992) is repealed.

Mrs. MURRAY. Mr. President, I ask unanimous consent that Senators Dorgan and Wyden be added as cosponsors to this amendment.

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

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2070) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2101, AS MODIFIED

Mr. BOND. Mr. President, I send an amendment to the desk on behalf of Senator AKAKA.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. AKAKA, and Mr. BINGAMAN, proposes an amendment numbered 2101, as modified.

Mr. BOND. 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 provide for an Internal Revenue Service report regarding tax refund procedures and practices)

On page 293, after line 25, add the following:

SEC. _____. By not later than June 30, 2006, the Internal Revenue Service, in consultation with the National Taxpayer Advocate, shall report on the uses of the Debt Indicator tool, the debt collection offset practice, and recommendations that could reduce the amount of time required to deliver tax refunds. In addition, the report shall study whether the Debt Indicator facilitates the use of refund anticipation loan (RALs), evaluate alternatives to RALs, and examine the feasibility of debit cards being used to distribute refunds.

Mr. BOND. Mr. President, this amendment requires the IRS to submit a report on the debt indicator program which is currently used by the IRS to assist in tax filing and speeding up tax refunds where applicable. Senator AKAKA has raised legitimate concerns on whether the debt indicator has led to the abuse of certain refund loans. While there are legitimate and appropriate refund loans, there is, unfortunately, some abuse of them. We need to address this problem.

This amendment has been modified after discussion with our staff and the IRS.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2101), as modified, was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2139

Mr. BOND. Mr. President, I send to the desk an amendment on behalf of Senator BOXER.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mrs. BOXER, proposes an amendment numbered 2139.

Mr. BOND. 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 proper precautions are taken by airports and air carriers to recognize and prevent the spread of avian flu, and for other purposes)

On page 219, line 5, strike the period and insert the following: ": *Provided further*, That the Secretary of Transportation, in consultation with the Secretary of Health and Human Services and the Administrator of the Federal Aviation Administration, not later than 60 days after the date of enactment of this Act, shall establish procedures with airport directors located at United States airports that have incoming flights from any country that has had cases of avian flu and with air carriers that provide such flights to deal with situations where a passenger on one of the flights has symptoms of avian flu .".

Mr. BOND. Mr. President, this amendment has been cleared on both sides. It requires the Secretary of Transportation, in consultation with the Secretary of Health and Human Services and FAA, to establish procedures to deal with airline passengers who have avian flu symptoms.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2139) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, on a lighter note, I understand that David Letterman last night said there had been an instance of avian flu being transmitted to human beings. He also noted that several Astros had come into contact with the Cardinals on Monday night and suffered greatly. Fortunately, I hope that epidemic only returns tonight and tomorrow night.

AMENDMENT NO. 2073, AS MODIFIED

Mr. BOND. Mr. President, I call up amendment No. 2073, and I send a modification to the desk on behalf of Senator INHOFE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. INHOFE, proposes an amendment numbered 2073, as modified.

Mr. BOND. 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 allocate funds for improvement to Lawton-Fort Sill Regional Airport, and for other purposes)

At the appropriate place, insert the following:

SEC. ____. None of the funds appropriated or otherwise made available in this Act may be used by the Federal Aviation Administration for ARAC consolidation of Fort Sill, Oklahoma into OKC TRACON: *Provided*, That $3,000,000 of the fund appropriated under the heading "Facilities and Equipment" shall be available for ARAC operation and maintenance at Fort Sill, Oklahoma.

Mr. BOND. Mr. President, as a result of BRAC decisions, the military is reconsidering closing the Army Radar Approach Control at Fort Sill, OK.

This amendment prohibits the FAA from moving air traffic control over the area to the TRACON at Oklahoma City.

The amendment has been cleared on both sides.

The PRESIDING OFFICER. Is there any further debate on the amendment? If not, the question is on agreeing to the amendment, as modified.

The amendment (No. 2073), as modified, was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, I send an amendment to the desk on behalf of Senator STABENOW and ask it be considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Ms. STABENOW, proposes an amendment numbered 2140.

The amendment is as follows:

(Purpose: To provide additional funds to support programs established under the LEGACY Act of 2003)

On page 316, line 26, after ''Provided,'' insert ''That of the amount made available under this heading, $10,000,000 shall be made available to carry out section 203 of Public Law 108-186,

Mr. BOND. Mr. President, this amendment deals with the HUD elderly demonstration program. It provides a set-aside out of HUD's 202 elderly housing program to fund the legacy housing program which provides for intergenerational housing units to assist low-income grandparents who are heads of households. This program was enacted in 2003. It seems to make eminent good sense to me.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2140) was agreed to.

Mr. BOND. I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2072, AS MODIFIED

Mr. BOND. Mr. President, I call up amendment numbered 2072 on behalf of Senator CRAIG, and I send a modification of the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. CRAIG, Mr. CRAPO and Mrs. MURRAY, proposes an amendment numbered 2072, as modified.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment (No. 2072), as modified, is as follows:

(Purpose: To require the use of a sliding scale match ratio for certain transportation projects in the State of Idaho)

On page 276, after line 24, insert the following:

SEC. ___. Subsection (a) of section 1964 of Public Law 109–59 is amended by inserting ''Idaho, Washington,'' after ''Oregon,''.

Mr. BOND. I ask that Senator MURRAY be added as a cosponsor.

The amendment clarifies the non-Federal share for certain funding. It has been cleared on both sides of the aisle.

I ask my colleague if she wishes to make any comments.

Mrs. MURRAY. Mr. President, this amendment is an important step for both of our States. I appreciate the Senator from Missouri bringing it forward tonight.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2072), as modified, was agreed to.

Mr. BOND. I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 2123

Mr. DAYTON. Mr. President, I call up amendment numbered 2123 for immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

The clerk will report.

The bill clerk read as follows:

The Senator from Minnesota [Mr. DAYTON] proposes an amendment numbered 2123.

Mr. DAYTON. Mr. President, 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 prevent gas and oil gouging during natural disasters)

At the end of the bill, add the following:

TITLE ___—NATURAL DISASTER OIL AND GAS PRICE GOUGING PREVENTION ACT OF 2005

SEC. _01. SHORT TITLE.

This title may be cited as the ''Natural Disaster Oil and Gas Price Gouging Prevention Act of 2005''.

SEC. _02. DEFINITIONS.

In this title:

(1) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(2) QUALIFYING NATURAL DISASTER DECLARATION.—The term ''qualifying natural disaster declaration'' means—

(A) a natural disaster declared by the Secretary under section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)); or

(B) a major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

SEC. _03. RESTRICTION ON PRICE GOUGING.

(a) RESTRICTIONS.—It shall be unlawful in the United States during the period of a qualifying natural disaster declaration in the United States to increase the price of any oil or gas product more than 15 percent above the price of that product immediately prior to the declaration unless the increase in the amount charged is attributable to additional costs incurred by the seller or national or international market trends.

(b) ENFORCEMENT.—

(1) ENFORCEMENT POWERS.—

(A) IN GENERAL.—The Commission shall enforce this section as part of its duties under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(B) REPORTING OF VIOLATIONS.—For purposes of the enforcement of this section, the Commission shall establish procedures to permit the reporting of violations of this section to the Commission, including appropriate links on the Internet website of the Commission and the use of a toll-free telephone number for such purposes.

(2) PENALTY.—

(A) CRIMINAL PENALTY.—A violation of this section shall be deemed a felony and a person, upon conviction of a violation of this section, shall be punished by fine not exceeding $10,000,000 if a corporation, or, if any other person, $350,000, or by imprisonment not exceeding 3 years, or both.

(B) CIVIL PENALTY.—The Commission may impose a civil penalty not to exceed $5,000 for each violation of this section. For purposes of this subparagraph, each day of violation shall constitute a separate offense. Civil penalties under this subparagraph shall not exceed amounts provided in subparagraph (A).

(c) ACTION BY STATE ATTORNEY GENERAL.—The attorney general of a State may bring a civil action for a violation of this section pursuant to section 4C of the Clayton Act (15 U.S.C. 15c).

Mr. DAYTON. This makes it a felony to raise oil or gas prices more than 15 percent during a natural disaster and other emergencies, and gives the U.S. Trade Commission, U.S. Department of Justice, and State Attorneys General the authority to prosecute violators. This creates an exception for cases in which a price increase is directly attributable to additional costs incurred by the seller.

Currently, no Federal laws exist to address gasoline price gouging. Only 13 States have such laws to prosecute those who raise prices arbitrarily during times of emergency.

On September 1, in the immediate aftermath of Hurricane Katrina, President Bush said in response to the price gouging that was underway:

There ought to be zero tolerance of people breaking the law during an emergency such as this, whether it be looting or price gouging at the gasoline pump, or taking advantage of charitable giving or insurance fraud.

On September 6th of this year, I wrote a letter to the U.S. Attorney General in which I said, in part:

I respectfully urge the Justice Department to follow through on the President's warning and to investigate the sudden spike in gas prices nationwide, following Hurricane Katrina.

I further wrote:

I am deeply concerned that oil suppliers have used Hurricane Katrina as an excuse to grossly overcharge consumers, regardless of whether fuel is in short supply. The Administration has a responsibility to protect consumers from anyone who would exploit catastrophic circumstances for outrageous profit,

and I respectfully urge you to investigate this matter.

I ask unanimous consent my letter be printed at the conclusion of my remarks.

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

(See Exhibit 1)

Mr. DAYTON. Almost 7 weeks later, I have not received even the courtesy of a reply from the U.S. Attorney General. More importantly, I am not aware of anything that he has done to investigate collusion among the oil companies, the refiners, and the gasoline distributors whose post-Hurricane Katrina price escalations parallel one another.

Gasoline prices nationwide are 36 percent higher than 1 year ago. Natural gas prices are 145 percent higher. That means that current natural gas prices are almost 2½ times what they were a year ago.

The price of home heating oil in my home State of Minnesota now is 63 percent above a year ago. Americans everywhere are being ravaged economically by energy companies, as the citizens in Louisiana and Mississippi were ravaged by Katrina—although, obviously, their physical and economic devastation was even worse.

While we have properly come to the aid of hurricane victims, Congress has done nothing to help the victims of this energy price disaster. Apparently, the Bush administration has failed them, also.

My amendment is an opportunity to do something to stop energy price exploitation, to make price gouging as illegal as it is immoral.

Actions speak louder than words. Now is the time to act against exorbitant energy prices, not just talk about them. The vote on my amendment will show who is serious about driving energy costs down for all Americans, and who is not.

EXHIBIT 1

SEPTEMBER 6, 2005.

Hon. ALBERTO GONZALES,
Attorney General, U.S. Department of Justice, Washington, DC.

DEAR MR. ATTORNEY GENERAL: On September 1st, President Bush said, with respect to price gouging following Hurricane Katrina, ''There ought to be zero tolerance of people breaking the law during an emergency such as this, whether it be looting, or price-gouging at the gasoline pump, or taking advantage of charitable giving, or insurance fraud.''

I respectfully urge the Justice Department to follow through on the President's warning and to investigate the sudden spike in gas prices nationwide, following Hurricane Katrina.

In my home state of Minnesota, gas prices rose by 52 percent—from $1.97 to $3.01 per gallon—in the three-month period from June 1st to September 1st. In three days alone, from August 29th to September 1st, Minnesota gas prices surged 45 cents per gallon. I understand that storm damage to oil operations off the Gulf Coast has caused part of the problem. However, most of Minnesota's oil supply originates from Canada.

I am deeply concerned that oil suppliers have used Hurricane Katrina as an excuse to grossly overcharge consumers, regardless of whether fuel is in short supply. The Administration has a responsibility to protect consumers from anyone who would exploit catastrophic circumstances for outrageous profit, and I respectfully urge you to investigate this matter.

Thank you for your consideration of my request.

Sincerely,

MARK DAYTON.

Mr. BOND. Mr. President, not having had a chance to review the entire workings of the amendment, this is a very serious legislative amendment. Unfortunately, this is not the appropriate place to raise this legislation. It is more appropriately concerned with the Energy Committee or other committees. I, therefore, raise a point of order that this is legislation on an appropriations bill. I believe now the Chair has a copy of the amendment. I raise an objection under rule XVI that this is legislation on an appropriations bill.

The PRESIDING OFFICER. In the opinion of the Chair, the point is well-taken. This is legislating on an appropriations bill and the amendment falls.

Mr. BOND. I thank the Chair.

The PRESIDING OFFICER. The Senator from Washington.

AMENDMENT NO. 2141

Mrs. MURRAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington, [Mrs. MURRAY], proposes an amendment numbered 2141.

Mrs. MURRAY. 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 require the U.S. Interagency Council on Homelessness to conduct an assessment of guidance disseminated by agencies for grantees of homeless assistance programs)

At the appropriate place, insert the following: Page 406, line 8 insert a new paragraph.

SEC. 724. The United States Interagency Council on Homelessness shall conduct an assessment of the guidance disseminated by the Department of Education, the Department of Housing and Urban Development, and other related federal agencies for grantees of homeless assistance programs on whether such guidance is consistent with and does not restrict the exercise of education rights provided to parents, youth, and children under subtitle B of title VII of the McKinney-Vento Act: *Provided*, That such assessment shall address whether the practices, outreach, and training efforts of said agencies serve to protect and advance such rights: *Provided further*, That the Council shall submit to the House and Senate Committees on Appropriations an interim report by May 1, 2006, and a final report by September 1, 2006.

Mrs. MURRAY. This amendment has been cleared on both sides. It simply requires the U.S. Interagency Council on Homelessness to make sure that all of the appropriate agencies take into consideration the homeless assistance programs. This is especially important for kids today who are homeless, to make sure their rights are protected.

I ask for its immediate consideration.

Mr. BOND. Mr. President, I understand this amendment is necessary because in some homeless shelters, children are being sent to schools where they have not been going. It has caused a great deal of confusion. This is an appropriate measure and we accept it on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2141) was agreed to.

Mr. BOND. I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. SNOWE. Mr. President, I rise today for one very simple reason, the days are relentlessly marching toward winter . . . the clock is ticking as the thermometer edges ever downward . . . and it would be unconscionable for Congress to adjourn for the year without providing critical, additional assistance for LIHEAP, the Low Income Home Energy Assistance Program, at a time of skyrocketing fuel prices.

There should be no mistake, this is an emergency and a crisis we know is coming, and it would be an abrogation of our responsibility to stand by and allow it to occur. It does not take a crystal ball to predict the dire consequences when home heating oil in Maine is $2.52 per gallon, up 59 cents from a year ago . . . kerosene prices average $2.95 a gallon, 75 cents higher than this time last year, and it is not even winter yet. Some projections have a gallon of heating oil reaching $3.00.

So understandably, we are already hearing the mounting concern ''how will I pay for home heating oil when it's 30 percent more than last year, and I struggled to make ends meet then?'' ''How will I afford to pay half again as much for natural gas?'' People need to know now that they can count on us for assistance.

This is a necessity of life—so much so that 73 percent of households in a recent survey reported they would cut back on, and even go without, other necessities such as food, prescription drugs, and mortgage and rent payments. Churches, food pantries, local service organizations—they are all hearing the cry, and all the leaves aren't even yet off of the trees. The fact is, countless American's don't have room in their budget, many on fixed incomes, for this sudden surge in home heating prices but surely, in looking at our national priorities, we can find room in our budget to help Americans stay warm this winter.

Because of the supply disruptions caused by the hurricanes at a time when prices were already spiraling up, prices have been driven even higher and are directly affecting low income Mainers and how they will be able to pay for their home heating oil, propane and kerosene this winter. A recent Wall Street Journal quoted Jo-Ann Choate, who heads up Maine's LIHEAP program. Ms. Choate said, ''This year we've got a very good chance of running out.'' Eighty-four percent of the applicants for the LIHEAP program in the State use oil heat. Over 46,000 applied for and received State LIHEAP funds last winter. Each household received $480, which covered the cost of 275 gallons of heating oil.

The problem this winter is that the same $480 will buy only 172 gallons, which a household will use up in the first 3 to 4 weeks in Maine. What will these people do to stay warm for the four or five months left of winter? The water pipes will freeze and then break, damaging homes. People will start using their stoves to get heat. The Mortgage Bankers Association expects that the steep energy costs could increase the number of missed payments and lost homes beginning later this year. My State is expecting at least 48,000 applicants this winter, so there will be less money distributed to each household unless we can obtain higher funding for the LIHEAP program.

Ms. Choate says that Maine plans to focus on the elderly, disabled, and families with small children, and is studying how to move others to heated shelters. This is why our efforts are so very important. And it isn't just Maine, it is happening in all of the Nation's cold weather States. Quite simply, without increased funding, we are forcing the managers of State LIHEAP programs to make a Solomon's choice. I request that the Wall Street Journal article of October 6, 2005 be printed for the RECORD.

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

[From the Wall Street Journal, Oct. 6, 2005]

FEARING SHORTFALL LINKED TO HURRICANES, STATES SCRAMBLE TO STRETCH FEDERAL AID AMONG THE NEEDY

(By John J. Fialka)

WASHINGTON.—State managers of the $2 billion federal program that helps poor people pay their heating bills say that price increases following hurricanes Katrina and Rita could mean some homes will run out of fuel this winter.

The Low-Income Home Energy Assistance Program has helped consumers pay about half of the average $600 home heating bill in recent years. But this winter will be different. The Department of Energy estimates that the cost of heating an average home with oil will rise to $1,666 and to $1,568 for natural gas, but the federal money budgeted for the program remains the same.

''We're looking at a situation we've never really faced before,'' says Mark Wolfe, executive director of the National Energy Assistance Directors' Association, state agencies that funnel the federal money to people who meet state criteria for fuel help.

The problem will be most acute in Northern states, where running out of fuel poses health risks, particularly to the elderly, and could damage homes if water pipes freeze and then break. ''This year we've got a very good chance of running out,'' says Jo-Ann Choate, who manages the program for Maine's Housing Authority.

Her state's program has already received a host of new applications, but its buying power has shrunk. Last year, the program paid $480 for each household it assisted, covering the cost of 275 gallons of heating oil. This year, $480 will buy only 172 gallons. She figures that in a normal winter, ''That will go in the first three or four weeks.''

If there is a funding shortfall, Maine plans to focus the money it has on the elderly, disabled and families with small children. It is studying how to move others to heated shelters. ''We'll need to get people who know how to drain the pipes if people are moved out of their homes,'' Ms. Choate says. ''They'll have to be volunteers, though, because we'll have no money to pay them.''

In Wisconsin, Susan Brown, director of the state's energy-assistance program, says the program ''will pay less of a given heating bill.'' The number of clients—70% of whom use natural gas—has traditionally grown by 2% a year. This year, she worries that number could increase by as much as 30%. ''If that's the case,'' she warns, ''we will simply have to shut the program down.''

According to the Department of Health and Human Services, which provides the money to states, heating-bill increases are felt more acutely by the poor. In 2002, for example, the average household spent 5.9% of its income on heating compared with 12.6% spent by low-income households.

Additional help may be on the way as Congress and the Bush administration weigh proposals to increase funding. Senate Democrats led by Sen. John Kerry of Massachusetts are trying to add $3.1 billion to the program by attaching the money to a Defense Department spending bill.

''It is unthinkable that this administration would fail to have the emergency funds available to help families who need it the most,'' Sen. Kerry said in a statement, suggesting that Democrats will have a powerful issue for next year's elections if there is a shortfall of heating funds this winter.

A spokesman for the HHS, which added some emergency funds to the program during last year's heating season, said an increase in funding this year would be for Congress to decide. Paul Scofield, a spokesman for the House Appropriations Committee, said that ''we've always tried to keep this program funded,'' but added that, so far, it hasn't received any proposal to add money from the Bush administration.

''We've had a very mild winter in the last five or six years. If we get a real Montana winter this year, that's what's really got us spooked,'' says Jim Nolan, the heating program's director in Montana. Last year his program served 21,000 households, but about 85,000 are potentially eligible this year. With rising energy costs, he says, ''we could reach a tipping point and drive the number of applicants much higher.''

His department is lobbying for more assistance money from state electricity and gas utilities, which have a ''public purpose fund'' that earmarks 25 percent for energy assistance for the poor. This year, Mr. Nolan wants 70 percent of the money, which would take funding away from renewable-energy projects, such as solar and wind power.

Mr. Wolfe, who represents the state directors in Washington, says that without substantially more help from the federal government, the states and utilities will have to use a ''triage'' system to get families through the winter. In some states that will mean shifting more money to homes that use heating oil because oil distributors customarily won't deliver unless they are paid in advance, Mr. Wolfe says.

That means less money for utilities that supply natural gas. Those companies, on the other hand, are reluctant to cut off homes in the dead of winter. ''They'll get paid later,'' says Mr. Wolfe, who said legislatures in several states including Massachusetts, New York and some in the Midwest are pondering ways to supplement the federal funding.

The effects of a federal program stretched thin will be uneven, since some utilities have a much higher percentage of low-income customers than others. About three-fourths of the nation's home heating-oil customers are in New England.

In Montana, a state law forbids natural-gas companies from shutting off fuel to customers in the winter. But users of propane, a gas commonly used in rural areas, aren't protected.

Chemical companies and manufacturers that produce products using natural gas often have ''interruptible contracts,'' which means that if supplies run short, utilities will cut them off and send the gas to homeowners.

If there are frequent interruptions this winter, ''it's going to wash its way through the entire economy,'' predicts Charles Van Vlack, vice president of the American Chemistry Council, which represents 130 companies. ''Just saying industrial users are going to drop off of the [supply] system is a poor outcome. It's going to knock out jobs.''

The Federal Department of Energy has predicted that homeowners who use oil for heat and propane will spend 30 percent more this year than last, and natural gas users will spend 48 percent more. According to the National Energy Assistance Directors Association, heating costs for the average family using heating oil are projected to hit $1,666 for the upcoming winter. This represents an increase of $403 over last winter's prices and $714 over the winter heating season of 2003–2004.

For families using natural gas, prices are projected to hit $1,568, which is an increase of $611 over last year's price and $643 over 2003–2004. This is the largest increase in home heating prices in over 30 years. This is why our amendment is so very important.

Congress recently passed an Energy bill which is now law. In that bill, we authorized $5.1 billion for the LIHEAP program. My goal is to see that this is totally funded. We simply have to show that we meant what we asked for and totally fund the LIHEAP program. A total of $5.1 billion has already been authorized. All we are asking with this measure is to provide an additional $3.1 billion in emergency LIHEAP funding in additional to the $2 billion already requested by the President. Passage of this amendment to the Transportation/Treasury/Housing Appropriations bill is vital.

The facts are that LIHEAP is projected to help 5 million households nationwide this winter. But that's only about one-sixth of households across the country that qualify for the assistance. So this is a perennial fight we wage even when prices aren't as high as today. And now, that battle becomes all the more pivotal.

I want to thank Senators REED and COLLINS for their leadership on this amendment and I am proud to stand shoulder to shoulder with them to secure what is, in essence, literally life-or-death funding for our most vulnerable Americans. The cold weather won't wait and neither should we when it comes to helping citizens survive through the winter.

Mr. KENNEDY. Mr. President, with temperatures dropping, there are few more important duties than keeping our citizens safe and warm for the winter. Rising fuel prices give added urgency to our efforts to lend a hand to those who can't afford their heating bills.

Sadly, the gap between rich and poor has been widening in our society, especially in recent years. The number of persons living in poverty in the Nation has risen from 31 million in 2000 to 37 million today, a 19 percent increase during the Bush administration. Thirteen million children now live in poverty. Wages remain stagnant, while inflation inexorably sinks more and more families below the poverty line. The long-term unemployment rate is at historic highs. There is no excuse for America to continue to look the other way. Hurricane Katrina demonstrated the plight of minorities for all of us to see, for all the world to see. The ''silent slavery of poverty'' is not so silent any more.

For those in poverty, the American dream is a nightmare. Families stay awake at night worrying how to make ends meet. Parents wonder how they will feed their children and pay their bills.

Rising energy costs are a huge part of the problem. Significant numbers of citizens live with the constant threat of power shut-offs, because they can't pay their energy bills, and there's no relief in sight.

According to a recent report by the Energy Information Administration, the outlook for the coming winter is bleak. Home heating bills are likely to soar. Hurricanes Katrina and Rita have strained already-tight oil and natural gas production. According to the American Petroleum Institute, 20 percent of the Nation's refinery capacity is down or is restarting as a result of damage by both hurricanes.

On average, households heating primarily with natural gas will pay $350 more this winter for heat, an increase of an incredible 48 percent over last year. Those relying primarily on oil will pay $378 more, an increase of 32 percent.

These are not just abstract numbers. They represent huge burdens on real people. Just last week, Mayor Menino and I met with low-income seniors at the Curtis Hall Community Center in Massachusetts. They are scared that they won't be able to make ends meet this winter. They are worried about how they'll pay their high home heating bills. Predictions of a cold winter and sky-high fuel costs mean that the elderly, the disabled, and many others will be forced to make impossible choices between heating their homes and paying for food, or health care, or rent.

A Federal program is supposed to be available to help the poorest of the poor to avoid these unacceptable trade-offs. LIHEAP, the Low Income Home Energy Assistance Program, grants aid to low-income families who can't afford the steep cost of energy.

The number of households receiving this assistance has increased from 4 million in 2002 to 5 million this year, the highest level in ten years.

Ninety-four percent of LIHEAP households have at least one family member who is elderly, disabled, a child under the age of 18, or a single parent with a young child. 77 percent of LIHEAP recipients report an annual income at or below $20,000 and 61 percent of recipients have annual incomes at or below the poverty line.

Shameful, however, LIHEAP is not being given the funds needed to meet today's responsibilities. In fact, the President's budget funds the program at $2 billion which is almost the same today as when the program was created in 1981, the first year of the administration of President Ronald Reagan. Since then, heating oil prices have gone up 265 percent.

Meanwhile, demand for LIHEAP funding has increased. In Massachusetts, it serves 130,000 households, including 15,000 in Boston.

Eight thousand of the 12,000 fuel assistance applications sent out for this winter have already been returned, 1,500 more than this time last year.

With current funding, even those receiving LIHEAP assistance won't receive enough to last the entire winter.

In Massachusetts, one 71–year-old woman lives alone and keeps her thermostat set at 60 degrees to save money. She hopes the Federal Government will come through with more LIHEAP money before she runs out of ways to pay her heating bill. She says, ''I turn down the thermostat as low as I can and sometimes I turn it off and put on extra sweaters. I don't know how much longer I can keep doing this.''

Many families will struggle just to get their heat turned back on for the winter because they still owe money from last winter's bills.

Another example is a single mother who lives with her baby daughter. She's a nurse, but she lost her job in August 2004 has been relying on temporary jobs since then.

Her pay doesn't cover her bills, and her electricity has been cut off. She worries about how she can pay off her bills this winter.

It is wrong for us to let people like this suffer. So how does the Republican leadership in Congress respond? By cutting funds for essential low income programs.

In spite of Katrina, the administration and the House of Representatives continue to close their eyes to the long-term needs of the poor. Emergency aid was impossible for even the most hard-hearted Members of Congress to refuse. But as the spotlight fades it is back to poverty as usual. The House sent the Senate a continuing resolution which freezes funding for the LIHEAP program. But that funding obviously isn't enough. Nineteen percent of current LIHEAP recipients say they keep their home at a temperature they feel is unsafe or unhealthy. Eight percent report that their electricity or gas was shut off in the past year for nonpayment.

The continuing resolution also cut the Community Services Block Grant by 50 percent. These funds are used by many community action agencies to administer the LIHEAP assistance.

According to ABCD, a community action agency in Massachusetts whose neighborhood network handles the outreach and application process for LIHEAP, the cut in funding means that access to this critical survival resource will shrink by more than 70 percent. Up to 10,500 households, out of a current total of 15,000 recipients, may not get their benefits.

Those of us in Congress who care about this issue sent an urgent request to the President to increase the funds, but our request has gone unanswered.

We are here today to say that LIHEAP may not be on the administration's agenda, but it is on our agenda. That is why we are fighting so hard to increase LIHEAP funding. Senator KERRY and I offered an amendment on the DOD Appropriations bill to increase LIHEAP funding by $3.1 billion.

Almost every Democratic Senator voted for it, but the Republican Senators overwhelmingly opposed it and it was defeated. We will continue to raise this issue again and again and again, until our Nation's neediest families are fully protected this winter.

So I strongly support Senator REED's and Senator COLLINS' amendment to this appropriations bill, and I hope the Republican leadership will allow us to have an up or down vote on this amendment at some point during this debate.

Congress needs to stand up for the millions of Americans struggling to make ends meet. We need to tell low-income families across the country that we heard them, we care about them, and we don't intend to leave them shivering in the cold this winter.

LIHEAP is indispensable in filling that need. It is wrong for Congress to shortchange LIHEAP and the millions of families who need our help the most. Until every parent has a warm place to come home to every day, and every child has a warm bed to sleep in every night, our job is not done.

Mr. ENSIGN. Mr. President, I rise to speak to the amendment to enhance the Free File Alliance. The Free File Alliance is a partnership between the Internal Revenue Service and the private technology industry.

This voluntary program was created in 2002 after the IRS tried to create its

own tax preparation software and e-filing program at the taxpayers' expense. Such a program would have needlessly duplicated the resources and investments of the private sector. Instead, the Free File Alliance came into being, helping preserve voluntary compliance.

This Alliance provides free electronic tax preparation and e-filing services to lower income, disadvantaged and underserved taxpayers. In its first 3 years of existence, the Free File Alliance has donated some 10 million tax returns to American taxpayers and has helped significantly increase the number of e-filed tax returns. The success of this unique public-private partnership has been achieved at no cost to the taxpayers.

This alliance has benefited the American public. It has allowed the IRS to focus its resources and efforts on its congressionally authorized mission and objectives. The budget simply does not have room for waste or duplication, and the Free File public-private partnership has met an urgent need in the most cost-effective way possible.

There are long-standing program management issues that need to be corrected in the IRS oversight of the Free File program. For the first 3 years, the Service failed to make necessary management reforms. Congress has provided specific direction in terms of taxpayer protections, but the needed reforms have still not been put in place.

This amendment is fully consistent with all of the previous Congressional direction. It provides that the IRS and the Department of Treasury do not waiver from this direction. It will also ensure that the IRS does not provide all aspects of tax functions, including tax preparation services. That kind of conflict of interest cannot ever be permitted. The American people expect us to look out for their interests in such matters, to ensure fairness and balance in the system, and to protect their rights to voluntary compliance.

This amendment and accompanying report language should get the Free File program on track to achieve its intended purposes and objectives, and ensure that the IRS keeps its energies and resources focused on critical core missions, rather than spending precious public funds to try to expand them.

This is a basic good government, taxpayer-focused measure, and I ask my colleagues to join me in supporting this amendment.

NOTICE OF INTENT

Mr. DAYTON. Mr. President, in accordance with rule V of the standing rules of the Senate, I hereby give notice in writing of my intention to move to suspend Paragraph 4 of Rule XVI for the purpose of proposing to the Bill, H.R. 3058, the Transportation, Treasury, and Housing and Urban Development Appropriations Bill, the following amendment: No. 2143.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

MORNING BUSINESS

Mr. BOND. Mr. President, I ask unanimous consent the Senate turn to a period of morning business, with Senators permitted to speak therein for up to no more than 10 minutes.

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

BREAST CANCER AWARENESS MONTH

Mr. REID. Mr. President, as we pause to observe Breast Cancer Awareness Month, I would like to focus on the need to study the causes of this frightening disease, including the possible link between breast cancer and the environment.

Women diagnosed with breast cancer inevitably all ask the same question: Why me?

The unfortunate truth in all too many instances is, we don't know. Less than 30 percent of breast cancers are explained by known risk factors.

We don't know if the environment plays a role in the development of breast cancer. Studies have explored the effect of isolated environmental factors such as diet, pesticides, and even electromagnetic fields. In most cases, the results have been inconclusive. Furthermore, there are many other factors that are suspected to play a role that have yet to be studied.

We must find answers. While there is much we don't know, it is clear that a better understanding of the role the environment plays in the development of breast cancer could help to improve our understanding of the causes of breast cancer and could lead to prevention strategies.

For several years now, I have worked to pass bipartisan legislation, The Breast Cancer and Environmental Research Act, which would give scientists the tools they need to better understand any link between breast cancer and the environment. The Breast Cancer and Environmental Research Act would dedicate $30 million a year for 5 years for the National Institute of Environmental Health Sciences, NIEHS, to award grants to study the relationship between environmental factors and breast cancer. Under a competitive, peer-reviewed grant-making process that involves patient advocates, the NIEHS Director would award grants for the development and operation of up to eight centers for the purpose of conducting multi-disciplinary research.

To date, there has been only a limited research investment to study the role of the environment in the development of breast cancer—but we are making progress. Over the past several years, I have worked with my colleagues on the Senate Appropriations Committee to include appropriations language that has allowed the NIEHS to award grants to four research centers to begin to study the prenatal-to-adult environmental exposures that may predispose a woman to breast cancer.

This is a promising step in the right direction, but it is only a down payment on the task at hand. Moreover, the research strategy for these grants does not follow the nationally focused, collaborative, and comprehensive model as outlined in the Breast Cancer and Environmental Research Act.

More research must be done to determine the impact of the environment on breast cancer. If we miss promising research opportunities because Congress has failed to act, millions of women and their families will face difficult questions about breast cancer . . . and we won't have the answers.

These women and their families deserve answers. That's why we must work together to pass this bill, which enjoys broad bipartisan support. I urge my colleagues to observe Breast Cancer Awareness Month and to support the quest for answers about this deadly disease by supporting the Breast Cancer and Environmental Research Act.

Mr. CORZINE. Mr. President, I rise today in observance of National Breast Cancer Awareness Month. Today, 3 million American women are living with this disease. In 2005, an additional 200,000 women are expected to be diagnosed with invasive breast cancer and over 40,000 will die from this disease. While in recent years we have seen significant advances in breast cancer research, scientists are still researching many questions that remain unanswered regarding the causes and prevention of this disease.

I am particularly concerned about the likely impact that environmental factors have in contributing to the prevalence of breast cancer. That is why I support the bipartisan Breast Cancer Environmental Research Act, S. 757, which would provide $30 million a year for 5 years for the development and operation of multi-institutional, multi-disciplinary research centers to study environmental factors potentially linked to breast cancer. There is a clear need for research. We owe it to breast cancer survivors and victims to pass this legislation.

Over the past several years, New Jersey has consistently ranked in the top 10 states in the Nation for breast cancer incidence and mortality. That is why I feel especially strongly about supporting further progress and future advancements in the fight against this awful disease that will only continue to cause suffering among American women if we fail to act.

In addition to passing S. 757, we must also increase funding for the National Institutes of Health, NIH, the National Cancer Institute, NCI, and the Centers for Disease Control, CDC, all of which have played a major role in the development of improved treatment. Despite the critical role these agencies play in developing tools to fight and prevent cancer, the President and Republican-led Congress have significantly underfunded breast cancer initiatives at NIH, NCI, and CDC. We need to do more.