The Senate met at 9:46 a.m. and was called to order by the Honorable Jim DeMint, a Senator from the State of South Carolina.

PRAYER
The Chaplain, Dr. Barry C. Black, offered the following prayer:
Let us pray.

Author of wisdom, source of all goodness, keep us from confusion. Today guide Your Senators. Help them to discern between good and evil and to recognize the greater good and the lesser evil. Give them the ability to understand each other and to find common ground. Infuse them with a wisdom that will foster sound judgment and correct appraisal. Save them from being destroyed by the trivial and from wasting their energy on the incidental. Lead them out of confusion into simplicity.

We pray in Your loving Name. Amen.

PLEDGE OF ALLEGIANCE
The Honorable Jim DeMint led the Pledge of Allegiance, as follows:
I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE
The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Stevens).

The legislative clerk read the following letter:

Mr. Frist. Mr. President, this morning we will immediately return to debate on S. 3711, the Gulf of Mexico Energy Security bill. Yesterday, the Senate by a bipartisan vote of 72 to 23 invoked cloture on the bill. Under last night’s order, we will proceed to vote on passage of the bill at 5 o’clock today. Senators will be able to deliver their comments on the bill throughout the day, and the time will be equally divided until 5 p.m.

As I stated yesterday, we have other important issues to consider this week before leaving. With respect to that, a lot of colleagues on both sides of the aisle have come up and asked about how I plan to proceed this week on the pensions bill and the so-called trifecta bill, both of which came over from the House Friday night.

I talked to the distinguished minority leader about the best way to proceed over the next few days, given everyone’s curiosity. I will have more to say about that schedule later today. As we talk more about these bills in our various caucuses, when it comes to these two items, I should take a couple of minutes to lay out a few things.

As I have said consistently since Saturday morning, my priorities are simple. We are going to complete action on a very important retirement security bill which protects the pensions of literally millions of Americans before we leave.

Second, to test the Senate’s views on the so-called trifecta bill, a package which includes a final resolution of the death tax issue, as well as extension of various tax policies critical to Americans who are trying to create businesses, to start a business, to raise a family, to get that first job, and to invest and save for the future; this package also addresses the minimum wage increase. It is what we are calling—the press started calling and now we are referring to it as the trifecta package.

I want to be crystal clear—and my colleagues know this because a lot of them are making plans for the recess—that this week will be the time and the floor will be the place for the Senate to decide once and for all whether to act on this trifecta bill or to kill it.

First things first. The pensions bill itself is an important bill which, as I mentioned, affects the lives of millions of Americans. It is a must-pass bill. It must pass this week. If we fail to act, billions of dollars of new debt will be thrown onto the Federal Treasury, and...
that would be irresponsible. I think everyone recognizes that.

I know there are those in the minority who argue that the best thing to do is stop the pensions bill and then to try to put the tax extenders on it. But that would mean future fatalities at risk, and that is unacceptable.

Others in the minority are arguing that they can return to conference on pensions to haggle further on pensions and change this or that or to talk about how we would do it. I don’t know exactly what we would do if we went back to conference with that: arguments such as where is the best place to have a clam bake. For the record, I would like to have my clam bakes in New Hampshire. Going back to the conference means waiting until at least September, and that type of “kick the can down the road” mentality won’t work.

It is what happens too much around here—another hearing, another negotiation, another delay. That is going to have to stop in the Senate. We must clear the pensions bill clean so the President can sign it this month. We will act on pensions. We will get it done without amendment.

Senators are elected to debate, yes, but also to vote and to act. So we will also vote this week on whether to stop a filibuster on what I referred to as the trifecta bill. I don’t want anybody to be mistaken. If the Senate kills the trifecta bill, we will not return to it in the remainder of this year. That means we would have no permanent death tax reform, no tax policy extenders, and no minimum wage increase. It is now or never. It is this week. Members need to understand that, especially Members who think we can delay and put off and try to divide. We will be addressing it this week. That is why it will be a very important vote on Friday. There are not going to be second chances. There are not going to be last-minute side deals or new unanimous consent agreements or motions to proceed—nothing. This is going to be it.

The House has acted on a bipartisan basis to pass this bill, and now we have to decide as a body on whether to act as well. We will make that decision this week. It will be decided in that vote on Friday.

In the Senate, we have a bipartisan majority that supports fixing the death tax—a permanent solution for the death tax, fixing it forever.

We have a bipartisan majority that supports the tax policy extenders. We have a bipartisan majority that supports extending the minimum wage. Next year, it would mean we would have no permanent death tax reform, no tax policy extenders, and no minimum wage increase. It is now or never. It is this week. Members need to understand that, especially Members who think we can delay and put off and try to divide. We will be addressing it this week. That is why it will be a very important vote on Friday. There are not going to be second chances. There are not going to be last-minute side deals or new unanimous consent agreements or motions to proceed—nothing. This is going to be it.

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The House has acted on a bipartisan basis to pass this bill, and now we have to decide as a body on whether to act as well. We will make that decision this week. It will be decided in that vote on Friday.
The minimum wage they bring to the Senate is a travesty. The State of Nevada is an example. Everyone knows Las Vegas and Reno are based on tourism. Thousands and thousands of people work in Reno and Las Vegas for tips. Those tips have to be counted against your minimum wage. It is the same in six other States: California, Montana, Washington, Oregon, and Minnesota. Tourism is a big deal and the State legislatures there did not want wages to be counted against their tips. Where are the States rights we hear so much about from our friends on the majority side? They wiped this out with the bill they sent to the Senate.

If this minimum wage passed, it would be a disservice and an unfair statement to the people of Nevada, Oregon, Washington, Montana, California, and Minnesota. To think we have a minimum wage package that is good is a joke, an absolute joke. It is spreading a period of time and it penalizes seven States.

Right now, as we speak, people are being killed in Iraq. Our soldiers are being killed in Iraq. It is nighttime in Iraq. They have not finished the body count on that occasion over the last 24 hours. Well over 100 Iraqis have been murdered or killed one way or the other by the sectarian violence. We have been told by our military commanders, and they have sent a letter to the President of the United States, saying they need $17 billion yesterday. They want an emergency supplemental to take care of the equipment our soldiers are using in Iraq. The President has kept that in his bottom drawer someplace. It has not come to the Senate. I am sure he will wait until after the fiscal year has ended, as he has done in the past. Iraq is not part of his normal budget even though the war is going into the fifth year. Shouldn’t we be doing something, rather doing Republicans’ domination of time in this Senate with the estate tax repeal? We have spent more time on the estate tax repeal than any other tax. It is going into the fifth year. If this minimum wage passed, it would be a disservice and an unfair statement to the people of Nevada, Oregon, Washington, Montana, California, and Minnesota.

We have legitimate disagreement between both sides of the aisle, we have understood that right now this Senate will not repeal it forever, and, therefore, after a lot of discussion between both sides of the aisle, we have come back with a compromise that basically is not a total repeal, but it does prevent the death tax rate from rising, after it disappears 1 year, from up to 55 percent in 1 year with the exemption dropping down to $1 million. It gives a permanent solution. The details of that, as mentioned yesterday—and they are sure people talk about it today—it is a fair compromise, and a permanent solution with some certainty for people, for the farmers, for the small business people in this country.

The distinguished Democratic leader says that extenders were stripped out of the pension bill. Let’s be very clear that the pension bill that passed the House of Representatives did not have tax policy extenders in it; the pension bill that passed the Senate did not have the tax extenders policy in it. So it is a little bit hard to strip out extenders from a pension bill that did not even exist in a Senate or House bill.

The distinguished colleague mentioned the pension bill. Things are going well in conference on the pension bill. I argue that on the pension bill they continue, even through all the other disagreements on the pension issue itself, to go very well. The decisions were made on the substance of the pension bill, with Democratic Senators in the room and Republican Senators in the room, both in discussion throughout. I am very comfortable with the pension bill in the nature of the conference. But where the conference broke down is on the other issues, the tax extenders that were not in either pension bill.

Repealing the death tax, the third issue that the distinguished leader mentioned, I make it clear it is an important issue. I think the tax is wrong; it is unsafe, it discourages savings and investment, it punishes farmers and small business people in this country. We have legitimate disagreement about that. I feel strongly about that. Yes, I think the whole tax should be thrown away. It should be buried forever. However, we came to the Senate floor and counted. We got 55 votes, including the ranking member on the Committee on Finance who said it is important to bury that death tax forever.

But in the best spirit of compromise, we understand that right now this Senate will not repeal it forever and, therefore, after a lot of discussion between both sides of the aisle, we have come back with a compromise that basically is not a total repeal, but it does prevent the death tax rate from rising, after it disappears 1 year, from up to 55 percent in 1 year with the exemption dropping down to $1 million. It gives a permanent solution. The details of that, as mentioned yesterday—and they are sure people talk about it today—it is a fair compromise, and a permanent solution with some certainty for people, for the farmers, for the small business people in this country.

The minimum wage that he called “a joke” that we put in the trifecta bill, or the House put in the trifecta bill, which we will be voting on on Friday, to call a minimum wage that, it is their No. 1 issue, I have made it clear, very certain at this juncture the choices laid out before the Senate are appropriate choices, that each Senator will be able to come to the Senate and express in what direction they want to go.

To have this opportunity now to take their No. 1 issue, with the issue that is very important to us, that focuses on small business and farms, and take their No. 1 issue and put them together, to me is in the best spirit of this Senate. I would not call it a joke when you increase the minimum wage today from $5.15 per hour to $7.25 an hour. Yes, it is over 36 months. Yes, we do include the minimum wage tip credit which we feel is very important to small businesses. Yes, there is relief for small businesses who might say out loud that they cannot afford those in minimum wage in the tax extenders package where we have a 15-year depreciation to give some help to those people who might be affected by increasing the minimum wage in a dramatic way, but I also believe it is a joke. It is their No. 1 issue. To put it together in one bill that we can take forward, to me, is in the great spirit of coming together in this Senate.

We come to the fifth item the Democratic leader mentioned, “other issues” that we are not concentrating on. Again, if you look at this month, we look at the infrastructure in this country, we passed the Water Resources Development Act, a bill very important to our waterways and support of the infrastructure to promote economic growth. The Energy bill we will be voting on today we have spent a lot of time on, but it has the potential for putting a billion barrels of oil not being used today out on the market, 5,5 trillion cubic feet of natural gas which is not available today. If you talk to farmers, the high price of natural gas today drives up that cost of fertilizer, so it is important that we will deliver on that today.

I mentioned earlier issues I know the other side diminishes in importance, but that child custody bill that does address issues around, yes, the sanctity of life, but what State laws say in people trying to circumvent the State laws with regard to parental consent and abortion passed this Senate. The Adam Walsh Sex Offenders National Registry bill addressed a real problem in this country. We have 100,000 sex offenders circulating and we do not know where they are today. We addressed that in the Senate last week.

We continue to address the issues important to real people right now with regard to their cost of living, to hopefully lower natural gas prices in the Senate today, to address the values they care about when you talk about parental consent for abortion, people trying to circumvent those laws, and
sexually predators: or when you talk about the infrastructure of our waterways and our waterway development, again, which promotes economic growth. I would be hard pressed to say we are not addressing the issues that mean something to the average, hard-working family over on the farm or in a small family business. It is not to re-
taurant or a small family farm or a
which is basically a small family res-
million, or an increase of $1.5 million,
to raise the $2 million limit up to $3.5
thing over $1 million, potentially.
Mr. DURBIN. Will the Senator yield for a question?
Mr. FRIST. I am happy to.
Mr. DURBIN. I would ask the major-
level, since he called for the com-
plete repeal of the estate tax, when President Bush took office, our na-
tional debt was about $5 trillion; now it is nearing $9 trillion. In 6 years it has
gone from $5 trillion to $9 trillion. What you have proposed in the Senate
will add at least $1 trillion more to the national debt. Is there any limit to the
amount of debt you would have to fu-
ture generations to give tax breaks to
people?
Mr. FRIST. Mr. President, I think the misrepresentation of the issue we are
going to be voting on, on Friday, that has just been made by the assist-
ant Democratic leader needs to be ad-
dressed.
Right now, the bill, according to the Congres-
sional Budget Office, is around—the cost of this death tax per-
manent fix—is around $267 billion.
again, not the $1 trillion that has been
laid out. And the issues of the dollars and
the cents we can argue. What we start with, though, is the individual
out there, who is running that farm,
who is running that small business,
who has been taxed again and again
and again, is actually taxed on their
death for a second time, a third time, a
fourth time, and it is just wrong. I
would argue it is wrong whatever the price is, although the price is about a
quarter of the figure he put forward. It
is important for us to act on what is
right and what is wrong. That is why, on this Friday, we will be doing just
that.
Mr. GREGG. Mr. President, will the
majority leader yield for a question?
Mr. FRIST. I will be happy to yield.
Mr. GREGG. Just to clarify the num-
bers, because I do think the assistant
Democratic leader has thrown a bit of
a straw dog out there in his numbers, as
to the death tax, as it is presently
structured under today’s law, the ex-
emption is about $2 million. If we do not
change the law, the individual
death tax, the exemption will go back
to $1 million. The tax rate on dollars
over the $2 million today goes up to
about 46 percent. I believe, if we do not
put in place this change, the tax rate
would go up to 60 percent on every-
thing over $1 million, potentially.
What the proposal before us will be is
to raise the $2 million limit up to $3.5
million, or an increase of $1.5 million,
which is basically a small family res-
taurant or a small family farm or a
small family business: You will not
be wiped out by estate taxes which would
be 60 percent of the value of that busi-
ness over $1 million, potentially. Is
that not true?
Mr. FRIST. Mr. President, that is ab-
солutely true. And I think as we enter
this debate, we have to discuss the course of the
level, with a lot of these straw men
that are being thrown out, we will have
the opportunity to talk about and ad-
dress the reality of what the costs
would be. I think that is important. We
have to remember that our fisc respon-
sibility has to be there—but ultimately
how it affects that individual farmer,
who is out there, who dies, and has
saved, has invested, has grown that
farm or that small business, and has al-
ready paid taxes on what they pro-
duced, and to be able to pass that on
to their children—again, not totally free
because we have certain limits. Al-
though I would argue we ought to re-
peal it totally, that is not what is on
the floor. The compromise is on the
floor.
Mr. GREGG. Mr. President, if the
majority leader would yield further,
there is no total repeal; is that not cor-
rect? What is happening is the tax is
being reformed to reflect the fact there
has been an increase in value in assets
for especially small businesspeople,
especially small farmers, and we are try-
ning to protect those families from hav-
ing their businesses wiped out. So the
first $3.5 million, no, there would not
be a tax, but over that there would be
a tax?
Mr. FRIST. Mr. President, that is ex-
actly right. What is important is the
permanent solution. Right now, it is
absurd to think we almost have to have
two types of planning for when you die:
over the next 3 years, as these
prices come down; and then total eli-
mination for a year; and then jump back
up to a rate of, as my distinguished
colleague from New Hampshire said, as
high as 60 percent. In 1 year, with that
exemption falling back down to $1 mil-
ion.
So what we propose, what we will be
voting on now—and then that is it;
that is it for this year—is a permanent
solution to give certainty so people
will know what the laws are, what the
taxes will be, and clearly relieve most
of the incentive that discourages sav-
ings and investment.
Mr. GREGG. If the majority leader
will yield on one or more ques-
tions, I would also ask, on this mini-
mum wage issue, which the Demo-
cratic leader has dismissed as irrele-
tant or ineffective, by my calculation,
a $2.15 increase—I believe that is
what it is; maybe it is 10 cents—on a $5
basis is about a 4 percent increase. Is
that not an insignificant increase in the
minimum wage, to raise it by 40 per-
cent, is it?
Mr. FRIST. It is not. It is either a
percentage, or an amount of $2.10 for
every hour you are working. Let me pass
it this week. It is the law of the land,
by the way, if we pass it this week as it
is written. We are talking about a
2.10 absolute. But also it is a per cent-
age increase. It is huge. Everybody
needs to realize, right now this is going
to be the law of the land. The House
has already passed it. If we pass it, it
is. That will go up, as both that per-
centage as well as that amount, $2.10,
and it is $2.10 for every hour you are
going to be getting more money.
Mr. GREGG. If the majority leader
will yield for one more question rel-
ative to the budget issues here. We
have heard from the other side, almost
interminably, about the need for pay-
go and to live by pay-go. Is it not true
that these tax cuts within this pro-
posal meet the pay-go scorecard?
Mr. FRIST. Mr. President, abso-
olutely. And this has been very carefully
crafted to make sure we do meet those
criteria. The real beauty of what is on
the table—again, it is three different
bills, but each has been addressed very
carefully, such as pay-go, such as ad-
dressing the No. 1 issue from the Demo-
crats on the minimum wage, adding the
tax extenders. We have not talked
very much about those, but it includes
everything from State and local sales
tax deductions to the research and de-
velopment tax credit, which is sim-
ply extended. It was very, very crit-
ical, as we hear from the high-tech peo-
ple across this country in terms of in-
vesting for the future to create jobs.
The college tuition deduction is in
there; the work opportunity tax credit;
the percentage for restaurants in 15 years;
the timber capital gains; the mine safe-
ty tax incentives; the teachers’ class-
room expenses deduction; combat pay
applies to EITC; the gulf opportunity
zone—that is, the Katrina tax credits.
That is what we will be voting on
today: the permanent death tax reli-
ef, the extension of the tax relief, and
the minimum wage increase.
Mr. McCONNELL. Will the leader
yield for another question?
Mr. FRIST. I will be happy to.
Mr. McCONNELL. Does the leader
share my view that one of the things
we hear the most from our constitu-
ents as we go about the country is:
Why can’t you people in the Senate do
things on a bipartisan basis? And I
heard the leader indicate earlier that
we obviously have bipartisan support
for the Gulf of Mexico Energy Security
Act, we have bipartisan support for the
work opportunity tax credit; the de-
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sitarian support for a permanent reduc-
tion in the death tax.
Why in the world—with bipartisan
support for all of these three measures
which the leader mentioned—why didn’t
the House pass it last week before the August
break—why in the world didn’t we
come together on a bipartisan basis and
do something together that would be
overwhelmingly popular with the
American people? We have seen the
American people understand it does not
apply to them, they hate the tax and
despise it because they think they
shouldn't have to visit the IRS and the undertaker on the last day. And we are not even, as the Senator from New Hampshire pointed out, permanently repealing it, which would be our first choice but, rather, getting a permanent reduction. The minimum wage is overall a benefit to all Americans. We want it talked over. Senator Kennedy's figures. What part of "yes" do our friends on the other side not understand?

So I would just ask my friend, the majority leader, if he can think of any rationale for the Senate, any reason why the Senate should not come together—with bipartisan support existent for all of these measures—this week and have one of the Senate's finest moments, operating on a bipartisan basis to do some series of things that are important for America?

Mr. FRIST. Mr. President, I would just very briefly respond that my distinguished colleague from Kentucky really captures the point. Not only is it bipartisan support, but it is bipartisan majority support for each of these. Remember, for a total repeal, we got, in essence, 55 votes—for total repeal—and we are coming back with the compromise. The extension of the tax relief and the war -- we went through are issues we have addressed before, and we are extending them because they are so popular in terms of bipartisan support. And the minimum wage increase is an issue that has bipartisan majority support.

Each of these issues has been addressed in some shape or form. I am sure some people would come back and say we need to spend more time and let's put it off until September and let's delay. Each of these issues we have addressed. And there has been an appropriate compromise that is being brought forth that people will be voting on this Friday.

So I think it does capture, potentially the desire of the Senate to work in a bipartisan way, the very best of what this body is all about. And it is compromise. It is vote. It is action. It is addressing the concerns of the everyday people out there today who do scratch their heads at times and say: Now is the time for us to act.

The ACTING PRESIDENT pro tempore. The Democratic leader.

Mr. REID. Again, we live in this "land of Oz." The conferences had signed off on a conference report dealing with pensions. Basically, there had been an agreement, and they were going to put in that, as conferences are able to do, the extenders. They all worked out. We have been voting on that today. But they wanted the extenders to help the "pathway to heaven"—the "legislative pathway to heaven"—of the Republicans on the estate tax, so that was taken away.

Mr. President, if you are working at one of the hotels in Las Vegas on the results of the recent visit of the President of Washington or Oregon or Minnesota or California and this minimum wage passes, you would get a decrease in your minimal salary. It does not sound very good to me. And I think I would class it and the people in Nevada and those other six States would say it is a joke. How could you pass something saying it helps me; I get a pay decrease. The minimum wage bill they have here is not something different from ours—it also penalizes seven States.

For the majority leader to say that minimum wage is our No. 1 issue, it is one of our No. 1 issues. We have a lot of people who are the children of this care of this Nation—46 million people with no health insurance. We care about the kids being able to go to college. We care about stem cell research, which the President vetoed. That could be a No. 1 issue. I think Iraq is a No. 1 issue—2,600 dead Americans, more than 20,000 wounded, costing $3 billion a week. I think that is a No. 1 issue.

I did not invent for this Congress the name "the do-nothing Congress." Pun-ishing the kids who are the future of America, I ask the Senator from Nevada—when the Democrats said there would be no congressional pay raise until the minimum wage is increased or maybe it is because Oprah did a show on this last week or maybe it is a combination of both.

Mr. DURBIN. I ask the Senator from Nevada, over what period of time have the Democrats in Congress been asking for an increase in the minimum wage and over what period of time have the Republican Presidents and the Republican-led Congress said no repeatedly to an increase in the basic $5.15 minimum wage? How long have we been asking for a straight-up vote on increasing the minimum wage to my children, their children, my grandchildren, and their children.

It is obvious what the priorities of this Republican Senate and the Republican House are: to take care of the fat cats, the rich people. That is what it is all about. They know this minimum wage legislation they sent us is flawed. It eliminates an increase for the hard-working poorest of the poor in seven States, and it is spread out over 3 years.

Mr. DURBIN. I ask the Senator from Nevada, over what period of time have the Democrats in Congress been asking for a tax break for people who are the working poorest of the poor in seven States, and it is spread out over 3 years. I say to the Senator from Nevada, if the majority party in the Senate is not even sensitive to the fact that they are now leaving three-quarters of a trillion dollars of debt for our children and future generations to benefit 8,200 families, is this pay as you go? And if it is pay as you go, how are the Republicans paying for their reform or repeal of the estate tax?

Mr. REID. I say to my friend, like they pay for everything else. My 16 year old who is living in Las Vegas, she is paying for it, and their children are going to be paying for it. You talk about a death tax; the estate tax is not a death tax. What this Republican-dominated Washington has done in the last 6 years has passed on a $1-for-$1 ratio to my children, their children, my grandchildren, and their children.

It is obvious what the priorities of this Republican Senate and the Republican House are: to take care of the fat cats, the rich people. That is what it is all about. They know this minimum wage legislation they sent us is flawed. It eliminates an increase for the hard-working poorest of the poor in seven States, and it is spread out over 3 years.
if that is a proposal we ought to consider.

Mr. REID. Of course, we should consider it.

I say through the Chair to my friend from Illinois, we are in this business because the Republicans have put us here. We are spending an inordinate amount of time on seeing if they can run up a debt of approximately $1 trillion to the American people to take care of 8,100 people. That is why we are here. It is not because of the minimum wage; they hate the minimum wage. You know that, I know that. It is not because of the extenders. The extenders are good for most everybody. That is why they put it on the pension bill in conference. We are here because of the estate tax repeal. That is what this is all about. All the rest is fluff. As I say, the dominating issue of this Republican Senate has been estate tax repeal. That means more to them than addressing what the average person, the typical taxpayer is feeling today when they fill their tractors with fuel. We are addressing it on this floor.

We addressed health information technology, which I think is the single most important thing that can transform health care today in terms of improved quality, improved availability, and reduced cost, by getting rid of the waste and the abuse and even the fraud and the medical errors that do typify our health care sector. We addressed that in the Senate. We passed it in the Senate, and the House passed it last week. Now we can go to conference and pass it. So when we talk prosperity, too often the other side just talks about rich people. We too often talk about the 5.4 million jobs created—very, very important—the 4.7 percent unemployment rate, the lowest of the average of the 1960s, 1970s, 1980s, and 1990s—all very, very important. We are addressing what the average person, the typical taxpayer is feeling—energy prices—on the floor of the Senate today.

We are addressing health care costs through health information technology by trying to transform health care plans to the floor but having it stopped from consideration by the other side of the aisle. People feel those health care costs. The third thematic is securing America’s values. We have securing America’s homeland, and we know are so important to our generation and that next generation. That is what this war on terror is about. It is the No. 1 issue, securing America’s homeland. I will come back to that in a second.

I hope we can address supporting our troops overseas in the Department of Defense appropriations bill, this week. We need to do that this week as well. We come back tonight. It is late; I’ll talk to Chairman STEVENS as soon as I finish here to see if we can take that to the floor tonight and address it over the next couple of days.

Securing America’s homeland, we addressed in part through our border security bill, and addressing immigration, we did spend several weeks on the floor of the Senate.

The second thematic is securing America’s prosperity. By prosperity, the other side wants to talk about rich people because they know it has connotations to it and the sound bites work. But if you look at what we are doing, we are talking about people at the lowest rung of the economic ladder. We are talking about small businesspeople. We are talking about people who feel the squeeze that we know they feel because of energy prices and because of health care. Although they can say addressing those, at 5 o’clock today we are voting on the bill that can have the single greatest impact since our last Energy bill a year ago, which was very successful, a bill which has the potential for reducing that squeeze that people are feeling today when they fill their tractors with fuel. We are addressing it on this floor.

We addressed health information technology, which I think is the single most important thing that can transform health care today in terms of improved quality, improved availability, and reduced cost, by getting rid of the waste and the abuse and even the fraud and the medical errors that do typify our health care sector. We addressed that in the Senate. We passed it in the Senate, and the House passed it last week. Now we can go to conference and pass it. So when we talk prosperity, too often the other side just talks about rich people. We too often talk about the 5.1 million jobs created—very, very important—the 4.7 percent unemployment rate, the lowest of the average of the 1960s, 1970s, 1980s, and 1990s—all very, very important. We are addressing what the average person, the typical taxpayer is feeling—energy prices—on the floor of the Senate today.

We are addressing health care costs through health information technology by trying to transform health care plans to the floor but having it stopped from consideration by the other side of the aisle. People feel those health care costs.

The third thematic is securing America’s values. We have securing America’s homeland, No. 1: securing prosperity, No. 2; and securing America’s values, No. 3. Last week, on child custody protection, it is being stopped by the other side of the aisle. This body has spoken, and we must act. But the Democratic leader is right in many ways. He says Iraq and dead Americans—the words he used—$3 billion, all of which I look at as securing America’s homeland and those enduring values of freedom and liberty that we know are so important to our generation and that next generation. That is what this war on terror is about. It is the No. 1 issue, securing America’s homeland. I will come back to that in a second.

I hope we can address supporting our troops overseas in the Department of Defense appropriations bill, this week. We need to do that this week as well. We come back tonight. It is late; I’ll talk to Chairman STEVENS as soon as I finish here to see if we can take that to the floor tonight and address it over the next couple of days.

Securing America’s homeland, we addressed in part through our border security bill, and addressing immigration, we did spend several weeks on the floor of the Senate.
permanent reduction of the estate tax which also enjoys bipartisan support. So the Senate will have an opportunity, as the majority leader pointed out, later this week to do what it is about to do at 5 o’clock this afternoon on the floor of the Senate—bipartisan negotiations producing an extraordinarily important piece of legislation. Senators from both parties worked diligently and in good faith to craft legislation that could win the support of as many Senators as possible. This bill has the support of every single Senator from a Gulf State.

I am pleased to be a co-sponsor of the bill and to have been involved on behalf of the leadership in these seemingly endless discussions that went on for the last couple of months in order to put this together. I know a little something about marshaling support for a bill. Believe me when I say, although this bill may not have in it everything everyone wants, it will greatly improve our country’s energy independence and move us toward greater economic prosperity and stronger national security. And it is absolutely the best bill the Senate could pass at this time.

High energy costs are hitting Americans in their pocketbooks because of reliance on natural gas. This bill will begin to alleviate our supply problems and provide us with greater independence from foreign sources of energy. The Gulf of Mexico Energy Security Act of 2006 will open the Outer Continental Shelf for energy exploration. The Department of the Interior estimates that this area will yield at least 1.26 billion barrels of oil and 5.83 trillion cubic feet of natural gas. That is more oil than the proven reserves in Wyoming and Oklahoma combined. That is enough natural gas to power nearly 6 million homes for at least 15 years.

Finally, the remaining 50 percent will go to the General Treasury of the U.S. Government. Because this revenue comes from new leases, this will be an increase of funds—an increase in new money—to the General Treasury.

Also remind my colleagues that S. 3711 ensures that we carry out this energy exploration without sacrificing environmental concerns. This bill will include a 125-mile buffer against new energy development in waters off of the coast of Florida, thanks to the negotiations of Senator MARTINEZ, as I indicated earlier. He has protected the coastline of his State. And the bill will extend the moratorium on energy development in certain areas of the gulf that this Senate has decided are too close to the coastline. Again, that is at the insistence of Senator MARTINEZ.

This bill should garner all of our colleagues’ support. It takes a step forward for our country’s energy policy. I also thank the majority leader for all of his hard work to shepherd this bill to what I believe we are going to witness this afternoon, which is a strong bipartisan vote of support. The Senate should pass it. It will reduce America’s dependence on foreign sources of energy, while strengthening our economy.

Mr. President, I yield the floor.

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

Mr. DURBIN. Mr. President, I thank the Republican whip for his remarks, I will address the Senate in a moment. First, the earlier debate, what we are considering in the business of the Senate this week, and finally this bill that is pending before us.

What we have before us this week is a historic decision to make. It is a historic decision because, if the Republican majority prevails and if the bill, which they are asking us to pass, is enacted and signed by the President, what we will do is add dramatically to our national debt of America. Not only will this bill be a historic decision, but also a historic decision to make. This morning’s Washington Post suggested that the repeal of the estate tax will cost us, with interest over a 10-year period of time, about $750 billion.
This Federal estate tax affects very few Americans—only those in the highest income categories. It is a tax that is imposed on about 2 out of every 1,000 people who die in the course of a year—2 out of 1,000. So 8,200 families each year would be spared paying a Federal tax, on average, of $1.4 million.

When you project that over a long period of time, you would expect that the total would be $750 billion out of the Treasury, is either cut spending by that amount of money or impose another tax, another revenue source. That would be pay-as-you-go. So you would balance the books. You would say, for example, it is so important for us to reduce the tax burden on the families—after all, the families that pay the taxes are the 100 highest income families—that I would propose raising another tax or I would propose making a cut. But that is not what is happening.

What is happening has become the ordinary course of business under our friends on the Republican side of the aisle. They continue to spend money and they continue to cut taxes without any concern for the impact on our national debt. Here is the record that the Republicans have written on the budget: 4 years in a row of record deficits in the United States of America. In the closing years of the Clinton administration—and you can find this in the publications of our Government—we were generating surpluses. For the first time, we had turned the corner; we were reducing the national debt of America, strengthening the Social Security trust fund, and we had reached a point where we were moving forward with confidence that Social Security would be stronger for years to come and we would not be heaping more and more debt on our children. That was at the end of the Clinton administration.

Then came the Bush administration. President George W. Bush, in the 6 years he has been President, in the 4 years the Republicans have been in charge in the Senate, has seen record deficits. The debt is projected to soar under the Republican policies, this one-party administration, where a President in the White House, obviously, and in the Congress, the debt is projected to soar to more than $11 trillion by 2011. It will more than double; their policies will more than double foreign-held debt in 5 years, which is still spoken to in 5 years. There will be little real revenue growth since 2000. Every penny of the Social Security surplus, $2.5 trillion, will be spent on tax cuts, such as these, for wealthy people in America; and we will find that we are getting deeper and deeper in debt.

Let me illustrate that in a chart which Senator Conrad, our ranking Democrat on the Budget Committee, uses. This is his “wall of debt.” This indicates what has happened since 2000, when President Bush came to office. He faced $5.8 trillion in debt. That was the entire accumulated debt of America, $5.8 trillion. When President Bush was sworn into office. Now, by the year 2006, that number is up to $8.5 trillion. Think about that. It went from $5.8 trillion up to $8.5 trillion today—under the Republican policies, the debt of America, as projected under their policies, will rise to the level of $11.5 trillion by 2011.

So by the policies President Bush and the Republicans in Congress put into place when they came to Washington, projected out over the 10-year period—that is how we do our budgeting here—it doesn’t quite double the national debt, but it comes very close. Where do we get the money to do this? How can we continue to spend money we don’t have? Where do we get the money to sustain this over-spending and cutting taxes without cutting spending. President Bush has more than doubled the amount of American debt held by foreign governments. We now owe out to the rest of the world $750 billion. In the history of the United States 224 years to build up $1.1 trillion in indebtedness to foreign governments. This President, in 5 years, has more than doubled that amount.

Who are our bankers? Who are America’s mortgagors? When you look at the world’s biggest borrowers, the United States dominates the scene. We borrow more money from around the world than anybody; 60 percent of all the borrowing in the world comes from the United States. For instance, this estate tax repeal—by heaping on another $750 billion of debt on America is not paid for and could rise as high as a trillion dollars, we have to turn to somebody and say loan us the money so we can give a tax break to the wealthiest people in the world. And we borrow more money than any other country. Other countries pale in comparison in terms of how much they borrow. When we say mortgage, do we mean banks? Do we mean mortgagors? These are the bankers who come to our rescue and loan us the money? No. 1, Japan; 2, China; 3, United Kingdom; 4, oil exporting countries—a recurring theme in our policy, our dependence on oil exporters—South Korea, Taiwan, and so forth.

So what we are doing is asking them to loan us money so we can give tax breaks to wealthy people. That is what is happening in this Congress. How bad is this? Well, the General Accounting Office, Comptroller General Walker, chosen by the Republicans, a very bipartisan man—I respect him. He wasn’t sure when he came in if he had a political agenda, but he has been proven as a leader at the GAO who calls them as he sees them. Sometimes his messages make Democrats happy, sometimes they make Republicans happy. But I believe he does his best to be honest and candid. He said:

“Our problem is our large long-term deficit, and the sooner we deal with that the better.”

So now this week, the Republicans will make this proposal: They will agree to reduce and eliminate, in some cases, the estate tax on the wealthiest Americans who pass away—$8,200 of them each year—then they will agree to increase the minimum wage for workers across America.

The difference is stark when one looks at the beneficiaries. The numbers tell the story: 8,200 families benefiting from a reduction in the estate tax to the tune of 41.4 million; say by average; the minimum wage affects 6.6 million beneficiaries, and their average benefit is $1,200. A $1,200 minimum wage increase; $1 million in estate tax relief or reduction for the wealthiest people. The ratio is 1,000 to 1; 1,000 to 1 the benefit for the wealthier people in America from the estate tax versus the benefit from the minimum wage.

And who will pay for this repeal of the estate tax? Our children will pay: the generation that my son will be part of. We will go deeper into debt because the Republican leadership is going to add dramatically to the national debt of America. That is not responsible. It really doesn’t have the best long-term interests of America in mind.

Many of us are concerned that those who work hard every day have been waiting 9 years for an increase in the minimum wage. For 9 years, the Republicans have stood in the way of increasing the minimum wage. Imagine for a moment, if you will, trying to live on $5.15 an hour. Who are these people? They are the people who cleaned your restaurant. They are the ones who are probably frying the hamburgers back when you were finished at the restaurant. They are the people who work hard every day have been waiting 9 years for an increase in the minimum wage. Imagine for a moment, if you will, trying to live on $5.15 an hour. Who are these people? They are the people who cleaned your hotel room this morning. They are the folks who cleared the table of dishes when you were finished at the restaurant. They are the ones who are watching your children at the daycare center. They are the people who are probably frying the hamburgers back in the little shop where you went in for lunch. They are not in the corner. That comes out to about $10,000 a year. Can you imagine? Can you imagine trying to get by, and imagine still if you have a child trying to get by?

For 9 years we said to the Republicans: ‘‘Shouldn’t we turn to the bipartisan of increasing the minimum wage? That is just basic fairness, a humane approach to dealing with people. They have said no repeatedly. It is one of the longest stretches of time in which we have failed to increase the minimum wage. So now this week they have said: We have a bargain for you. If you will cut
the estate taxes on the wealthiest Americans, if you will build up debt for future generations of $750 billion or more, if you will cause us to borrow more money from foreign governments to sustain this indebtedness in America. If you will do that, then we will continue to give some of the hardest working, lowest paid Americans an increase in the minimum wage.

Doesn’t this tell the story? Doesn’t this tell the story between the differences between the two parties and their approach and attitude? We believe that an increase in the minimum wage is good for America and good for people who get up and go to work every single day. We think it is good for families, and it is good for their children. We think it is good for the long haul to reward work and to give a decent wage to people who get up and go to work. The Republicans, for 9 years, have said no.

We also think if you are going to cut taxes, why don’t we start by trying to help working families? Wouldn’t we be better off as a nation to talk about tax cuts that are limited and focused instead of these that are absolutely out of control? Wouldn’t we be better off as a country saying working families, middle-income families could deduct the cost of college education expenses for their kids?

Isn’t that a much better investment in our future than spending the estate taxes on the wealthiest people in America, those who have benefitted the most from living in this great Nation should be spared and resolved from their taxes to our Government?

So as we bring this week in the Senate to a close before the August recess, I believe there is a report card which the American people would like to have us address. The first point of the report card is this: What are you going to do about the war in Iraq? The Democrats came together—the leadership in the House and the Senate—and said to the President in a letter we sent just recently that it is time to start bringing American troops home. We have lost 2,573 of our best and bravest. They are in a crossfire of a terrible civil war where 100 Iraqi civilians are being killed on average every single day.

We have had promises over and over again that the Iraqis will stand up and defend their own country. Yet they have not done it, at least not to the extent where any American soldier has come home. It is time for that to change.

It is time for change in Iraq. The Republicans don’t want to address this issue. During the debate on the Defense authorization bill, they offered no amendments in terms of Iraqi policy. They rejected our effort to start bringing American troops home this year. They say: We are going to stay the course.

This is the first President in the history of the United States of America who has cut taxes in the midst of a war, the very first. For obvious reasons, it makes no sense. If you faced a medical crisis in your family, if you faced medical costs in your family that exceeded your health insurance, medical costs that might wipe out your life savings, would you consider it responsible at that point to put an addition on your home or take a luxury vacation? No, you would make the commonsense decision that in a time of great need we cannot afford luxuries.

But listen to this administration and this Republican Congress: In time of war, a war that costs us $3 billion a week, they push tax cuts for the wealthiest people in America. Think of it: the debt that future American generations will face because of this war is going to be increased by this tax cut for the wealthiest people in America. This is the whole story about their priorities.

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It is sad. It is time for us to assess honestly our future in Iraq.

The scorecard would obviously go to energy costs. As I travel around Illinois, and other Senators in their States, people are paying more for gasoline and hardships are being created. I was in Decatur, Illinois, on Saturday and had a roundtable. People came in and talked about the impact of gasoline costs on their lives and businesses. There were businesses large and small. There was a trash hauling business which had a lot of cars and workers trucks on the road around Decatur talking about increased costs. A woman came in from the UPS with 700 trucks that she moves around downstate Illinois and talked about the increased diesel costs. We had concerns from our veterans. There was a group that forms an honor guard and volunteers to perform an honor guard at military funerals. They travel about 1,200 miles a year to 150 funerals where they present the flag and the people of this country respectful sendoff for the veteran who has died, and they are talking about the increased cost of gasoline.

Families and businesses, large and small, farmers—they are all talking about that. Yet the story for an energy policy is the bill pending on the floor which will allow more drilling in the Gulf of Mexico but which will come up with only a few months’ worth of natural gas for America and a few months’ worth of oil.

We are not addressing the larger questions—questions, for example, about why we don’t have CAFE standards for more fuel efficiency and fuel use for the cars that we drive. This Congress, this Republican-led Congress has not seriously engaged in that conversation.

There is no conversation about giving businesses, small businesses across America and the people of this country the same basic health care protection that Members of Congress have. That is what the Democrats believe we should do and move forward to do as quickly as possible.

We also believe when it comes to jobs in this country, this is an issue often overlooked. Our Tax Code rewards companies that send jobs overseas, and that has to stop. We have to have an increase in the minimum worth of oil. It will absolutely positively affect the pocketbooks of American citizens.

This is a bipartisan effort, although as one can see from my colleague and his polemic—political polemic—that he has just completed, even the Democratic leadership is not comfortable with making progress, but many of the Members are.
Before I talk about the energy bill, I want to take a moment to respond.

He talked about the war. We had a vote on withdrawal from Iraq. It was 93 to 6 against that. We voted a year later on it again and only 13 Democrats voted for it. We need a policy for the world that we will be successful in that.

The Congressional Budget Office which, in my view, tends to overscore, making it higher than reality, said it was $260 billion over 10 years. I submit that even this is a high number. I submit also it was voted in this last year and it is now the law of the United States—that in 2010 the death tax will be completely eliminated. It phases out and goes to zero, but if we don't do something about it permanently, it will be back in 4 percent. Plus, if a State has another 5 percent, such as Alabama does, that is 60 percent of a person's net wealth confiscated by the Government. The polls show the American people are not happy with that. They believe it is legitimate.

So we spend a lot of time here figuring out how to make this death tax law stable so that people know what they are facing and what they are going to have to pay and what their families will have to pay.

We looked at it, and we have come up now with a flat rate of 30 percent for estates that would qualify at that level. That would be the maximum rate—not 55 but 30, a compromise that deals with this extraordinary confiscation of wealth by the Government of people who have worked hard, have paid their taxes, made money, paid a third of it to the Government, saved something for their children, and then the Government comes in and takes 55, 60 percent of it.

We do not think that is fair. The American people do not think that is fair. Polling data shows they do not think that is fair. This is a matter we need to fix.

We have this zero rate out there at 2010, about a little over 3 years from now, that we need to fix—a permanent fix. We are on the verge of doing that. We will have bipartisan support for that despite the assistant Democratic leader's arguments against it. We need to work on these things. We can and will move forward with that proposal.

Also, our Democratic colleagues say they wanted the minimum wage raised, according to the Kennedy bill, and so as a compromise we proposed to do that and work that out. That is where the negotiations are going. Hopefully we will be successful in that.
If we produce more natural gas in our domestic system, we help drive down the cost of natural gas. In fact, this production could have a larger impact on natural gas than it is likely to have on gasoline. It should really have a positive impact on both.

Let me show you this chart. I didn’t realize this originally. I met a businessman in Alabama. He has a big chemical company, an international company. He was telling me how much his natural gas costs have gone up and he said it is $3 a gallon. He is putting a business in a position where they might have to close it or cut back.

I said, Why? Aren’t other places in the world paying more?

He said, No.

I suppose that is the first time I realized that fact. You know, for gasoline, we pay $3 a gallon here. It is $7 or $8, or more in Europe—more in Japan, I think. So I have always thought we were cheap.

But look at this chart. In the United States we are now at $8.85 per million BTUs of natural gas. Lots of Americans heat their homes with natural gas. Lots of American electricity is generated by natural gas. Lots of businesses use amounts of natural gas in their chemical and other processes that they need to be successful.

But look at these numbers. In Trinidad it is $1.60. Bolivia is $1.65. Even in England—the United Kingdom, it is $7. In Belgium, $3.70. In Russia, $1.10. In Ukraine, $2.70. In the Gulf States, it is a little over $1. Even in China, it is $5.05. In Japan, it is $6.05.

If you are a business and you make fertilizer with natural gas—we make fertilizer, plastics and other things from natural gas—it is clear that our corporations and businesses that hire Americans are having to pay more, as are consumers of natural gas, than many areas around the world.

I say to say this has a potentially significant positive impact for our economy if we can knock down the price of natural gas. Natural gas goes into pipelines. It is moved by pipelines throughout our country. We have the pipeline infrastructure. We have the pipelines on the coast. We have a pipeline right now that runs from Mobile, AL, across the gulf to take our natural gas that we produce—that Florida does not produce—toward the East Coast. We have it in Florida. They can have their air conditioning running and live near the beach and be comfortable.

Somebody has been producing it. We have been producing it on the western part of the gulf. We need to produce it further toward the East.

Natural gas is not easily transported. Only 2 percent of our natural gas comes from LNG, liquefied natural gas. That gas is cooled tremendously; it becomes a liquid instead of a gas. It is put in a ship, and it is brought to the United States. Then it has to be heated up, returned to its gaseous state, and then put in the pipeline.

That is what we do. We do very little of that because natural gas is primarily a domestic product. So the more natural gas we can produce in the gulf, the more likely we will see these prices decline. If we have more nuclear power to generate our electricity with rather than natural gas, we could also see a decline.

What I am saying is that I am not here, and the people in support of this bill are not here, to say we want to help energy companies.

We want to create a market out there that would contain the rising cost of gasoline and natural gas.

I will note that it is a good thing for me that after all these years, some 40 years of production in the gulf, some 4,000 wells that are offshore, that for the first time the Gulf States that have been bearing the brunt of this effort will receive some funds from it, 37.5 percent—a little more than a third of the value. Two-thirds will go to the Federal Government. One-third will go to the Federal Government through either the Land and Water Conservation Fund, which will be spent all over the country on environmental matters, or for the General Treasury.

I think that is a good mix. I think it is fair. It will be limited, however, to be spent in the Gulf States for things that benefit the environment and the Nation. We have people from all over the Nation who come and enjoy our coast. We have people who come and enjoy the beaches. We have people who come and enjoy our coastal protection, mitigation in damage to fish, wildlife, and natural resources, implementation of federally approved marine, coastal, or comprehensive conservation management plans, and mitigation of offshore drilling activities through funding of offshore infrastructure projects.

Yes, for the first time there will be some sharing with the States on this offshore production, but it is not a huge amount, No. 1.

No. 2, the funds are to be used for conservation-type programs that will benefit the entire nation.

In conclusion, I believe that what we are doing now is a direct response to the cries of Americans working citizens and middle-class Americans who are concerned about their high heating costs. They are concerned about their high gasoline costs. They are concerned about our being transgressed upon by the distillers who raise the price of gasoline. This is what we pay for oil and gas around the world. If we can produce more at home, we can help contain the cost of gasoline and natural gas, and maybe even reduce it. We can keep that wealth right here at home. We can create good, high-paying jobs here. And those citizens with those high-paying jobs will pay taxes to the Government so that we can have money in the U.S. Treasury instead of spending it in Venezuela and having it go into Hugo Chavez's treasury.

I am excited about it. It is historic. I thank Senator Landrieu, and I thank other Democrats on their side that are now coming around to support it. Senator Landrieu has been our most knowledgeable supporter on this issue for many years.

I believe we are going to make it happen today. It is going to be good for America. It will be bipartisan and we will need to do more of that around here.

I thank the Chair. I yield the floor.
you suppose the reaction would be in the United States if the price of gasoline at the pump were $7 a gallon? That is exactly what the situation was in terms of natural gas last year. The price of natural gas went up to $14 a unit.

Testimony before the Energy Committee showed that if we translated that into gasoline prices, it would be the same thing as if gasoline prices were $7 a gallon.

That is how big the hurt is. Where does the hurt apply when the price of natural gas is too high, when it is $14?

Let’s start with manufacturing jobs in the United States. We hear a lot of speeches being made about manufacturing jobs. Let’s not send them overseas, people say. I agree with that. We don’t want them to go overseas. What will send them overseas in the chemical industry? There are 1 million blue-collar and white-collar jobs—jobs at Eastman Chemicals in east Tennessee. I have spoken about this many times on the Senate floor. My uncle used to work at Eastman. It is really strong families, high wages, good schools, low crime rate. It is hard for people to imagine what life would be like in the Appalachian Mountains in upper east Tennessee if Eastman had not been there for three or four generations.

But how long is Eastman going to stay in upper east Tennessee if the price of natural gas is at $14? Not long, if what it does is make chemicals. The chief executive of Dow Chemical testified that when the price is that high, his raw material cost is 40 percent of his costs.

When the price, as the Senator from Alabama was saying, of natural gas in other parts of the world is $2 or $3, and $5 a unit, and it is $14 here, where do you suppose the new chemical plants are going to be built? Not here, not in Tennessee, not in New Hampshire, not in Kansas, not anywhere. In fact, there are only about 14 new chemical plants being built around the world today. One is being built in the United States.

There are several reasons for that, but a primary reason is the unpredictability and high cost of natural gas. In the United States, it is $7 or $8 today per unit. But our economy was built on $2 natural gas. Every little addition to costs in the manufacturing process increases the likelihood that a job, or a plant will go to Mexico or some other place. It is incumbent upon us to do everything we can to keep the prices down. First, to stabilize and then begin to keep the price down. That is why it is important to begin with manufacturing jobs, and not just the chemical industry.

At a roundtable I had with the Farm Bureau in Tennessee, the chief executive of Saturn, the auto manufacturing plant—we have done a lot about all we can to save on costs by efficiency. The price of natural gas is raising the price of our cars. If you raise the price of cars and the supply parts are made in the United States, where do you suppose they are going to be made? They are going to be made in some other country where the price of natural gas is a lot less than it is in the United States.

One-third of all the manufacturing jobs in Tennessee are automotive jobs. In Tennessee, there are not just manufacturing jobs and automotive jobs but a primary reason is the unpredictability of those under the control of the United States to come into our system: 8.3 million acres in the Gulf of Mexico where we are already busy producing a lot of oil and gas, where we know what we are doing. There are a lot of ways to talk about it, but one is to say it is enough to heat homes for 15 years. Will this by itself stabilize the price of natural gas, by itself lower the price of natural gas back to $3 or $4? No. But it is an important part of the whole picture—a part that was left undone last year. We passed the comprehensive Energy bill.

That is my second point. Some have said we can’t drill our way out of this problem of high gasoline prices and high natural gas prices. I think we can agree on that. Nobody is suggesting that we do so, which is why we passed the comprehensive Energy bill last year. Here is what we did.

We started with conservation. In fact, the name of the bill probably should have been the Natural Gas Price Reduction Act of 2005 because that is the way we began to think about it. We were looking for ways to produce large amounts of liquid, low-carbon, or carbon-free energy.

The United States of America uses 25 percent of all the energy in the world. We are not on some desert island. We need a lot of energy. We increasingly understand that it has to be reliable energy. And we increasingly understand it has to be less expensive energy. Now we understand it has to be clean energy.

In the Great Smoky Mountains National Park in east Tennessee where I live, we have too much sulfur, too much nitrogen, too much mercury in the air. That produces asthma, that reduces particulate matter which harms our health. The Smokies has become the most polluted national park in the country. So clean air is important.

A great many people are concerned about the global warming. Many of this Senate is. That is why we in our bill said let’s have more carbon-free, low-carbon energy.

What did we say? First, we had major incentives for conservation and efficiency. Conservation is the place to start in any effort to have large amounts of reliable, low-cost, carbon-free energy.

Second, nuclear power. There is a renaissance of nuclear power in this country. Hopefully, it will continue. Nuclear power not only produces 20 percent of all electricity in our country, it produces 70 percent of our carbon-free electricity.

If you care about global warming, for example, it is not enough just to care about it—we need to do something about it. The two ways to do something about it are conservation and nuclear power—at least in the next generation.

Third, we had major incentives in the Energy bill last year for clean coal. Many people prefer that as a strategy because it doesn’t run into some of the problems in waste disposal and the possibility of nuclear proliferation that nuclear power might.

But there are significant problems with clean coal. One is it is dirty. Even clean coal production is dirtier than nuclear power.

Finally, we don’t know exactly what to do with all of that carbon we produce. We have some inventing to do in order to sequester and recapture the carbon and perhaps bury it.

Because we wanted to get on with natural gas price reduction, we also made it easier to bring in natural gas from other places in the world—freeze it, bring it in, unfreeze it, put it in terminals, and put it back into our pipelines.

That is an elaborate process. But for the next 5 or 10 years, we are going to have to rely on that.

We did some things to make it easier for refineries to operate. There are a variety of other things we did. Last year, we did conservation, nuclear power, clean coal, liquefied natural gas—a number of other things. But the one thing we didn’t do enough about was more natural gas supply. We are not going to drill our way out of this problem. We are trying to reduce our dependence on foreign oil and lower the price of natural gas in a variety of ways.

In this transition period, it helps to take the most obvious area of supply
and take it and do something with it, which is what we are doing here.

My second point is we have to finish the job that we started last year. I suspect—I know—there is much more to do. We should be more aggressive with conservation, more efficient, more aggressive in support of nuclear power, more aggressive in research for clean coal. I would like to see us accelerate our efforts for hydrogen fuel cell production and give more incentives for fuel-efficient cars as a way of dealing with reducing our supply of oil on the transportation side. Here we are doing what we need to do to finish the job.

Finally, I will say a word about where the money goes. Before the money goes into the Federal Treasury, it first goes into two important royalties. Royalties are not a new concept. Land owners get royalties when someone finds oil or gas. Then the money goes to the production company or to the State or the Federal Government. The bulk of those royalties is not a new concept. If you are drilling for oil in Wyoming, the first 50 cents of a dollar goes to the State for various purposes. If you are drilling in Alaska, 90 cents goes to Alaska and the other 10 cents to the Government.

Senator DOMENICI and the Framers of this piece of legislation wisely said the first 50 cents of the money we get from this deep sea exploration will go to the States. States along the Gulf coast get the bulk of it. In fact, I believe 37 1/2 percent goes to the State side of the Land and Water Conservation Fund.

The Land and Water Conservation Fund was created by the Outdoor Recreation Resources Review Commission. It was recommended in 1958. It was called the Rockefeller Commission, headed by Laurance Rockefeller. Congress enacted it in 1965. The idea was very simple. When we work for an asset, we need to create another asset.

In 1977, Congress authorized that one of the sources of funding for the Land and Water Conservation Fund would be receipts from the Outer Continental Shelf mineral lease. In other words, the kind of revenues from the oil and gas drilling we are authorizing today. Congress has authorized in the law that we spend $450 million a year on the State side. It goes to States for city parks and trails. The amount of money has gone up and down over time, so in 1985 and 1986 President Reagan's Commission on Americans Outdoors, which he asked me to chair, and I did, recommended we make some of that money permanent. So for the first time in 40 years, this legislation does just that: 12 1/2 percent of the revenues go for the State side of the Land and Water Conservation Fund.

Exactly what are we talking about? Since 1964, the State side has produced improved parks and forests in all 50 States, helped to create more than 40,000 athletic and playing fields, 12,000 hiking trails, 20,000 family picnic locations, 5,000 campgrounds, 10,000 swimming and boating facilities, and 600 hunting and nature areas.

In Tennessee, since 1965, our State has received 170 Land and Water Conservation Fund grants totaling $67 million in Federal dollars. It has been vital to stretch local matching dollars to fund the acquisition of parks, ball fields, trails, and playgrounds across Tennessee.

The funding has been modest. The new total budget for federal funds is $750 million per year, but it is important. It will grow over time. It has been recognized by those who have worked for a long time to support the Land and Water Conservation Fund.

I have a letter from Patrick Noonan and Henry Diamond. Mr. Noonan is the founder of the Conservation Fund and is chairman emeritus. Henry Diamond is the former commissioner of New York Parks and Environment and was involved in the drafting of the original Land and Water Conservation Fund in 1962. They say:

If the precedent of a conservation royalty can be established, it would be an important first step in the right direction, one that we have spent 40 years to achieve. I ask unanimous consent to have printed in the RECORD the letter from Mr. Noonan and Mr. Diamond, written in their individual capacities.

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

WASHINGTON, DC, July 21, 2006.
Hon. LAMAR ALEXANDER, U.S. Senate, Washington, DC.
Hon. KEN SALAZAR, U.S. Senate, Washington, DC.

DEAR SENATORS ALEXANDER AND SALAZAR: We are writing to express our strong support for the concept of permanent federal funding for the State side of the Land and Water Conservation Fund. If the precedent of a conservation royalty can be established, it would be an important first step in the right direction, one that we have spent 40 years attempting to achieve.

We and others have long advocated the principle that some of the funds from offshore oil and gas drilling should become in effect a royalty for conservation and outdoor recreation, providing a reliable and permanent stream of funding for the Land and Water Conservation Fund. This basic concept was put forward by the Rockefeller Commission to President Kennedy and the Congress in 1962 and was also a primary recommendation of President Reagan’s Commission on Americans Outdoors in 1986. Unfortunately, during the last 40 years, the Land and Water Conservation Fund has been subjected to the unreliable annual appropriations process. During recent years, those appropriations have averaged less than $100 million for the State side of the Land and Water Conservation Fund and this the Administration recommended zero.

Our goal is full funding for both the federal and state side of the Land and Water Conservation Fund, each of which is authorized at $450 million per year. At a minimum, we believe there should be $125 million a year available for the state side now and $450 million no later than 2017. Sincerely,

PATRICK F. NOONAN.
HENRY L. DIAMOND.

Mr. ALEXANDER. Mr. President, I salute Senator DOMENICI, Senator SESSIONS, Senator LANDRIEU, Senator VITTER, Senator MARTINEZ, and many others who have worked hard on this piece of legislation.

Two years ago, the idea of giving additional authority for offshore drilling for oil and gas was an unmentionable subject around here. No one would bring it up in polite conversation.

Last year, with the price of natural gas reaching $14 a unit, we had about 50 Senators who would support it, but that wasn’t 80. Yesterday, I believe we had more than 70 on the cloture vote.

We recognize there are environmentally sound ways to go a long way offshore, as we are here, where we cannot see it from the shore, and look for oil and gas. We have learned to do that in a way that is so safe that less oil and gas seeps into the ocean from that process than comes from natural seepage out of the ground. We have learned to do that and to do well.

We have also come a long way in recognizing that it is good policy to say if we are going to spend an asset—and by that I mean create an environmental burden—drilling for oil and gas, we ought to create an asset and spend some of the money for wetlands in the more affected States and through the State side of the Land and Water Conservation Fund in all of the other States.

This is an important piece of legislation. It helps blue-collar workers. It helps farmers. It helps homeowners who are paying skyrocketing bills to deal with 100-degree heat. It helps reduce our reliance on parts of the world such as the Middle East where we are beholden to other governments and other oil and gas producers. We have learned to do that in a way that is so safe that less oil and gas and it establishes for the first time good clear policy about how and when we take initial steps of offshore drilling. We not only should do it in an environmentally sound way, but we should use some of the revenue to create other conservation and outdoor recreational assets.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be waived.

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

Mr. CONRAD. Mr. President, we heard debate start this morning on permanently cutting the estate tax. I have some of my colleagues this morning refer to it as the death tax.

There is no death tax in America. We have no tax that applies at death. We do have an estate tax. We have a tax on wealthy accumulations that occur in families. That tax does not affect an individual unless they have at least $2 million. For a couple, that would be $4 million before they face any estate tax.
Of course, my colleagues know there are many ways you can further reduce the taxes that apply to wealthy estates. But the first thing we ought to say clearly and directly to the American people is, there is no death tax. There is no tax that applies at death. None.

One of the most interesting stories I have heard was a colleague of mine who was at the airport. A baggage handler said to him: My God, you have to get rid of that death tax. That is going to affect everyone. And, of course, it all gets added to the debt. None of it gets counted to the deficit. When one looks at what is happening to the debt, here is what one sees: We are building a wall of debt that is extraordinary. At the end of this President's first year in office, the debt was $5.8 trillion. We do not hold him responsible for the first year. But at the end of this year, the debt will have climbed to $6.5 trillion. And if the President's plan is put in place, for the next 5 years, the debt will go over $11.5 trillion.

The debt under this President has taken off like a scalded cat, and at the worst possible time. The debt is increasing before the baby boom generation retires. What are the implications of this rapidly rising debt? Well, one of them is that increasingly we are borrowing almost $600 billion. How can that be? How can it be that the deficit is less than $300 billion, but the debt is going up by almost $600 billion? How can that be? How can it be that the deficit is less than $300 billion but the debt is going up by almost $600 billion? That is largely because under the President’s plan, they are also taking hundreds of billions from Social Security to use to pay other bills. All of it gets added to the debt. None of it gets counted for the deficit.

This baggage handler was completely shocked to hear there was no death tax. He has heard over and over and over there is a death tax. He believed it. Everyone in this Senate knows there is no death tax.

What is most extraordinary about the proposal before this Senate is the context in which it occurs. Our country is deep in debt—deep in debt. Now our friends on the other side, their idea in the last week is we are in session for the next month is to come out here and put us deeper in debt. Dig the hole deeper and deeper and deeper. What an extraordinary proposal that is.

And for what purpose? To help the struggling middle class? No, no, they are out of this. This is not even the upper class. This is the wealthiest among us. That is who this is designed to help.

Here is our current circumstance. The deficit last year was $316 billion. The deficit for this year is projected to be just under $300 billion, some modest improvement in the deficit. But that completely misses the point because at the same time the deficit is showing some modest improvement, the increase in the debt is getting much worse. Last year, the debt increased by $551 billion. This year, we now project the debt will increase by almost $600 billion.

Someone out there listening might say: How can that be? How can it be the Senator is saying the deficit is less than $300 billion, but the debt is going to increase by almost $600 billion? How can that be?

That is largely because under the President’s plan, they are also taking hundreds of billions from Social Security to use to pay other bills. All of it gets added to the debt. None of it gets counted for the deficit.

This chart shows the deficit for 2006 just under $300 billion. Here is the amount added to the debt—almost $600 billion. And you can see the biggest difference between the deficit and the increase in the debt is the amount of Social Security money that is being taken away. The other purposes: $177 billion in this 1 year alone, Social Security money taken to pay other bills. And, of course, it all gets added to the debt. None of it gets counted to the deficit.

When one looks at what is happening to the debt, here is what one sees: We are building a wall of debt that is extraordinary. At the end of this President’s first year in office, the debt was $5.8 trillion. We do not hold him responsible for the first year. But at the end of this year, the debt will have climbed to $6.5 trillion. And if the President’s plan is put in place, for the next 5 years, the debt will go over $11.5 trillion.

The debt under this President has taken off like a scalded cat, and at the worst possible time. The debt is increasing before the baby boom generation retires. What are the implications of this rapidly rising debt? Well, one of them is that increasingly we are borrowing almost $600 billion. How can that be? How can it be that the deficit is less than $300 billion, but the debt is going up by almost $600 billion? That is a completely unsustainable course. You go back to President Clinton, you go back to the previous President Bush, you go back to President Reagan, President Carter, Lyndon Johnson, and all the other Presidents—224 years of American history—they ran up $1 trillion of external debt. This President, in just 5 years, has run up more than $1 trillion of U.S. debt held abroad.

So what we see are these countries to which we now owe money. We owe Japan $638 billion. We owe China $326 billion. We owe the United Kingdom almost $200 billion. We owe the oil exporters over $100 billion. My favorite down here, the Caribbean banking centers, we owe them over $60 billion. Mexico now is on the top 10 list of countries that we owe money. We owe Mexico $43 billion.

I asked my staff the other day: What do we see in terms of our borrowing compared to other nations borrowing? Sometimes that is a good way to get a sense of where we stand. They came back with this answer. It is not their numbers; it is the International Monetary Fund. It shows the percent of world borrowing by country. These are the world’s biggest borrowers. And who is No. 1? Our country. We borrowed 65 percent of the money that was borrowed by countries last year—65 percent borrowed by our country. Turkey borrowed about 2 percent. I see the United Kingdom borrowed about 4 percent. Spain was the next biggest after the United States. We borrowed 45 percent of all the money that was borrowed by countries last year. The next biggest was Spain at 6.8 percent; then the United Kingdom at just under 4 percent; then Australia, just over 3 percent; Italy, just over 2 percent; Turkey, just under 2 percent. The United States, 65 percent.

Our friends on the other side say: Oh, no, my goodness, our country is the biggest debtor nation in the world. Our colleagues have cut the revenue, cut the revenue, cut the revenue, increased the spending, increased the spending, increased the spending, and now their answer is: Let’s cut the revenues some more, and let’s cut it on the wealthiest of the wealthy, the top three-tenths of 1 percent of the estates in this country, because they are the only ones who are paying the estate tax now.

Our friends say: Oh, no, my goodness, let’s cut them some more. Let’s cut them some more. The wealthiest among us have already gotten the greatest benefit of the tax cuts that have been enacted—by far. Now they say: Let’s cut their taxes some more and borrow the money from China and Japan. This is a farce—a farce—which is occurring here. And it is a disaster for the economic strength of our country.

Here is what the size of estates has to be before they pay any tax. We are in 2006. These are the estate tax exemption levels under current law for a couple. Couples have to have $4 million before they pay a penny of estate tax—$4 million, not of gross assets, of net assets. They have to have $4 million free and clear before they pay a dime. And in 2009, that will go up to $7 million.

Our friends on the other side of the aisle say: Whooa, that is not nearly enough. Let’s jack that up dramatically. Let’s lower the rates. Let’s increase the exemptions. And let’s borrow the money from China and Japan. Now, there is a format to strengthen America.

The number of taxable estates is already falling very dramatically under current law. In 2000, there were 50,000 taxable estates in the whole country. This year, there will be 13,000 in the whole country. They say there is a death tax. There is no death tax. There is no tax that attaches to anybody at death in this country. The estate tax applies to...
people who have accumulated wealth. Good for them. I am glad for their success. But does a further tax cut on multi-million dollar estates make any sense for our country? Does it make any sense at all when we cannot pay our bills? No, we would go broke dramatically cut taxes on the very wealthiest among us who already have tax cut after tax cut after tax cut—let’s give them one more—when we have to borrow the money from China and Japan.

In the estimates are that there will only be 7,000 estates taxable in the whole country. In 2009, only two-tenths of 1 percent of estates will be subject to tax. That is under current law. Under current law, 99.9 percent of estates will not pay a penny of tax—99.9 percent. Our colleagues say: That is not good enough. Let’s cut it some more. Even though we cannot pay our bills now, let’s give another big tax cut to the wealthiest among us and go borrow the money from China and Japan and Germany and the oil exporting countries—because the money is gone. The money is gone. There are no surpluses here. We cannot pay our bills. We are borrowing 5 percent of the money we spend. The richest among us who have been successful have succeeded not only because of their own hard work and creative approach to solving problems; no,
in part they have succeeded because they are part of this country. How incredibly fortunate we are all to be born in America.

Many very wealthy people I know believe they have an obligation to give back to those fortunate enough to have been extraordinarily successful. An example of that with Warren Buffett. Warren Buffett, the second wealthiest man in America, worth some $40 billion, just decided to give virtually all of his wealth to Bill Gates’s foundation, who is the wealthiest person in the country, in order to do good works, in order to give back, in order to make a difference for others.

What is being said here on the floor of the Senate? No, that should not be the test—giving back, helping others, making a difference to improve this world, understanding that part of each of our success is because we had the good fortune to be born in America. This proposal is all about me, all about me. I have it. I am keeping it. I am not giving it away. What is the result? Well, our country will have to go borrow more tens of billions and hundreds of billions of dollars from Japan and China and Great Britain and the oil exporting countries, and even Mexico. Or our friends on the other side will, at some point, just shred Social Security and Medicare. That is where this is all headed. Make no mistake. That is where this is all headed because America cannot pay its bills. Hurricane Katrina put the estate tax repeal in some perspective.

The chairman of the Finance Committee said this: ‘It’s a little unsavory to be talking about this, isn’t it? ’ I applaud people who have been successful, but people who have been successful have succeeded not only because of their own hard work and creative approach to solving problems; no,
the conference committee. The conference committee worked since March of this year in good faith to deal with the pension crisis, and they added to that package the so-called extenders, those tax provisions that are about to expire that are critically important to the 37,000 companies that have pension plans on the taxpayers. We need to move this pension bill. I urge the Republican leadership to bring up the bill this week and to bring it up before any tax bill. The American people need it. We need to provide the pensions of millions of Americans, we need to provide relief and certainty to good-guy businesses, and we need to protect the taxpayers from having billions of dollars dumped on the Pension Benefit Guarantee Corporation. Promises made should be promises kept.

America’s pension system is in crisis. There are companies that are declaring bankruptcy and then dumping their pension plans on the taxpayers. We have the legislative framework to deal with this.

We have had terrible problems. Bethlehem Steel didn’t honor their books and declared bankruptcy. They dumped the pensions of 100,000 workers and retirees on the Pension Benefit Guarantee Corporation. United Airlines declared bankruptcy in 2002 and dumped the pensions of 122,000 workers on the Pension Benefit Guarantee Corporation.

One might say: What will this bill do? It will help to make sure that history does not repeat itself. I have been fighting alongside my colleagues for a long time to enact comprehensive, bipartisan reform. Senator DeWine and I held hearings a year ago. The Senate passed its bill 7½ months ago. There was a HELP Committee bill and a Finance Committee bill.

When we were waiting to pass the bill, Senator DeWine and I had a hold on the pension measure concerned that it would place at risk certain come-back companies that were working their way out of bankruptcy and would force their pensions into junk bond status.
We had the assurances of our colleagues, Senators Grassley and Baucus from the Finance Committee, saying: Lift your hold. We need to pass the pension bill. We will work with you.

So Senator DeWine and I trusted Senators Baucus and Grassley, and we did. We worked through the week to try and agree within the Senate on a bipartisan framework. Then we took it to the House conference. It was a rocking-and-rolling conference but, again, we were able to get it done.

Now, can we get the bill done in the Senate? We worked it out in conference, and it passed the House. Why can’t it pass the Senate? It needs to pass the Senate by Thursday or Friday. Now is the time to pass the bill.

The Republican leadership has decided that protecting a few millionaires’ estates after they die is more important than protecting pensions for retirees while they are still alive. Let’s get our priorities straight. We are not only talking about the retirees who depend on us, we have workers right now in airlines who are wondering what is going to happen to them. What do you say to somebody who is working for an airline who might lose his pension? Think about that mechanic. Think about what he is concerned about.

What about the stewardinesses, the brave people we saluted on flight 93? The last thing we can do is honor their memory and have a pension bill for those who fly tomorrow. What about the people who are working right now who are concerned that the rules of the game will be shifted on them? Our pension bill—our bipartisan pension bill—will protect them.

We really have to pass this bill. I urge the Republican leader to bring up the pension bill after we dispose of this coastal drilling issue. As I said, the time for delay is over, the time for politics is over, and it is time for us to take up the pension bill.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. Voinovich). The Senator from Louisiana.

Mr. VITTER. Mr. President, I rise to strongly support S. 3711, the Gulf of Mexico Energy Security Act of 2006, and I also rise to put its provisions in perspective and to dispel some of the myths and simple inaccuracies that, unfortunately, have been propagated in many places, including on the Senate floor.

It is important to understand what this important Energy bill does because it does do significant and important things, and it is also important to understand what this bill does not do because it does not do several things that opponents have claimed. So let’s go down these two simple lists.

This Energy Security Act does many important things. It brings new sources of domestic energy to the market over the next few years. We all should agree that this is a very important and necessary component of securing our energy future—not the only component, not the only thing we must do but a very important component of what we must do.

This bill generates new revenue for the U.S. Treasury. There has been enormous misinformation about that. There has been claims that the producing States are getting the Federal Treasury. What the States are doing is producing more Federal revenue for the Federal Treasury. If that is a raid, let the raids begin, and we will soon erase the deficit. This bill promotes parity with nearly 90 years of onshore energy production policy by recognizing the importance of reinvesting in our offshore energy-producing areas to ensure the sustainability and liability of domestic energy production and independence.

For decades and decades, producing States onshore, on Federal land, have shared 50 percent of theroyalty produced on those Federal lands. This begins to achieve some parity with that by allowing coastal producing States 37.5 percent.

This provides dedicated revenue streams for the State side of the Land and Water Conservation Fund. That fund makes grants available to all of our States to help with the costs of parks, soccer fields, and other recreational opportunities. This fully complies with the budget resolution we passed last year and the reserve fund amendment I included in the Senate’s budget resolution this year, and it all reduces America’s dependence on volatile foreign energy sources.

These are all very important goals. These are all goals achieved by this bill.

Just as importantly, there are many things this bill does not do which opponents have confused in the debate.

This bill does not in any way affect offshore California, the west coast, the North Atlantic or the east coast. This bill is focused on the Gulf of Mexico and has the support of the Senators from all of those Gulf Coast States.

This bill does not change offshore policy in any area other than the Gulf of Mexico, which today provides up to 30 percent of our energy.

This bill does not raid the Federal Treasury of funds from current revenue streams. It does not increase the deficit. As I said, what this bill does is the opposite. It allows production activity which would not occur otherwise. What does that mean? That means increased Federal revenue—$1 billion toward deficit reduction—not decreased Federal revenue.

This bill does not provide funds for the expansion of Federal land acquisition programs through the Land and Water Conservation Fund.

I find, quite frankly, the opposition to this bill enormously frustrating. So let’s go down these same Members of the Senate—others in the broader debate—are some of the loudest voices about high, increasing energy prices, oil prices at the pump, natural gas prices and what that does to our competitiveness. I agree with those concerns. Those are very legitimate concerns. Yet we bring a bill to the floor of the Senate that can absolutely have a short-term impact, a positive impact, for all of those people that the opposition said, no, they have to oppose it. That is not good. That cannot be part of the solution.

The cost of natural gas has increased 400 percent over the last several years. Natural gas is a mostly continental resource. Its movement through LNG is possible, but that alone cannot have enough of an impact to bring down prices the way we want to see them come down. So we need to produce more domestically. This bill will do that and help bring down natural gas prices.

Gasoline prices have increased from $1.28 in 1996 to over $3.60 in some areas of the country today. Of course, these surges were exacerbated by Hurricanes Katrina and Rita.

These huge spikes don’t impact us just at the gas pump or when we pay our heating and cooling bill. They affect us everywhere—at the grocery store, when we buy clothes, at the hair salon, when we go on trips, restaurants when we pay higher energy bills, and also in the job picture. When we decry jobs moving overseas, high natural gas prices in this country are a huge factor, particularly in select industries such as our chemical industry.

Yet, again, the folks who run to the floor of the Senate to beat on these issues and try to take advantage of them politically the most are among those who are opposing this bill. It makes no sense to me, and it is enormously frustrating to me.

They also seem to be opposed to this bill because they are just opposed on virtual religious grounds on more oil and gas production.

We need to do a lot of things to secure our energy future, and certainly that involves research and new technology and new forms of energy. But as we do that—and we are doing that, and we will do more, and we must do more—as we do that, the fact is, for the next several years and several decades we will have an economy in some ways dominated by oil and gas.

So if we want to give consumers relief, we want to try to secure our energy independence in the short term, we also at the same time need to attack that side of the question, and this bill does that, domestically increasing our independence.

It is just completely irresponsible for people to say we can’t address that side of the equation. We must, as we must address the longer-term side of the equation, with new technology, new sources of energy, new science and engineering. Those both have to be necessary components of a solution.

I would have a little more sympathy with some of these arguments if Senators from many of these other States,
not in the directly affected region in the gulf, were producing at least other forms of energy. They don’t like oil? They don’t like natural gas? There are other things folks in different parts of the country can do. There is nuclear. There is solar. There is windpower. The fact is, so many of these opponents bring up that somehow we are raiding the Federal Treasury. If bringing in more Federal revenue is raiding the Federal Treasury, then let the raid begin. That is what this bill does. It increases Federal revenue—$1 billion more for the Federal Treasury, $1 billion more of deficit reduction. That is the plain and simple fact. Why is that? Because this bill expands production which expands revenue which, even in the new rules of revenue sharing under this bill, increases Federal revenue and decreases the deficit.

For any opponents to claim that this somehow increases the deficit and raids the Federal Treasury is simply untrue. It is actually incorrect. There is more Federal revenue, bringing down the deficit.

S. 3711 is positive. It is concrete, it is taking action now. It is a step forward. It can have an impact that can make life better for average Americans, even in the short term, and help bring down energy prices, help increase our energy independence, help produce new revenue, not just to the producing States; but also to the Federal Treasury—help reduce the Federal deficit.

This is a win-win, and I urge my colleagues to support this important energy legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I have come to the floor to speak in opposition to the so-called Energy bill that we have before us, on which we will be voting cloture later this afternoon. I want to make my position very clear. I am completely against drilling for oil and gas here in the United States or in the Gulf of Mexico. Fossil fuels are an essential component of our Nation’s energy infrastructure, and I support appropriate steps to build our supply and use. For example, I have repeatedly, for several years, called for the construction of the Alaskan natural gas pipeline. I voted for last year’s Energy bill which contained numerous incentives for increased development of fossil fuels. In fact, I voted for previous Energy bills over the past several years.

However, unlike those previous Energy bills, this bill before us today is not comprehensive. Far from it; it is a narrow bill, focused strictly on drilling for oil and gas in certain portions of the Gulf of Mexico. There simply is not that much gas being made available under this bill.

I mentioned a moment ago the Alaskan natural gas pipeline. Every day, they are reinjecting into the ground gas already discovered in Alaska that could be shipped to the lower 48 if we had a pipeline in place. In fact, if we had one on this several years ago, we would just about be completed with that pipeline right now. The pipeline is projected to provide some 2.2 trillion cubic feet of technically recoverable gas each year for the next 100 years. However, the current day bill would provide perhaps 5 or so trillion cubic feet lasting less than 3 years.

What does that all mean? It means there is about 40 times the amount of natural gas in Alaska than we would ever get from this pipeline in the Gulf of Mexico. That may not even be including the Mackenzie gas bill in Canada.

The Minerals Management Service indicates the gas made available under the bill before us, if you project 50 years into the future, could be about 2½ months of supply. In other words, of all the natural gas we are going to need for the next 50 years, the bill before us will provide about 2½ months of supply. That is another way of looking at it—we get about 9 days’ worth. And we won’t get any at all until 2012. This is not going to have any significant impact on our supply.

As Senator BINGMAN noted, in order to get access to this very modest amount of gas—as I said, perhaps 5 trillion cubic feet—we are locking away 21 trillion cubic feet in the eastern gulf until 2022 by placing these areas under a 16-year moratorium. What a deal for the American consumer. What a deal.

We can get 5 trillion cubic feet, but in exchange for that we are going to lock away, for 16 years, up to 21 trillion cubic feet that could be made available in the eastern gulf. That is not a very good deal for the American consumer. I think that the last bet is for Congress to find a way to get the Alaska natural gas pipeline built. Yet we have done nothing on that. Unfortunately, key parties in the State of Alaska are not getting the job done, and we have not done anything to really move them in that direction. My understanding is that the legislature there is not satisfied with the concurrent contract proposal negotiated by the Governor, and he is not satisfied with them. It goes back and forth and back and forth.

Earlier this year, Senator SNOWE and I wrote a letter to the Energy Committee asking them to investigate this and hopefully to come up with some recommendations. Frankly, we here in Congress might break that logjam.

Anyway, there is little hope for them getting it settled by the end of the year, but we are focusing on this—5 trillion cubic feet. We have 40 times that amount in Alaska that could be piped down. That is just one facet of how bad this bill is.

Second, this drilling legislation would drain the Federal Treasury of billions of dollars in lost revenue that would otherwise be available for urgent national priorities—priorities, I might add, such as agricultural and rural development assistance, health care and education, in addition, of course, to real energy security.

I know a number of farmers—my farmers—need more natural gas. We use it to make fertilizer. We use a lot of it to make ethanol, also. The point here being that the amount of money we are going to lose under this bill means that we are going to be draining money away from the Federal Treasury that we will need in the next farm bill, which is coming up, which we are going to need for a safety net for farmers, which we are going to need for conservation payments, which we are going to need to provide more incentives for ethanol and biodiesel and biomass production.

Again, the offset is not good. Agriculture really comes up a loser.

The reason I say that—one other bad facet of this bill is that it provides 37.5 percent of the revenue from the new leases in areas beyond their areas to four Gulf Coast States. In other words, four States are going to get 37.5 percent of the money that is, way, way beyond their terri-

I can’t blame my friends from those States for fighting hard for this bill. I can’t blame the Senators from Texas and Louisiana and Mississippi and Alabama—they are making out. This is a heck of a deal for them. Like I said, I can’t blame them, but what about the rest of the Senators here? We represent other States.

This is not unique. This came up once before back in 1952, when the President of the United States was Harry S Truman, from Missouri. The issue again was, to whom do these minerals, oil and gas, in the Gulf of Mexico belong? I want to read this for the Record. Here is what our courageous, gutsy President had to say:

The minerals that lie under the sea off the coast of this country belong to the Federal Government—that is, to all the people of this country. The ownership has been affirmed and reaffirmed in the Supreme Court of the United States . . .

I am quoting Harry Truman. He said:
If we back down on our determination to hold these rights for all the people, we will act to rob them of this great national asset. That is just what the oil lobby wants. They want us to turn the vast treasure over to a handful of States, where the powerful oil interests hope to exploit it to suit themselves.

Talk about corruption. Talk about stealing from the people. That would be robbery in broad daylight—on a colossal scale. It would make Teapot Dome look like small change. I got a letter from a fellow in Texas today, who is a friend of mine, and he was weeping over what the schoolchildren of Texas were going to lose if Texas didn’t get its oil lands 9 miles out from the shore.

Nine miles. Here we are talking about 100 miles or more. This was 9 miles. Listen to what Truman was saying about the oil and the gas 9 miles off the shore:

And I composed a letter to him, and then did not send it. I said what about the schoolchildren in Missouri and Colorado, and North Dakota and Minnesota and Tennessee and Kentucky and Illinois, do they have any interest in this at all? Evidently not, it should all go to Texas. Well, it isn’t going there, if I can help it.

Boy, why don’t we have a President like that today? Talk about telling it like it is. And Truman did veto it.

Here is his closing:

I can’t help thinking the Members of Congress from Texas and California and Louisiana might like to have all the offshore oil for their States. But I certainly can’t understand how Members of Congress from the other 45 States can vote to give away the interest the people of their own States have in this tremendous asset. It’s just over my head and beyond my interior florins. If a Congressman could vote to give that asset away, I am still puzzled about it. As far as I am concerned, I intend to stand up and fight to protect the people’s interest in this matter.

President Harry Truman, May 17, 1952.

Where is Truman when we need him today? Yet we read history and look back and say: Boy, that Truman, he was a man, he was a man, his courage was fought for real people. He was on our side. How, he said, can Members of Congress from other States—Iowa, Minnesota, Nebraska, Illinois—how can they vote for something like this to give away a national asset to four States? Truman said it in 1952. Here we are back again, back again.

As I said, 37.5 percent goes to these four States. As Truman said—how did he say it? He said here, Talk about corruption. Talk about stealing from the people. That would be robbery in broad daylight—on a colossal scale. It would make Teapot Dome look like small change.”

Truman had it right then. He is right today.

Another reason to be opposed to this bill is it is such a narrow and controversial bill when we consider the components of what we really need for a 21st century sustainable energy policy for our Nation. By that I mean an aggregate policy effort to promote conservation and to ramp up renewable energy. It is as true today as it was 10 years ago, 20 years ago, and 30 years ago. It is cheaper right now to conserve a barrel of oil or a trillion cubic feet of natural gas than it is to go out and drill for it. It is easier and cheaper—cheaper to conserve. Yet we have this bill before us, this very narrow bill. How big a victory would that be? It gives all this—37.5 percent of these royalties—to these four States.

You might say the average American out there listening to this debate today, why wouldn’t you just amend it? If you feel so strongly about this, offer an amendment; see what happens.

Guess what. We can’t offer any amendments. Yes, that is right. You may say maybe it shouldn’t be 37.5 percent. But why? You mean we can’t offer an amendment? That is right. I cannot offer an amendment to this bill because of the games the leader on the other side played in terms of how he brought it up under rules—up rules of about case—without case. That is just gobbledygook, meaning the majority leader is able to engineer the way the bill is brought up so we cannot offer amendments to it. When the bill comes up for a vote, it is up or down. We cannot offer an amendment. We can’t offer an amendment on conservation or renewable energy or to say maybe it shouldn’t be 37.5 percent for four States, and maybe other States something else. Fifty amendments were filed on this bill. None of them will be considered.

We have time to talk for days around here about flag desecration and about gay marriage. I am not saying those aren’t important issues. But let’s get real, folks. We are talking about something here that affects every American every day. People are hurting out there with an unusually hot summer. People are struggling to pay these big gasoline prices—upwards of about close to $4 a gallon. 71 cents more than a year ago. Natural gas prices are the highest of anywhere in the world right here in America. Yet how do we go about achieving some energy price relief for my Iowans or other Americans? How do we go about it?

We have this bill—this very narrow bill. We should be discussing other parts of what we need for energy. The Senate leaders, Senator Frist and Senator Reid, were asking last week that while addressing the measure before us. Again, we spent all this time this year debating this and that. And if we have time for those, we surely have time to debate America’s energy security challenges, offer our amendments, debate them, and let’s see what comes out of the process.

I filed two amendments to this bill. One contains the Biofuels Security Act. It is a bipartisan measure to improve our ability to deliver renewable fuels to motorizing consumers. I am not going to explain everything little bit of it, but basically it would increase the amount of renewable fuels we make. Second, it would make E-85 ethanol available at gas stations across America.

Third, it would require the automobile companies to make more flexible fuel cars such as they are doing in Brazil right now so we could have E-85 pumps across America.

I filed a second amendment that would require the EPA set renewable fuels standards that lead to a 10 billion gallon target by 2010. That shouldn’t be too much. We are going to meet that, anyway. We should do it higher.

We need to spur growth of cellulosic biofuel production—fuels made from forest materials such as switchgrass, wheat straw, wood waste and switchgrass.

Lastly, in terms of conservation, I cosponsored an amendment with Senator Obama and others to increase vehicle fuel economy standards for the first time in two decades. Imagine that. We have not increased fuel standards in this country in 20 years. Yet here is a bill on energy and we can’t amend it.

Conservation of energy coupled with increased availability of renewable fuels is the pathway to the future while at the same time doing what we can to increase our natural gas production. The best thing would be the pipeline from Alaska.

As I said, I am not opposed to drilling for gas and oil in the gulf, but I am the way this bill is set up. If you do not have a component in the bill for renewable energy production, biomass, biofuels, wind energy for electricity and others, photovoltaics as a component of it, and also conservation, all this bill says is basically we are going to continue to do what we have been doing in the past—getting more fossil fuels. We may need fossil fuels, but the sad truth is that this bill before us is a missed opportunity to do big things for our energy future and our energy security.

Again, I assume that the votes are cut dry on this the way they have it. I just want to make sure people know we can’t offer amendments. We are being precluded from doing so. But hopefully we will be back and hopefully we can have a more serious discussion and debate about how we provide for America’s energy security in the future.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. SCHUMER. Mr. President, would my colleague yield for a brief question? Mr. LOTT. I would be happy to yield, without losing the floor.

Mr. SCHUMER. Does the Senator know how long he will speak?

Mr. LOTT. Mr. President, as a Member of the Senate, I must say I never know how long I am going to speak. I will not speak that long, but I may get excited and go a little longer. My guess is not more than 15 minutes.

Mr. SCHUMER. Mr. President, I ask unanimous consent to instruct the Secretary to be recognized to speak immediately after the Senator from Mississippi finishes his remarks.
The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I rise to speak on this very important legislation, S. 3711. But like others today, I may decide I need to comment on some other issues that will be discussed later on that bill.

First, I must say that this week I have been thinking repeatedly about that great line from Rudyard Kipling's "If." "If you can keep your head when all about you are losing theirs and blaming it on you." And it goes on. It is a great poem, it says that if you keep your head when everybody else around you is losing theirs, you shall inherit the Earth, my son.

That is what I would encourage my colleagues to do today. Let's keep cool. Let's not lose our heads. Every one of us is going to get up to speak, and there is going to be somebody on the other side of the issue or on the other side of the aisle who is going to say that Senator lost his head. Let's keep our cool.

I just heard a speech saying we shouldn't pass this bill because it is not big enough. Yet you are going to hear this week saying we shouldn't pass one of the next bills because it is too comprehensive.

This is not a bill that is going to solve all of our energy needs. This energy problem has not developed in the past year, or 10, or 20, or 30. It has been coming for years. We have made speeches on this floor about how we are becoming more and more dependent on foreign oil. We were all worried that it would go up to 40 percent, then 50 percent, and now it is 60 percent. If we don't do anything about it, it is going to continue to go up.

Do I think it is dangerous? Yes. I believe we should address it in every way we can.

As I have said before in some of my speeches here, I personally believe that the way to deal with our energy needs is to produce more of everything—make the pie bigger; quit trying to find ways to shrink it; more gas production; more clean coal technology; more hydro plants; more nuclear plants; and, yes, alternative fuels—biodiesel, conservation; the whole package.

In my opinion, the first option has always been to produce more. That is the way I was raised. You do not have to do with less. You can find more natural resources, you can find more alternative fuels, and we ought to try to do that. I think we can get together on this.

As far as I am concerned this is not a comprehensive package, we passed a big energy bill last year, a very costly bill, with several good provisions in it. This very morning I met with people saying they were interested in several tax credits. They said they could change automobiles so they could work using propane. We have the infrastructure to do this. There are lots of good ideas out there. We are going to have our first ethanol plant in Mississippi. We are all trying to find a way to do a better job.

This bill will also help our new ethanol plant. It will produce lots more oil and gas, millions of barrels of oil, and trillions of cubic feet of natural gas. Why shouldn't we do that? Because it does not include all the coasts or all kinds of other resources? That is not good enough.

This is a step in the right direction. It will lead us toward more production which will make us less dependent on foreign oil. Why don't we do that? It will have an impact pretty quickly. It will have an impact on the futures markets. I think we can get some of that oil and gas out of the Gulf of Mexico in this designated area sooner than a lot of people think, and in larger quantities.

I urge my colleagues to quit trying to find the perfect. This is good enough. This is a magnificent effort, and it is bipartisan.

I talked to my friend, former Senator John Breaux of Louisiana, a Democrat, this morning. I said, we finally figured out how to bring together a bipartisan compromise. Twenty-two Democrats voted to move to this legislation yesterday. Seventy-two Members of the Senate said let's cut out the frivolous debate, and let's go to the substance here. This is an opportunity to get something done.

Why are we whining about it? Why aren't we high-fiving and congratulating each other and saying to the American people that it is not the end but it is a beginning? It is good. Let's do that. We need to address this overall energy problem.

I have heard some other interesting opposing ideas to this bill. One of them is: Well, if we do this, it will be cutting revenue coming to the Federal Government. Let's run on that. It eludes me. If we don't do this, we are not going to get any revenue from this area—none, zero.

If we do it, we will have a substantial impact on the Federal budget with revenue coming in. Yes, some of it will go to the States in the region and some of it will go to States all over the country. However, there will be a huge impact on revenue coming in from the royalties if we pass S. 3711, to open up millions of acres in the south central part of the Gulf of Mexico.

This, once again from the standpoint of helping the Government and the people, is a winner because revenue will also be coming into the Federal Treasury.

Some have argued: Why should the States in the area benefit? We should benefit because we haven't benefitted in the past; because we have not been treated fairly; because we are the ones who take the risks. We are the ones who have a tremendous coastal impact problem which we must now address: hurricane prevention, protection and coastal replenishment. We have estuaries in Louisiana that are disappearing. We have a huge problem on our hands. With the revenue from offshore drilling we can pay for it. We are taking the risks, therefore we should have the benefits. At least some benefit. The risks may be very minimal, but we need the revenue to take care of ourselves.

I like the fact that not all of the revenue from this area goes to the Gulf States or the Governors. It goes to the people. Twenty-three to the local people, the supervisors. The individual counties will decide what part of preservation, restoration, prevention, or recovery they will put this revenue into.

For years, the royalties from on shore exploration in the West stayed within the States where drilling was taking place. They got 50 percent of it. Yet, in the Gulf where oil and gas exploration has taken place for years, we have been getting less than the tiny percentage we got out of the Land and Water Conservation Fund. Basically nothing.

Now we would like to have something similar to what they've had out West. However, we are not saying that it all either has to go to the states or to the Federal Treasury. Part of the revenue will go to the Gulf States, part of it will be going to the Federal Land and Water Conservation Fund, which will go to States all over the Nation, and part will go to the Federal Treasury. For the first time, the Gulf of Mexico States would be getting a fair deal. I am proud of that. All of us from that region—Texas, Louisiana, Mississippi, and Alabama—are supporting this package.

Without us, it probably wouldn't have happened. A lot of credit goes to the Senators from the region, particularly the Senators from Louisiana, Mary Landrieu and David Vitter.

This is also an acceptable arrangement for Florida, which has not been easy. It has been tedious. They want to properly the area they do military training. They want to protect their beaches, which are crucial to their tourism. I understand that. I may not agree with them in terms of how far away it has to be, but they believe this is a fair agreement for their state. That was not easy to achieve. It has taken a lot of time and effort. It is a principled one, from an economical, energy security and environmental standpoint.

All of this drilling will not take place unless it is at least 100 miles from our coast, or 125 miles away from the Florida shore. By the way, back in the real world, China is prepared to start drilling off the coast of Cuba, which is within 60 miles of Florida. Is that going to happen? Yes. Yet we are prohibiting the drilling for the Gulf oil and gas even 125 miles away from the Coast of Florida. This legislation is a good effort. I am proud to be part of it.

Let me speak a little bit about this week. Colleagues, there will be plenty
of time and plenty of opportunity to say: It is your fault, it is this leadership, that leadership, it is Democrats. Republicans, it is this chairman, is the House of Representatives; recriminations, blame all over the place. We need to put aside the blame game. We need to put aside our own childish pride, where we are defending our turf, insisting on the correctness of our position.

If it were my call, I wouldn't set this week up the way it is, but someone has to make it happen. That is what we need to do this week. Envision this: Dream that at the end of this week we will have passed an energy bill that will help reduce our dependence on foreign oil; we will have passed a defense appropriation bill that will help us in the war on terror, and support our troops wherever they stand vigil this very night; we will have passed pension reform that has been years in coming that is in the best interest of corporations all over this country, that is good for aviation and automobile manufacturers, but most importantly of all, working people, people out there making it all happen, people who are worried about their retirement, worried whether their pensions will be there, will it be at the level they were promised? What will it be? How can you transition from defined benefits into defined contributions, 401(K) plans, IRAs? They would sleep better if this dream came through and we focus put up passage of pension reform with the aviation pension part of it included. And the so-called trifecta.

I don't know much about betting. I must admit that I don't even know what a trifecta is, but I know it is three of something. I suspect that in a trifecta bet the return on a dollar is huge. That is what will happen if we pass this bill.

It is minimum wage increase. $2.10 over the next 3 years. A lot of small business men and women are concerned about that. How will they cope with that? Will they take it out of the bottom line? Will they lay off people? Will they raise their prices? They are not sure, but the fact is we have not passed a minimum wage increase in 10 years. I was here when that happened. There are a lot of people who feel it is time we do this. We can debate that. We will debate that. But if we are going to get a trifecta, that is part one.

Part two is extenders. That is more Senate talk in Washington for tax provisions, but they are not just insignificant tax provisions; they are the tax credit for research and development, which is about the future of America. If we want to be competitive, we better be doing research and development because the Russians are beginning to do things in that area.

It has a deduction for college tuition. I thought we were for that. For the first time we are trying of getting a fair capital gains rate for timber. I thought we were for that. That part of the trifecta has so many things that will be beneficial for working men and women of America, the people who own a few acres of timberland, for people who want to send their kids to school. We need it. It will produce I don't know how much more revenue than would be expended in tax credits or deductions. You never get finished reaping the benefits of helping your kids go to college and getting an education.

It benefits the revenue of our Federal Treasury for years to come. I am one of those. I had a school loan to get through college. I paid it back a few times over the years. So we ought to do the extenders.

We ought to do a reasonable compromise on the death tax. We will hear ranting and raving about how horrible it is that we would reduce taxes on the wealthy if I am not one of those. I don't have anyone in my blood family who will qualify. I do have a couple of in-laws who would probably qualify for it. But I have never been able to conceive but one other tax worse than the death tax. Just the idea that you work all your life, you produce, you save, you have a house, a farm, a small business, whatever, and the Government shows up when you die and says, give me a huge chunk of it. The principle is wrong. I am appalled.

I am appalled to men, women, young or old, all kinds of different races, who say the death tax is a bad idea. The only tax I know that is worse is the income tax, of course. It will only come when we will have to fix that, too.

Can I argue about parts of it? Sure. Can I argue against some of the things in the death tax and the minimum wage and how it is constructed? Sure. But is it good enough? Will it help America? Yes.

We can have a vision this week that leads us to do these four things and leave here on a high note. That would be good for America and good for everyone who participated in the effort. I urge my colleagues to keep calm this week. Let's hold down on accusations. Let's try not to get mad at each other. Let's try to cooperate as much as we can. Let's renew the identity. Let's see if we can't do something right for a change in this institution.

I still have faith that the majority of the Senate wants to do what is right for our country, not what is right for our party or our region to the disadvantage of other regions, and certainly not what we are told by our leadership.

Sometimes we do not agree with our leadership, but these guys and ladies have a very tough time. They have to review a lot of things the rest of us don't know about. We have to be prepared to follow. This week they may be pulling against each other, but maybe we can help pull them together and produce a final product.

I would like to urge my colleagues to vote for S. 3711. In fact, I suggest that we vote for everything this week. That would be novel.

I yield the floor.

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

Mr. CRAIG. Mr. President, by unanimous consent I understand the Senator from New York has reserved the time coming up. I visited with him. He needed to attend a meeting, so I ask unanimous consent I be allowed to proceed, to be followed by Senator SCHUMER.

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

Mr. CRAIG. Mr. President, the Senator from Mississippi counseled me to stay calm. I am a reasonably calm guy. I don't get too excited about much of anything—at least that is what my wife would suggest. But let me tell you what happened last night that caused me to be a little less than calm.

I drove, like most Americans, to a gas station. I pulled up to the pump, I swiped my credit card, and $39 later I filled an economy car full of $3.25 per gallon gas.

I must tell you and tell the Senator from Mississippi, I wasn't calm. This Scotchtown's blood began to rise a bit when I realized that I and all other Americans are paying more for their gas today than ever in the history of this country and it is Government policy that caused it.

It is an attitude over the last 20 years that somehow America was going to conserve its way out of this problem. We didn't have to produce, we didn't have to refine, and, by the way, you can go out and buy a bigger car and it will burn a little more, but don't worry about it, it will be there. We lulled ourselves into this sense of false security that somehow gas is always going to stay at $1.25 or $2 a gallon.

While we were in a sense of false security, we did something else that was politically stupid. Where the greatest threat to domestic production exists today, we said take it out of bounds, take it offline. Seventy-five percent of the Outer Continental coast of America today, where our greatest reserves exist, is off limits, all in the name of the environment, even though we have applied technology, science, and engineering in a way today that was proven during the tremendous storm of Katrina when we knocked thousands of wells offline in the gulf, and not one drop of oil was spilled.

Why, then, did we do this all in the name of the environment if, in fact, we can retrieve oil from our deep waters off the Continental Shelf and coast
today and not damage the environment? It was the politics of the 1970s, the 1980s, and the 1990s. During that time, not only was gas relatively inexpensive compared to today’s prices, but our consumption levels went up and we began to buy more and more oil from foreign sources, particularly from the Middle East and other places, dominantly from the Middle East but some from Central and Latin America.

Today, with all of these red areas off limits, where there are potentially billions of barrels of oil, we said “no” and we froze our consumption, and the speculative oil prices going through the roof because wars are being fought, people are killing people in one of the most insecure areas of the world, an area we have grown to become dependent on for the supply of our primary economic resource, oil. What is wrong with that picture, America?

Pogo once said: I have found the enemy and the enemy is us. Maybe that is to paraphrase it a little bit. The enemy is not us, it is us, if I can say it in those terms. It is not only public policy in America today that has created the “no” zone to production, it is the attitude in America that somehow energy prices are always going to stay inexpensive and we don’t have to produce anymore, even though our rate of consumption continues to grow.

Then along come the late 1990s and the early 2000s and the Chinese economy takes off, the European economy relaxes, and the Indian economy takes off, and they are now all large consumers of oil. We all buy it from the same pool, and the price goes up.

Today, before the Senate, this afternoon at 5 o’clock, we have an opportunity to begin to slowly but surely correct a very big problem we built up in the decades of the 1970s, the 1980s, and 1990s, a self-inflicted wound we can now bind up and heal while we work our way out from increasing dependence on finite resources. That legislation is S. 3711.

What does it do? It takes us right down here to this tiny little green square in the Gulf of Mexico called lease sale 181.

We say to the oil companies of America: You can go out there and bid and lease and drill. Our geological survey determines that there are trillions of cubic feet of gas out there and, potentially, billions of barrels of oil. We can bring it on line, send it to our coastal refineries and begin to process it and move it into our distribution systems. And for a moment in time we will become just a little less dependent on Saudi Arabia or Iraq or anywhere else in the world in which we are buying oil today.

Why did we do it? Times change. Attitudes shift. Technology changes. Today, there is absolutely no reason to have a no-zone around the United States because not only can produce it, we can do it in an environmentally sound way. Here is what we believe—not me; we, the U.S. Geological Survey, our Federal agencies that study where our oil reserves and potentials are—here is what they say we can do. They say they are, potentially, in the Alaska National Wildlife Refuge—2,200 little acres that we can drill out of millions of acres—potentially, tens of billions of barrels of oil up there; and in the Gulf of Mexico, of which this one little spot down in the gulf we call lease sale 181 that is embodied in this legislation, S. 3711, will be able to reduce this maybe down to 110 billion barrels because maybe we can’t get more than 5 billion off of that gulf.

Of course, a few months ago I came to the floor and said: Why are American companies not being allowed to drill in the northern properties off Cuba—where Cuba is now leasing that area out to China to drill, 50 miles off the U.S. shore. Why are not Americans out there doing that? That is another potentially 4.6 billion to 5 billion barrels of oil.

Add it all up, if we were able to use our skill, our talent that we have developed in the decade of the 1990s, and 2000 and beyond, for deepwater drilling, we could bring this much oil on line in a relatively short period of time.

But California says no. Florida, in large part, although the Senators from Florida have worked with us, and MEL MARTINEZ has done a beautiful job striking the balance to protect the environment of Florida and to drill in lease sale 181 off the coast of Florida.

But, then again, in these areas up through here, where there is tremendous potential off of the northeastern coast of our country, what do Vermont and Maine and New Hampshire and Rhode Island and Connecticut say? No, even though their consumers are paying $3.25 to $3.30 a gallon for gas. Where is the logic? Where is the sensitivity of that? Where is the sensibility of it?

I know America wishes we could snap our fingers and problem or crisis be over. And it will not be. It took us 30 years marching down a path in which production was a negative, in which we said we simply did not have to produce; we could go somewhere else and buy it. It is going to take a while to turn that around.

Last year, this Senate made a major step to turn that around. The National Energy Policy Act of 2005, known as E-Act, today, is bringing ethanol refiners out to the Midwest as a part of producing into the whole energy supply of our country.

Twenty percent of America’s corn crop, being raised right now in the fields of Illinois and Iowa and Kansas and other places, will be used for ethanol production to go into the gas tanks of the American automobile. So we are moving in the right direction.

Last year at this time, as it relates to electrical production, we had about two reactors on the drawing board; that is, nuclear reactors. Folks, today, there are 24 on the drawing board. Ten or 12 of them will be built, but it will take 10 or 12 years to build them. You do not overnight correct the problems you have created over the last 30 years.

The American consumer, in their sense of frustration, today is saying: Fix it. We like inexpensive energy. And I do not blame them. So do I. Last night, at $1.25 a gallon, the regular gas I put in my gas tank, I did not like it one bit. That is the bad news: high gas prices. The good news is: high gas prices. Today, we would not be on the floor debating leases which were still $1.25 a gallon or even $2 a gallon. It was at $3 a gallon when the folks in Florida scratched their head and said: Maybe we could allow a little drilling out there. Maybe we could bring a little more on production. Maybe we ought to sit and listen to the reality of the environmental skills that our deepwater drillers have today in the production of oil, and we can do that and protect our environment at the same time.

And this legislation is going to do just that.

That is why what we pass this afternoon is critically important to the long-term stability and security of this country, to the strength and security of our average American consumer out there. It isn’t that they will pay less after we do it; it is that they probably will not pay more.

In trying to level these prices and get this country back into production, I would hope that Americans quit saying no. I would hope that Senators would quit saying no and look at all of the alternatives out there today in a diverse energy portfolio of ethanol, of gas, of hydropower, of nuclear energy for electricity, of wind and solar, and all the things we ought to bring into production in this country that we are working hard to do at this time.

I am not going to ask Americans to be patient. We are not a patient people. We are very impatient as a country. But it is going to take some time. It is going to take the concerted efforts of Senators such as PETE DOMENICI and myself and MEL MARTINEZ and others who have worked toward as we have to convince this Congress, that oftentimes is very resistant to change or very resistant to having to go out and face the very powerful environmental community and say: You know, you are just flat wrong. We can produce energy, and we can produce it cleanly for Americans, and provide it abundantly at a reasonable price—if we let the marketplace work, we put the parameters around it as it relates to what we expect from them in the safety and security of our environment but we do not say no. And for too long we have.

Finally, this afternoon, at around 5 o’clock, we are going to vote on S. 3711 and, hopefully, we will say: Yes, let’s bring it on line. Let’s produce it. Let’s put trillions of cubic feet of gas into the gas pipelines and let’s bring billions of barrels of crude into the refineries of the gulf coast.

Senate: Say yes. You have been too long saying no. Americans are frustrated and angry they are now having
to pay a price they are not used to, and
certainly have an abundance and a
sense of security that most Americans
have come to enjoy and expect of them-
selves living in this great country of
ours, living with a system that works,
and with a government that tends to be
responsive to our needs. That is what
this legislation is all about this after-
noon.

So when the Senator from Mississippi
counsels patience, I am an impatient
guy. I just want it done. I want it done
in a way that is fair and balanced. And
I know most con-
sumers are. I don’t like paying $3.25 a
gallon. I would like to find the boogeyman and blame somebody for it. We have ourselves to blame because the no-zone was created by public pol-
icy, not by the big oil companies. No.
They would like to be there drilling
and using the latest technology. No.
The no-zone was created by public pol-
icy: no to the billions of barrels of oil
that exist, as shown on this chart, in
Alaska, in the Outer Continental Shelf,
in the northern area off from Cuba, and
in lease sale 181.

The reason we are not there today is
public policy, is an environmental atti-
tude that simply says ‘we don’t have to
produce any more.’ Well, we do have
to produce, but we need to do it clean-
ly, responsibly. That is what this legis-
lation is about. That is what the en-
ergy policy of last year was about. This
Government, thank goodness, has been
listening and has finally heard the con-
sumer and his and her frustration.

I would hope this afternoon we turn a
no vote into a yes vote. I encourage all
of my colleagues to vote for S. 3711. It
means a lot to the average family who
is paying the price today for bad policy
at the gas pumps of America.

I yield the floor.

The PRESIDING OFFICER. Who
yields time?

Mr. HATCH. Mr. President, I rise
to express my very strong sup-
port for S. 3711, the Gulf of Mexico En-
ergy Security Act of 2006, sponsored by
our very able chairman of the Senate
Committee on Energy and Natural Re-
sources, Senator DOMENICI. I was
pleased to cosponsor S. 2253 with the
chairman, which was an earlier version
of this bill. We must all recognize that the
global energy market has changed dramat-
ically, and we must pursue an energy-security
strategy that takes into account a new
set of realities.

We are now faced with the prospect of
a long-term oil shortage conjoined with a seri-
ous lack of spare capacity among the world’s most reliable
suppliers. As OPEC’s ability to respond to
growing global demand for crude has
slackened, too, has OPEC’s ability to maintain a price band and the re-
sulting political and price stability on
which our Nation—more than any
other—has been dependent. It is imper-
ative that we act now to shore up ex-
haustive efforts to conserve and in-
crease renewable fuel production will
still fall far short of bridging the gap
between global supply and our world’s
swelling demand for liquid fuels.

Oil and natural gas production.
limits. We do not manufacture oil.
In order to produce oil and natural gas we
must go through a lengthy process of
exploration and extraction. Increas-
ingly our search for replacement light
sweet crude has been coming up short.

Just as it is important to recognize
the magnitude of our global energy
shortage, it is equally important to recog-
nize that North America has solu-
tions that are being ignored. The pas-
sage of S. 3711 would allow us to benefit
from one of the best solutions avail-
able. Within our reach, in the Gulf of Mex-
ico, we have an abundance of new
sources of oil and gas. It is time we de-
develop these new sources in order to
help American families as they strug-
gle against the rising cost of energy.

Mr. President, increasing our domes-
tic supply of oil and gas will have a
positive impact on every American and
every American business. Unfortu-
nately, Canada, one of our major nat-
ural gas suppliers, has struggled to in-
crease production and deliver it to the
United States. As a result, gas imports
from Canada have dropped in recent
years.

I don’t see how this Congress can
turn away an opportunity to gain ac-
cess to the 5.8 trillion cubic feet of natu-
ral gas that this legislation would
make available. This is enough natural
gas to heat and cool nearly six million
homes for 15 years.

And how can we ignore 1.26 billion
bars of oil which would become
available through this proposal?

I understand there may be members
of this body who will oppose this mea-
sure but I wonder why.

But if the Senate is to get serious
about reducing our dependence on for-
eign oil, we must pass this legislation.

Reducing our foreign dependence by
means of conservation, alone, will not
work.

Conservation is a part of the solu-
tion, but it is only a small part.
The fact is, if we do not actually in-
crease our domestic supply of oil and
natural gas in a significant way, as
soon as possible, our Nation will pay a
very heavy price.

I have been a strong advocate of con-
servation and increased efficiency.

Seven years ago, I recognized that
about two-thirds of all our oil con-
sumption is taken up by the transpor-
tation sector, and I began to draft the
Clean Efficient Automobiles Resulting
from Advanced Car Technologies Act,
or CLEAR ACT.

The CLEAR ACT was made law as
part of the Energy Policy Act of 2005,
and it is now providing strong tax in-
centives for the purchase of alternative
fuel and hybrid-electric vehicles, for
the installation of new alternative
fueling stations, and for the use of al-
ternative fuels in vehicles. We have
had an explosion on the development of
alternative vehicles and alternative fuels.
The CLEAR Act had a lot to do with it.
It took me and my cosponsors sub-
stantial effort and political capital to
pass the CLEAR Act, but we did it be-
cause we knew it was important to in-
crease the efficiency of our transpor-
tation sector.

But I have never lost sight of the fact
that our Nation absolutely must in-
crease our domestic oil and gas produc-
tion if we hope to continue to prosper
and remain competitive.

Also, there are several longer term
solutions to our Nation’s energy needs,
such as our vast resources of unconven-
tional oil, that need to be imple-
mented.

The U.S. Department of Energy esti-
mates that recoverable oil shale in the
western United States is somewhere
between 800 billion and 1 trillion bar-
rels of oil, but it is not counted among
world reserves because it is not yet
commercially developed.

I should point out that the world’s oil
reserves stand at just about 1.6 trillion
barrels. That means, at a minimum, the
U.S. can increase the world’s oil re-
serves by 50 percent by implementing
an aggressive policy to recover our own
oil shale. We in the west understand
that in Colorado, Utah, and Wyoming,
that tri-State area, is an estimated 1
trillion barrels of recoverable oil from
tar sands and oil shale.

Chairman DOMENICI and Senator
ALLARD worked with me to ensure that
the Energy Policy Act included strong
provisions to promote the development
of these unconventional resources.

However, even if the development of
oil shale and tar sands is a success, as
I believe it will be, it would not occur
in time to save us from our current
supply shortage.

S. 3711 is one of the few opportuni-
ties we have to improve our Nation’s en-
ergy situation in the near term. I be-
lieve it represents an excellent com-
promise among the various interests
involved, and I applaud the parties involved for bringing us to this point. I hope this body will not throw this opportunity away. This is a way of helping our country, helping our citizens. This is a way of stabilizing the price of natural gas.

I urge my colleagues to support S. 3711, the Gulf of Mexico Energy Security Act.

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

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

The clerk will call the roll.

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

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

Mr. SCHUMER. Mr. President, I rise in support of S. 3711, the Gulf of Mexico Energy Security Act of 2006. Before I get into what I would like to say this: I want to try to put this in a general setting. We have an energy problem in this country. We all know about that. Every year, hundreds of billions of dollars flow out of the pocketbooks of hard-working men and women and end up in the pockets of people we don’t like particularly, people in Iran and people in Venezuela, countries like them, leaders who don’t really play ball with us in the Middle East. We have, as I said before, tampered with the Soviet Union on so many issues. It is imperative that we get a grip on this. In the long run, there is only one solution, and that is independence from fossil fuels. We are doing so little on that. We should have a crash program to free us of imports within 10 or 15 years. We should be putting every nickel in. We don’t.

The Energy bills in the past have too often listened to the big oil companies which are happy with the status quo. Mr. Tillerson, head of ExxonMobil, came before our Judiciary Committee and said he didn’t believe in alternative fuels. But that is down the road. Because even if we started today—and we should have started 5 or 10 years ago—that will take a while. So what do we do in the short run? It seems to me there has been a little bit too much deadlock here: one side, mainly our side, saying conserve—and we are right, we should conserve—but the other side saying produce more, not just alternative fuels, which I think are very important, alternative energy, which I think is very important, whether it be wind or solar or biofuels but those just nibble at the edges. The other side says we need to supply more fossil fuels. There is a deadlock. It is about time we broke the deadlock. An ideal bill would be one that breaks the deadlock on both sides, that increases supply of fossil fuels in a way that doesn’t do grave damage to the environment and yet at the same time conserves. Such a bill is not yet here.

The majority in its wisdom does not allow such a bill to come forward. The majority doesn’t allow amendments on conservation to be added to this bill. But this bill does move to increase supply in a certain portion of the gulf, 1.2 million barrels of oil, 5.8 trillion cubic feet of gas, 1.2 million acres. That is 1.2 billion barrels of oil we won’t have to purchase from a middle East that is, unfortunately, looking more volatile and less friendly day by day.

For the sake of consumers, it is clear we have to get gas prices under control. And while drilling in these 8 million acres isn’t going to send the price plummeting—that takes a much larger endeavor and a larger picture—it will affect things at the margin. Gas prices are the highest they have been since the aftermath of Katrina. In my State, a family with two cars, two cars they need to get to work, drive the kids to the doctor and dentist, to get the groceries, can expect to pay $1,000 more in gas this year as compared to just 1 year ago. That is a tragedy for that family—not a tragedy, I guess, but an economic tragedy. If your income isn’t that large, $1,000 is just too much. It is a huge burden—is a better way to put it—on working families as prices keep going up.

So I have thought a lot about this. I am going to vote for this bill. I have advocated in our caucus for this bill as a way to increase the supply of oil on the side of the aisle that when dramatic damage is not done to the environment, as it would be in Alaska where we are 10 years away, we are willing to look at increasing the supply of fossil fuels in the United States.

I am going to support this bill. I hope the other side will join us in allowing CAFE standards to come to the floor. A bipartisan bill sponsored by Senators LUGAR and OBAMA would be a great place to start. Then we would increase supply some and decrease demand some. It would make a huge difference.

The fact that our CAFE standards are lower than that of China, a country with virtually no environmental conscience but, rather, a country interested in economics—and they understand the economics are very important.

Make no mistake about it, if this bill is tampered with the House, if we go beyond the CAFE bill, this bill will end up with a deadlock in the oceans, as the Congress—man from California, Mr. POMBO, is, most of us on this side of the aisle will do everything we can to block that, and we will get no bill at all. Let that be a warning to the people in the House not to take advantage of our good faith here. By opening significant tracts for drilling in the Gulf of Mexico, I also believe this bill should give us less reason to drill in areas that are more environmentally sensitive like ANWR. A step in the right direction. S. 3711 requires the Secretary of the Interior to offer mineral leases in what is known as lease area 181 within 1 year of enactment. Such leasing would translate to 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas. This production translates to approximately 20 percent of our domestic production and approximately 30 percent of our domestic natural gas production. Unfortunately, as hard working families endure record prices each time they fill up their vehicles and as our Nation’s ranchers and farmers struggle with higher fertilizer costs, more than 85 percent of the coastal waters around the lower 48 States currently are off limits to energy development.

This legislation is a step in the right direction. S. 3711 allows the Secretary of the Interior to offer mineral leases within 1 year of enactment. Such leasing would translate to 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas. This production translates to approximately 20 percent of our domestic production and approximately 30 percent of our domestic natural gas production. Unfortunately, as hard working families endure record prices each time they fill up their vehicles and as our Nation’s ranchers and farmers struggle with higher fertilizer costs, more than 85 percent of the coastal waters around the lower 48 States currently are off limits to energy development.

Although I support the Gulf of Mexico Energy Security Act, it is not perfect. I would prefer to see the act do more to open up a greater portion of the OCS to drilling. I would prefer that Federal royalties not be automatically directed to the Land and Water Conservation Fund, and I would prefer that the bill allowed States that wanted energy development off their coasts to opt in and States that opposed energy development off their coasts to opt out. While I would like to see these improvements made eventually, it is important to remember that S. 3711 is an excellent first step to expand our domestic energy production. Opening lease area 181 must be part of a broad and comprehensive strategy to expand our traditional energy portfolio as we develop better technologies such as clean coal and hydrogen. Every green light starts with technology. The Gulf of Mexico Energy Security Act is a good first step, and I urge my colleagues to support this legislation.
Mr. GRASSLEY. Mr. President, I strongly support S. 3711, the Gulf of Mexico Energy Security Act. I would like to thank Senator DOMENICI, chairman of the Energy Committee, for his hard work in making this compromise possible. This legislation is a much-needed step to increase the domestic production of natural gas and crude oil.

In recent years, the cost for natural gas has risen from the moderate, stable level of $3 per thousand cubic feet to $5, and even exceeded $10 last fall. Current prices are three times the average during the 1990s.

In just the past few days, natural gas prices have risen by nearly 15 percent. Why? Because the current heat wave crossing the country is putting a strain on our Nation's electrical grid—an electrical grid that is increasingly dependent on electricity generated from natural gas.

And, while the demand for natural gas has increased, we have done little as a country to ensure access to the domestic supply to meet the growing demand. For too many years, our country has had a "natural gas and nothing else" policy.

The Energy Policy Act, which we enacted, and took significant steps to diversify our energy production and increase energy efficiency. The Energy bill included provisions to expand the use of clean coal and advanced nuclear technologies. It also included provisions to use of renewable and alternative energy and energy conservation. All of these provisions will help in the long term to balance and diversify our energy portfolio.

However, we need to take action today to increase the supply of domestically produced energy. The fact is, consumers in the United States are paying some of the highest natural gas costs in the world. This puts our farmers, manufacturers, and industrial users at a competitive disadvantage.

Few things are as important to the livelihood and well-being of Iowa's economy than natural gas. Although the State of Iowa is considered a national leader in the agricultural industry, our manufacturing industry actually contributes five to six times more to Iowa's economy than agriculture. Manufacturers have been particularly hard hit by the increase in prices because they consume over one-third of our country's natural gas. I have heard from manufacturers across Iowa who have urged Congress to act to increase the supply of affordable natural gas.

Farming is also an extremely energy-intensive industry. Farmers and ranchers need large amounts of natural gas for drying crops, heating buildings, producing ethanol, and most importantly, as the feedstock of chemicals and fertilizers.

The majority of the cost of nitrogen fertilizers is natural gas. Numerous domestic manufacturers of ammonia and nitrogen fertilizer have closed in recent years due to higher costs. As a result, prices for their products have increased. Ammonia for fall application this year will cost a farmer nearly $400 a ton. This is double what it was just a few years ago.

This legislation will also help my constituents with their home heating and electricity bills. A significant portion of Iowa households use natural gas for their home heating. Even while the past few winters have been relatively mild, home heating bills have doubled and tripled for some families. And, while I have been an ardent supporter of the Low Income Home Energy Assistance Program that helps the least fortunate pay for home heating, we must also recognize that the high prices are a result of the tight energy supply. One way to ensure that consumers aren't forced to choose between heating their home and putting food on the table is to lower the price for natural gas.

That is why I am eager to see this bill pass. The compromise bill before us will open up 8.3 million acres on the Outer Continental Shelf for oil and gas leasing. It requires that leasing begin as soon as possible after less than one year after the date of enactment. This area is estimated to hold 5.8 trillion cubic feet of natural gas and 1.26 billion barrels of oil. This legislation will take a significant step to enhance our country's domestic energy supply.

This bill is a proactive response to the rising cost of energy and our growing dependence on foreign sources of crude oil. It is a bipartisanship agreement that has the support of the Gulf State Senators and our country's energy supply. This bill is a proactive response to the rising cost of energy and our growing dependence on foreign sources of crude oil. It is a bipartisanship agreement that has the support of the Gulf State Senators and our country's energy supply.

That is why I urge my colleagues today to support this bill. This bill will increase our energy supplies and help stabilize prices for our consumers, farmers, and manufacturers.

Mr. BURNS. Mr. President, today I rise in support of S. 3711, the Gulf of Mexico Energy Security Act.

This energy bill will open more than 8.3 million acres on the Outer Continental Shelf for oil and gas leasing. This area is estimated to produce 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas. I expect that new technology will recoverable resources will only grow.

As oil and natural gas prices fluctuate, many Americans, especially Montanans, are feeling the strain of increased prices for energy use in their homes and cars. The natural gas supply made available by this bill will heat and cool nearly 6 million homes for 15 years.

Additionally, an increased supply of natural gas will greatly benefit Montana's farmers and ranchers who are particularly hard hit by skyrocketing costs of fuel and fertilizer. Natural gas is the primary feedstock in virtually all fertilizer manufactured in the United States. Increased production of domestic natural gas will help stabilize prices and decrease our dependence on foreign suppliers of natural gas such as Venezuela and Russia.

In order to strengthen American energy security, it is our obligation to use our own domestic resources whenever we can. Offshore drilling has proven to be safe, reliable, and environmentally responsible for oil and gas production. While this bill is limited in its scope, it is an important step to increasing our energy supply to meet our country's demands. Lease area 181 is a phenomenal resource, and time after time in energy committee hearings when we ask expert witnesses for their opinions on how to utilize and lower natural gas prices, the answer is: Open lease area 181.

I applaud the leadership of Chairman DOMENICI and the bipartisan groups of Senators that hammered out this compromise. I urge my fellow Senators to support this bill and pass this important piece of our energy security.

Mr. SPECTER. Mr. President, I seek recognition to discuss today's vote on the Gulf of Mexico Energy Security Act. I urge my colleagues to support the bill because it will provide a needed source of natural gas, which is a clear-burning fuel, and its passage is realistically calculated to have a positive impact on natural gas prices for American consumers, farmers, and businesses. While voting for the bill, my preference would be for it to contain conservation, energy efficiency, and other measures beyond Gulf of Mexico development to address our Nation's growing energy needs.

The use of energy resources is on the top of Americans' minds and their list of expectations for elected officials to address. For a number of months, there has been discussion in the Senate of a possible energy bill to follow the 2005 Energy Policy Act. However, despite the great importance of this issue and the intense interest from Senators who have suggested various energy proposals, we are now presented with only one option, a bill to allow oil and natural gas leasing in the Outer Continental Shelf in the Gulf of Mexico. Beyond the narrow scope of this bill, there have also been questions raised as to the 37.5 percent share of revenues going to the four Gulf of Mexico States—Florida, Alabama, Louisiana, and Texas—instead of the Federal Treasury, and concerns about the eventual bill emanating from a House-Senate conference.

Unfortunately, this bill and the way it has been considered miss an important opportunity to build on the successes of the 2005 energy bill and deal with our nation's energy policy in a comprehensive manner. This is likely the last energy-related bill to receive floor consideration prior to the recess for the November elections and the eventual adjournment of the 109th Congress. That means we will have to return to the beginning of the legislative process upon the commencement of the 110th Congress.

Why? Because I am greatly disappointed that Senators were unable to have amendments to this bill considered. Amendments were precluded by a
rarely used legislative procedure known as "filling the tree" which occurs when the majority leader offers the maximum number of amendments allowable under the official Senate rules in order to preclude amendments from being offered to the bill.

As I stated on the floor last night, I had hoped to have the Senate consider my Oil and Gas Company Antitrust Act, S. 2557, as an amendment. The Judiciary Committee held hearings on the issue of competition in the oil and gas industry and the committee voted S. 2557 to the Senate floor on April 27, 2006. The Judiciary Committee’s hearings considered the many factors brought about by consolidation in the oil and gas industry. The testimony indicated that market concentration is a problem in the industry. Responding to these concerns, my bill would prohibit individual firms from exporting petroleum and natural gas products with the intent of increasing prices or creating shortages in the market. Further, the bill would allow the government to prosecute cartels such as OPEC that set the price of petroleum and natural gas, even when the cartel members are foreign states. This bill would encourage increased competition in the oil and gas industry to ensure that the forces of supply and demand are working and that the industry is competitive.

I also cosponsored an amendment offered by Senators LUGAR and OBAMA to provide for a 4 percent annual increase in Corporate Average Fuel Economy, CAFE, standards. This is a rate that the National Academy of Sciences has determined is possible, but could be altered if the National Highway Traffic Safety Administration, NHTSA, can prove that the increase is technologically unachievable, cannot maintain overall fleet safety or is not cost effective. The bill provides flexibility to domestic automakers by establishing standards for various types of cars to enable domestic manufacturers that produce full lines of small and large vehicles to better compete with companies that only sell small cars. Credit would also be given for exceeding fuel economy standards in one type of car to help meet goals with other vehicle models. Finally, the bill provides tax incentives for companies to retool parts and assembly plants to develop advanced-technology vehicles.

I note that Senator BINGAMAN has offered an oil conservation amendment No. 4692, which would save 2.5 million barrels (bbl) of oil per day by 2016; 7 million bbl/day by 2020; and 10 million bbl/day by 2031. I was disappointed that the 2005 energy bill did not include a similar oil savings goal which would have required the administration to identify and implement policies reducing domestic oil consumption by 1 million bbl/day by 2010, 5 million bbl/day by 2020, and 10 million bbl/day by 2031. This provision was based on the Carper-Specter amendment from 2002 and the Landrieu-Specter amendment in 2003 which passed by a vote of 99 to 1. These are modest goals, but ones which would help focus the Federal Government in reducing oil imports in support of energy independence, national security, and lower trade deficits.

The energy bill conference also deleted the Senate provisions mandating that by the year 2020 at least 10 percent of our electricity be produced from renewable resources. This goal was meant to help spur development of renewable energy, particularly account for just over 2 percent of U.S. electricity production. Pennsylvania is currently implementing a similar Alternative Energy Portfolio Standard with an eighteen-percent goal by 2020 of electricity production from renewable and other alternative energy sources.

Despite my desire to see additional energy issues debated, I say to my colleagues that I am sensitive to the price and supply concerns that have led to the current energy crises in the Gulf of Mexico. The legislation. The natural gas supply and demand imbalance has caused U.S. prices to increase from an average of $2.20 per million BTUs during the 1994–1999 timeframe to $8.81 per million BTUs during the 2004–2005 timeframe. This increase has been feared annually through the appropriate process. Under this bill, for the first time, one State—Florida—is given statutory protection from offshore drilling through 2022. No similar statutory protection exists for the Atlantic or Pacific coasts.

In fact, there are some Members of Congress who would like their States to be able to opt out of any future moratorium. While this provision is not included in S. 3711, it is included in the House-passed bill that likely will be conferred with S. 3711. If we adopt a fractured system and allow drilling in adjacent States, I am concerned that our fragile coastal ecosystems and economies could be threatened by pollution associated with drilling and unforeseen incidents due to the drilling activity, weather, and possible terrorist attacks. Let us remember that our coastal waters flow freely and what happens in the waters off one state may have serious repercussions up and down the coast.

I deeply regret that in considering the Gulf of Mexico Energy Security Act we were not able to debate meaningful bipartisan amendments to address many of the serious energy concerns facing our Nation. It is my fear that in the dwindling days of this session we will not again have the opportunity to revisit these critically important issues and consumer and business needs will continue to struggle to meet their energy needs. Mr. President, the Gulf of Mexico Energy Security Act truly represents a missed opportunity.

Mr. OBAMA. Mr. President, every one of us in Congress has heard from our constituents about the high cost of gas. A gallon is now $3 or more in most parts of the country, and there is every
reason to believe that figure will continue to climb throughout the rest of the summer.

Americans are asking their Members of Congress to help lower some of these costs. And we should do that. But let us not kid ourselves. This is a problem that was decades in the making. And the short-term political solutions—whether it is a tax rebate or more legislation to stop price gouging—are not going to be the complete answer.

To be sure, some of these proposals would do no harm, and many would provide Americans some temporary relief at the pump. But in the long term, we can’t rely solely on quick fixes designed to placate an anxious public.

We need solutions designed to permanently lessen our dependence on foreign oil. Unfortunately, both Congress and the White House have been unwilling to take the politically difficult steps necessary to confront one of the most pressing economic and national security challenges of the 21st century. A perfect example is the bill before us. It does do some good things: it marginally increases the supply of oil, and it provides a financial boost to Gulf Coast States that could use the help. But of the bill, truly only focuses on part of the problem—our inadequate supply of oil. Unfortunately, increasing supply can’t be our only answer. Even if we opened up every square inch of this country for drilling, America only has 3 percent of the world’s oil reserves. With our own Energy Department telling us that our demand for oil will jump 40 percent over the next 20 years and countries such as China and India adding millions of cars to their roads, this means that if we truly hope to solve this problem, we must focus on reducing demand.

Members on both sides of the aisle have suggested some innovative ways to do this. Senator LUGAR and I introduced the America Fuels Act to increase the production of homegrown biofuels. And Senator BUNNING and I have worked on a bill to produce liquid fuels from coal.

Unfortunately, we are not going to have a debate this week on how to reduce the demand for oil, because we weren’t allowed to add any amendments to this bill that would focus on that problem. Because contrary to the judgment of every credible person who has examined our Nation’s energy woes, the Republican leadership in the Senate believes we can solve our energy problems by just drilling more. That is not only dishonest; it is a disservice to our constituents who want us to work together to solve this crisis. I would like to spend a few minutes today discussing two of the proposals that should have been part of this energy debate—two proposals that could have made this bill better.

First, we need to start producing cars that use less oil. Thirty-three years ago, this Nation faced an energy crisis that affected every American. In the shadow of a war against Israel, the Arab nations of OPEC chose to embargo shipments of crude oil to the West. The shocks were felt in national economies worldwide. Washington law-makers responded by creating daylight savings time and a national speed limit. A new Department of Energy and a Strategic Petroleum Reserve was established. And Congress enacted Corporate Average Fuel Economy—or CAFE—standards, the first-ever requirements to reduce petroleum consumption in this country.

As a result, the result was that if we truly hope to solve this problem, the most successful energy-saving measures ever adopted. But that decade’s worth of fuel consumption improvements ended more than 20 years ago, because CAFE standards are the same today as they were in 1985 27.5 mpg for cars.

To address this problem, I have joined with Senator LUGAR and a bipartisan coalition of senators to propose the Fuel Economy Reform Act, which we have also filed as an amendment to the OCS act.

This amendment would establish regular, continual, and incremental progress in fuel economy, but still preserve the expertise and flexibility of the National Highway Traffic Safety Administration. It would leave it to NHTSA to determine how to meet those targets.

Under this proposal, CAFE standards would increase by 4 percent every year unless NHTSA can justify a deviation in that rate by proving that the increase is either technologically unachievable, would materially reduce the safety of automobiles, or is not cost effective. For too long, the presumption has been that the public would have to prove that the auto industry can’t meet fuel economy standards. This proposal would flip that presumption by asking the auto industry to prove why it can’t raise those standards.

Under this system, if the 4 percent annualized improvement occurs for 10 years, we would save 1.3 million barrels of oil per day—an astounding 20 billion gallons of gasoline per year. If gasoline is just $2.50 per gallon, consumers would save $50 billion at the pump in 2018. By 2018, we would be cutting global warming pollution by 220 million metric tons of carbon-dioxide-equivalent gases.

And yet, auto executives are right when they say that transitioning to more fuel-efficient automobiles would be costly at a time of sagging profits and stiff competition, and that’s precisely why the Federal Government shouldn’t let the industry face these challenges on their own.

The Fuel Economy Act provides tax incentives to refuel ports and assembly plants. But we should do more than that. We need to help the Big Three automakers with one of their largest expenses, namely, retiree health care costs, which ran almost $6.7 billion just last year. For GM, these health care costs represent $1,500 of the price of every GM car that is made, which is more than what they pay for the steel. To that end, I have added an amendment to this bill based on the Health Care for Hybrids Act that I introduced last year. That proposal would set up a voluntary program in which automakers could choose to receive Federal financial assistance to help them with their retiree health care costs. In return, the automakers would be required to reinvest these savings into developing fuel-efficient vehicles.

With the American consumer demanding more hybrid vehicles—and that demand currently being filled by foreign automakers—this proposal could jumpstart the Big Three to commercialize new technology. More American hybrid cars also ensure that there is competition in this growing market, and would help keep car prices affordable.

If we had adopted these two proposals decades ago, when the call for energy independence was first issued in this country, today we would be nearly independent of the oil-rich dictators and surging gas prices. And if we don’t take these steps now, we will someday look back on today’s $3 per gallon gasoline as the good old days. At that point, no amount of drilling on the Outer Continental Shelf will solve our problems.

We could have taken these commonsense steps now to reduce the demand for oil. We have the need, we have the technology, we have the resources—but with this bill, we refused to find the political will to get it done. We still owe it to the American public to find that will.

Unfortunately, this bill sends the wrong message. Instead of making tough, long-range decisions now to reduce our insatiable demand for oil, this bill continues to lull the American people into thinking that we can drill our way out of our energy problems. We can’t, and for that reason, I plan to vote against this bill.

Ms. SNOWE. Mr. President, yesterday, while the Senate was voting for cloture on S. 3711, a bill that could ultimately lead to exploration on the Outer Continental Shelf of the Georges Bank in the North Atlantic, the Maine lobster industry gathered on a picturesque fishing pier in Maine to launch the “Certified Maine Lobster” initiative that could bring an added value to the State’s $300 million lobster industry. My State accounts for 80 percent of the lobster landings and is known for its lobster boats, lobster shacks, lobster buoys and lobster dinners along its scenic coastline. As a matter of fact, the Maine Lobstermen Association was formed to fight OCS drilling off the coast of Maine.

It is because of its very pristine value that fisheries and tourism are important economic engines for the State
and I cannot stand by and let these natural resources be compromised through exploration and drilling. Last year, Maine lobstermen hauled in more than 60 million pounds for a boat price of $296 million.

While supporters of S. 3711, the Gulf of Mexico Energy Security Act of 2006, say that this bill is only about the Gulf of Mexico, while at the same time stating that the bill is the first step toward opening up more areas to production. One even quoted as saying, "The goal is to maximize over time the coastal production of America from a venue of stagnation." This does not sound like the bill pertains only to the Gulf of Mexico, as its supporters have stated and this has rightfully alarmed the people of my State, many who make their living directly or indirectly from the sea. Scientists, economists, and fishermen have worked for 20 to 30 years to restore the magnificent fish runs off the New England coast. To them, lifting the moratorium and allowing oil and gas drilling on the 185-mile-long broad, shallow and productive fishing ground of Georges Bank that stretches from Nova Scotia to Cape Cod is unconscionable.

As chairman of the Senate Commerce Subcommittee on Fisheries and the Coast Guard, the prospect of drilling in the Gulf of Maine and Georges Bank and risking New England’s fisheries is unacceptable to me as well. I, along with Senator Menendez, wanted to offer a simple amendment to ensure that drilling within 200 miles of the coast of Maine and other coastal States would continue to be prohibited until 2022—the same protection as is given the State of Florida in this bill.

However, without following the usual amendment process, there can be no assurances that Maine’s coast will be protected when this legislation is approved by a conference or that the Joint Committee on Taxation’s recommendation to convert current OCS revenues for ocean fisheries research will occur, and without those assurances, I have not supported moving forward.

I am extremely disappointed that the decision was made to prevent amendments during debate that ignores the need to address conservation. We were told it would take a week to get through amendments that would have been tabled on the Senate floor. As it was brought up 1 week ago, and, instead of having true and fair debates on conservation amendments this past week and up or down votes, we have spent it on moving to cloture and getting to final passage.

I believe that considering the leasing of additional OCS waters for oil and gas drilling should only be done with utmost caution and deliberation, and at the same time, I believe that our national energy policy should seriously focus resources on the development of renewable energy and an expansion of energy efficiencies as part of a national energy policy.

I have filed an amendment to this bill that is also my stand alone bill, S. 3628, the EXTEND Energy Efficiency Incentives Act of 2006, that would extend the EPAct 2005 energy efficiency tax incentives until 2010—they currently expire at the end of the year having been shortened by the House in conference. Experts have calculated that, if fully implemented, the EXTEND Act would, by 2010, save 7 trillion cubic feet, Tcf, of natural gas while the Gulf of Mexico drilling bill before us would increase output by 20 percent. We simply cannot continue to drill ourselves out of this problem, and threaten our natural resources—we can do it with bold ideas that save much more than we can get from drilling.

A reliance on only fossil fuels retards progress in developing a sustainable and comprehensive 21st century energy policy. Furthermore, the recent fluctuation of the world oil and natural gas markets indicates that this commodity is not a reliable long-term energy source. There are uncertainties involved with fossil fuels that threatens the energy security of the United States and it is important that our nation recognize the situation and develop a diverse, long-term, and progressive energy plan through a market basket of fossil fuels, renewable energy and energy efficiencies.

Senator Feinstein and I were not allowed to offer our 10 in 10 bill as an amendment, which required U.S. automakers to increase their average CAFE standards by 10 miles per gallon in 10 years. The bill would save 2.5 million barrels of oil per day by 2025, the equivalent of taking 90 million cars—or 75 million cars and light trucks—off the road in one year. Again, we can save rather than drill.

Exxon Mobil, the world’s largest traded oil company, just reported a 36 percent gain in 2nd earnings. Exxon has prospered because of the high gasoline prices bolstered by the demand for supply. Increasing CAFE standards will decrease demand, lower prices and begin to put some of this money in the pockets of consumers rather than the large oil companies, who have increased output and taken advantage of the increase in oil prices, which remain over $70 a barrel.

The small increase from the latest NHTSA rule for CAFE standards for SUVs does little to save gasoline and only gives lip service to an issue that deserves more serious consideration. Even a modest increase of only five miles per gallon in the fuel efficiency of our domestic automotive fleet would save approximately 23 billion gallons of gasoline each year and reduce oil imports by 14 percent.

This increase is more than the 11 percent Venezuela provides for U.S. oil imports. The GAO reports that the U.S. is inadequately prepared to face the possibility of President Hugo Chavez’ threat to cut off its oil imports to the U.S. The GAO reports that this disruption would cause an increase of $11 per barrel. So we are allowing Chavez to put us over a diplomatic oil barrel, so why take the risk with the trust of the American people and the economy when there are options that can be put in place to make us independent of Venezuela’s oil—and political maneuvering.

Currently, the combined fleet average for all automobiles, SUVs, light trucks and passenger cars, is approximately 25 miles per gallon—that is down from the peak of 26.2 miles per gallon in 1987. The Feinstein-Snowe-Inouye-Chafee 10 in 10 bill would increase that combined fleet average to 35 miles per gallon by Model Year 2017—or ten mpgs 10 years from today.

Also, according to the 2002 National Academy of Sciences report, the CAPE, adequate lead time can bring about substantive increases in fuel economy standards. The NAS concluded that automakers can meet higher CAFE standards with existing technologies. We have the technology to increase our fuel economy standards. We have hybrids, more efficient engine technology, improved transmission technology, and composite materials that reduce the weight of the vehicle and save more fuel.

I fear that the Senate conferences will come back from a conference with many of the provisions in the House bill, the Deep Ocean Resources Act, H.R. 4761, a bill that replaces the moratorium that currently protects most of the nation’s coastline from oil and natural gas drilling and develops a leasing system that would provide the option for states to allow drilling within 50 miles of their coastlines and allow drilling throughout the OCS beyond 100 miles. Currently, the moratorium protects the coastal area up to 200 miles out.

In passing this OCS drilling only bill today, the Senate has created lost opportunities that could have addressed how much we could save—along with how much we can drill. This is what the consumers want to hear—that we are addressing every avenue possible to keep money in their pockets the next time they go to the gas pump or pay their electricity bill or purchase heating oil for the coming winter. The Senate has let the consumers down once again and, the country does nothing to protect Maine’s tourist and fishing economies and its 3,500 miles of coastline.

Mr. FEINGOLD. Mr. President, once again, this body has missed a chance to pass responsible, effective legislation responding to the very real and very pressing energy needs of this country. While there may be pieces of S. 3711 that have merit, I did not support cloture and I will not vote in favor of the final bill.

I voted to allow the Senate to consider S. 3711 in the hope that we might
have a serious discussion of the bill, including debating and voting on amendments to improve it. While the bill only addresses one part of our energy needs, it could have provided an opportunity for the Senate to finally address a broad range of energy issues. Unfortunately, Senators were prevented from offering amendments, so there was no opportunity to address, for example, efficiency, conservation, renewable fuels, or even global warming. The result was a rushed opportunity to pass the comprehensive energy legislation that our constituents are looking for.

In addition to opposing the flawed process for consideration of S. 3711, I have grave concerns about the fiscal implications of the legislation. This bill will redirect billions of dollars in Federal revenues to just four States. While I agree that we have a responsibility to go to important activities like protecting and restoring coastal wetlands, I do not believe that doing so requires creation of a new entitlement for all 50 States. If enacted, S. 3711 will have massive long-term and negative consequences. For example, in 2017, the loss to the taxpayers of the country is estimated to be over $590 million a year, jumping to over $1.2 billion a year by 2025. Adding it all up, you get a total likely loss of over $170 billion over 60 years. I am not prepared to support such a massive drain on the Federal Treasury for the benefit of a few States and I urge my colleagues to oppose S. 3711.

Mrs. CLINTON. Mr. President, I believe that as part of a balanced energy policy, we need to expand domestic oil and gas production where it has local support and can do so in an environmentally sound way. I think the bill before the Senate meets that test, and that is why I am voting for it. However, I want to make it clear that New Yorkers do not support drilling off Long Island Sound or in the Great Lakes, and I will vehemently oppose any bill that would open any of these areas up for drilling. With that in mind, I am concerned about conferencing the Senate bill with the House bill, but I have been assured by Senator REID that he will oppose efforts to expand drilling beyond the areas included in the Senate bill. In addition, I am disappointed that Senator FISCHT chose to block all amendments to the bill. Expanding domestic supplies is only a partial solution to our energy problems. It is even more important that we take steps to increase energy efficiency and to expand production of renewable energy. I filed amendment No. 2226 to the bill, but I was not afforded the opportunity to offer it. I will continue to urge Senator FISCHT to schedule time to consider these and other bills that offer a more comprehensive long-term solution to our Nation’s energy problems.

Mr. BIDEN. Mr. President, I am in opposition to the bill before us that opens up new areas in the Gulf of Mexico to oil and gas drilling. I don’t dispute that the oil and natural gas that may be harvested as a result of this legislation could be useful, and I would support drilling from some new sources—if the value of doing so is not outweighed by our environment and economies. But it is not a solution to our energy problems.

Here we are, yet again, with a so-called “energy plan that only offers one plan for our energy security crisis: drilling. That is not much of a plan. That is not going to free our foreign policy. That is not going to lower prices at the pump. We consume a quarter of the oil in the world, but we have less than 2 percent of the world’s reserves—that 2 percent includes the areas under debate today. If we tapped all the reserves in Alaska, the Gulf of Mexico and off the Pacific and Atlantic coasts, we would increase output by 2 million barrels a day by 2020. Production is expected to rise to 25 million and world consumption to 110 million, so the impact on price and energy security would be minimal. Drops in the bucket.

We need a real energy policy, a real path toward energy security. For instance, we can make the biggest difference and have the most immediate impact by reducing oil consumption where we use it most: the transportation sector. That’s why I have proposed an alternative transition to alternative fuels and make us more energy secure: (1) 100 percent of cars running on alternative fuels; (2) 50 percent of major gas stations selling it; (3) 25 percent farm-grown fuel; (4) 1 mile per gallon more fuel efficient each year.

And if we are going to drill in new areas, we need to make sure we do it right, and not bypass the appropriately careful process and environmental review that the Federal Government and the States have used to implement the Continental Shelf Lands Act. The leadership put this bill before the Senate and said: “take it or leave it.” This bill could have been much better, and I fear that the bill that will come back from the House will be much worse.

Mr. REED. Mr. President, today, the Senate will vote on final passage of S. 3711, the Gulf of Mexico Energy Security Act. I will be voting against passage because I believe this bill is poor energy policy and irresponsible fiscal policy, and faulty environmental policy.

The Gulf of Mexico Energy Security Act is a misnomer. The bill will not offer energy security to the United States. The United States consumes 25 percent of the world’s energy and yet we have less than 3 percent of the world’s oil supplies. While I agree that we must increase the domestic supply of oil and natural gas, this cannot be our Nation’s only approach. Yet it is the only approach offered in S. 3711. I believe that the administration and Republican leadership continue to propose as our Nation’s energy solution. Our Nation’s energy security depends on reducing our dependency on fossil fuels through increased energy efficiency, greater investment in renewable energy, and development of alternative fuels to replace oil. But this bill does nothing to increase fuel efficiency standards for automobiles, create a nationwide, renewable energy standard for electricity, or promote energy efficiency or renewable energy. In fact, Federal investment in energy efficiency and renewable energy continues to decline. It is imperative for our Nation’s energy and economic security that an energy policy that increases supply must be married to meaningful investments in energy efficiency and renewable energy. This is the energy policy that our Nation deserves, but it is not the one we have today.

S. 3711 is also not sound fiscal policy. This legislation would mandate that almost 38 percent of revenue from Federal revenues generated in the Gulf of Mexico be given to four States—Alabama, Louisiana, Mississippi, and Texas. These revenues that currently would be provided to the U.S. Treasury for the benefit of the Nation as a whole. Reducing revenue to the Federal Treasury means that we, as a nation, will have fewer resources available in the future to respond to a call for help should there be another devastating natural disaster or terrorism attack. Our Nation faces a deficit of $8.4 trillion due to this Administration’s poor fiscal management and irresponsible tax policies. Large Federal budget deficits going forward are bad for the economy. They reduce national saving, which depresses future standards of living. Reducing Federal receipts and increasing the budget deficit at the same time as the baby boom generation retires will put increased strains on the Federal budget and makes no sense. This bill, if passed, will result in billions of dollars. I am not alone in my opposition to this legislation; taxpayer advocates share my concerns over its fiscal impact.

In the early 1950s, Congress considered the allocation of revenues between the Federal Government and States resulting from drilling in our Nation’s waters. During the debate last week on S. 3711, I quoted from a speech that Senator Truman gave at the National Conference of Bankers for Democratic Action on May 17, 1952. President Truman stated in this speech, “The minerals that lie under the sea off the coasts of this country belong to the Federal Government”—that is, to all the people of this country. The ownership has been reaffirmed and reaffirmed in the Supreme Court of the United States. Those rights may be worth as much as somewhere between $40 billion and $100 billion.

If we back down on our determination to hold these rights for all the people, we will act to rob them of this great national asset. That is just what the oil lobby wants. They want us to
turn the vast treasure over to a handful of States, where the powerful private oil interests hope to exploit it to suit themselves.

Twice President Truman vetoed quiet-claim legislation passed by Congress to turn over the Outer Continental Shelf lands to the coastal States. In his May 29, 1952, veto statement, President Truman said, “[T]he Congress should provide for the disposition of the revenues obtained from oil and gas leases on the underwater lands of the coastal States, as introduced by Senators O’Mahoney and Anderson, would have granted the adjacent coastal States 37 1/2 percent of the revenues from submerged lands of the marginal sea. I would have not object to such a provision, which is similar to existing provisions under which the State receives 37 1/2 percent of the revenues from the Federal Government’s oil-producing public lands within their borders. In his veto statement, it is clear that President Truman did not support giving coastal States revenue from the Outer Continental Shelf.

In the end, the coastal States received much more generous compensation than the provision offered by Senators O’Mahoney and Anderson and President Truman. When President Eisenhower signed the Submerged Lands Act, the coastal States were given title to and ownership of the lands beneath the territorial seas and the right to manage the natural resources within the States’ boundaries. This law gave the States 100 percent of the revenue from coastal drilling in State waters. Importantly, the law affirmed the Federal Government’s ownership in lands seaward of the State boundaries. Revenues from Outer Continental Shelf drilling belong to the American people in all 50 States. The legislation that the Senate is considering today violates the American people, and denies the Federal Treasury and American people of essential revenue to address the needs of our Nation it violates. It also is contrary to our national motto, E pluribus unum, from which are meant to drive home political points to the unsuspecting American voter.

I urge the Senate to reject S. 3711, and instead, pursue the vehicles and rule choices and the clean EDGE legislation that will set America on a true road to energy independence.

Mr. JOHN. I am pleased to join my colleagues today in support of legislation that expands access to domestically produced oil and natural gas by opening new areas for exploration in the Gulf of Mexico.

Earlier this spring, the Senate Energy and Natural Resources Committee took action on a similar bill introduced by Senators Bingaman and Domenici. That bill provided the framework for today’s early consensus on the need to bring on-line additional gas and oil reserves. As a member of the Senate Energy and Natural Resources Committee, I supported moving that earlier version through the Energy Committee with the goal of lowering energy input costs for agriculture producers, and manufacturers.

This bill strikes an appropriate balance by focusing on Outer Continental Shelf lands located in relative close proximity to the existing infrastructure of natural gas gathering and distribution lines necessary to deliver oil and gas to consumers. When compared to a competing version passed by the House of Representatives that throws long-standing environmental provisions and drilling moratoriums out the window, the Senate bill is a reasoned and responsible bill. I do, however, share the concerns of Senators that the final legislation cannot include many of the damaging provisions included in the House of Representatives-passed bill. I will do my best to convince my colleagues in the coming weeks that the best, quickest path to bring billions of trillion cubic feet of natural gas to market is through a conference report that maintains the key aspects of the Senate bill.

I also want to let my colleagues know that I am determined to ensure that a final bill include additional funds for the Land and Water Conservation Fund, as well as wildlife habitat funding through the Pittman-Robertson Wildlife Restoration Act.

Moreover, the legislation that will set America on a true road to energy independence of fossil fuels overall. This is the energy policy that our Nation deserves, and the policy I will continue to fight for. I urge the Senate to reject S. 3711, and instead, pursue the vehicles and rule choices and the clean EDGE legislation that will set America on a true road to energy independence.

Mr. BYRD. Mr. President, during this hot, sultry, high-gas-price summer, I urge the American people to take a minute to observe the U.S. Senate. Take just a few minutes from the daily challenges of coping with the kids, driving them from camp to soccer grounds, going to church, worrying about how to cobble together enough money to manage evens the brief family outing, and watching nightly news coverage of the Middle East imploding to focus, just briefly, on what is happening, or rather not happening, on this Senate floor.

Instead of working to pass necessary legislation like the 11 remaining appropriations bills, which are now jammed up and waiting for movement like the cars in a typical rush hour on the Washington beltway, we are engaged in a frantic last-minute cobbled together messaging dance. These fandangoes feature bills which are meant to drive home political points to the unsuspecting American voter.

The latest entry in this catalog of message bills is S. 3711, the Gulf of Mexico Energy bill, a bill cobbled together by the majority and then presented to the full Senate to vote on without opportunity for amendments.

To anyone in these United States who is tempted to swallow the line that this sham bill now on the Senate floor is a solution to high petroleum and natural gas prices, I say think...
again. Desperate politicians eager to invent a vote which can serve as the 30-second add solution to the hot-button issue of high energy prices are out to hoodwink the public again, this time with this very bad idea.

We, the Senator, are very weary of message bills that lie to the public. Here is the plain truth about the U.S. supply of oil and the world supply of oil. We are running out, and we will reach that peak in oil in the not-too-distant future. It occurred 30 years ago. That is why the U.S. imports two thirds of the oil it consumes, and that consumption is about 20 million barrels per day. As far as U.S. supplies go, if the United States were, for some reason, suddenly dependent on only our own supply, we would hit empty very soon. That is the cold, hard truth. There isn’t much oil left to pump in these United States, and pumping it will not make one iota of difference in the price of gasoline, because oil is a global commodity and is bought and sold on the international market.

After the oil is gone, the fuel of choice is another finite source natural gas. Who leads the race in that new energy frontier? None other than nations such as Russia and Iran, because they are the top two global natural gas reserve holders. If that makes you sleep well at night or suggests to you the emergence of lower energy prices, I would have to say I beg to disagree.

The only course of action which will lead to lower, more reliable, more secure energy and energy prices is a strong national commitment to investing in greater energy efficiency and developing alternate energy sources—and the sooner we get started the better. The President likes to say that the solution to high gas prices is to build more refineries. I do not disagree that it would be useful to build more refineries. We have not built any new refineries because we have not built any since the 1970s. However, that is not a short-term solution, nor is it a simplistic, long-term solution to high gas prices. It takes too long to build refineries for refineries to be a short-term solution. And we are running out of oil, so refineries cannot be a long-term solution.

The solution, of course, is the development of a variety of alternative energy sources. Crude oil currently costs something like $74 per barrel, and the price will certainly go up. Nuclear power plants can be hazardous, especially in this age of terrorism. Clean coal liquefaction technologies are promising because the good ole U.S. of A. is by far the global leader in proven coal liquefaction technologies, industrial gasification, and coal liquefaction by this administration.

Yet this bill—this message bill—this bumper sticker solution to American distress over high gas prices is a pathetic attempt to foist a fake promise upon the people, which the American people ought not swallow. It will do little or nothing to bring down gas prices or natural gas costs. It is also just very bad legislation. Let me tell you why.

The proposed offshore drilling in Florida waters is not worth the environmental risk. The total amount of oil which could be extracted from this new drilling will equal around 55 days of American consumption at current usage rates. Consider also the time it will take to develop the lease—deploy the rigs, pump, refine, and transport these products, and anyone who cogitates for just 30 seconds will clearly see that this drilling will do nothing to bring down gas prices in the near term.

Furthermore, the generous revenue sharing plan aimed at buying the votes of coastal State Senators could well have an impact on our future Federal funding needs. The robust payments to just four Gulf-producing States which will not be offset by the oil and gas generated by this new offshore drilling could cause holes in the Federal treasury which would impact programs that would benefit States like West Virginia.

This bill is a bad deal for State and 45 other States, which can offer alternative fuels to blunt our dependence on oil. We are not allowed to consider amendments to this bill. A yes vote for this bill does nothing to help coal, ethanol, solar, and wind technologies because it propagates the myth of continued dependence on oil and gas. A yes vote lies to the American public, because it says Joe Citizen can continue economically drive a gas powered automobile if only we drill a few more holes in the fragile gulf coast shoreline.

A yes vote on this bill says to the American public, don’t bother to increase energy efficiency or produce alternative fuels. It says don’t push the powers that be to stop drilling and start producing transportation that does not depend on a dwindling supply of scarce and ever increasingly expensive oil.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The time until the vote is 25 minutes.

Mr. LEAHY. Mr. President, if somebody comes, I will be willing to enter into a different consent agreement, if somebody comes seeking the floor on the other side, but I ask unanimous consent to speak for up to 10 minutes as in morning business but with the time to be running as it normally would.

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

The remarks of Mr. LEAHY are printed in today’s Record under “Morning Business.”
only four Gulf States. Under this legislation, 50 percent of the public revenues would go into the Federal Treasury, 12.5 percent would go to all of the States under the LAWCON program. As I said before, 37.5 percent would go directly to the four States—Louisiana, Texas, Alabama, and Mississippi. They have done an excellent job in writing this legislation to benefit their States. So I certainly understand their support for this brand of revenuesharing.

What I don’t understand is why the other 92 of us would agree to it. The offshore waters of the Gulf Coast belong to all Americans, as do the Atlantic and Pacific Oceans, the Great Lakes, and other national resources. This precedent—allowing a few States to benefit at the expense of the rest simply because of their proximity to a national resource—not their ownership of it, just the proximity to it. If Congress opens this door, watch for the parochial claims to follow for a cut of every other Federal natural resource.

Also sadly lacking from this bill is any kind of windfall profits tax on the major oil companies that are its principal beneficiaries. At a time when Americans are paying $3 or more a gallon for gasoline and the oil giants such as ExxonMobil are enjoying record high profits, there is no attempt in this bill to recapture any of those profits for the American people or for the public purposes that would benefit them.

This legislation opens a public resource, gift wraps most of its value, and hand delivers billions and billions of dollars to special corporate interests at the expense of the American citizens in 46 States. How the elected representatives of those 46 States could allow this to happen is astonishing. I hope the residents of those States will demand some answers. Those citizens should also ask why nothing in this so-called Energy Security Act provides any energy security at all. At best, it will provide a relatively small additional supply of oil and natural gas for a relatively short period of years starting as late as several years from now, supplies for which consumers will likely pay even higher prices than they are today.

Somehow once said the definition of insanity is to keep doing the same thing and hope for a different result. If so, this continuation of a national energy strategy is insane. We cannot produce our way to energy self-sufficiency when consumers have no alternatives to those traditional energy sources. This is nothing to provide Americans with any of those energy alternatives—not today, tomorrow, or 10 years from now. None of us in the Senate are being given the opportunity to offer any of those alternatives to this bill.

Mr. President, I have introduced legislation that would encourage the additional production and use of biofuels, specifically ethanol and biodiesel. My amendment to this bill would help prevent the tactic every time they fill up their fuel tanks between gasoline or diesel and lower cost alternatives, such as E-85, comprised of 85 percent ethanol, biodiesel made out of soybeans, and other agricultural commodities, and even out of animal renderings.

These energy sources are not buried under miles of water or ocean floor located miles and miles away. They are right in our agricultural States. They are cleaner burning than traditional fossil-based fuels and they provide additional boosts to farmers in rural communities around the Nation, where local economies depend upon a healthy agricultural industry. They boost the market prices in the marketplace for those commodities, meaning they lower taxpayer subsidies. It is a win-win-win for all Americans; yet we are not allowed to offer these additional kinds of incentives and policies that offer energy fuels, conservation, and other ways that we can truly enhance our energy security.

For those reasons, I oppose this legislation and, most of all, I oppose the tactics underwritten by this tactic from becoming what it should be, what the American people need and certainly deserve, which is comprehensive energy legislation that will provide real energy security for our country, lower cost energy supplies now and for years to come.

I yield the floor.

I suggest the absence of a quorum.

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

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the quorum call be dispensed with.

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

Mr. President, you have been particularly helpful in putting this bill together, along with other Gulf coast Senators. I wanted to come to the floor to thank so many people who have helped to make this bill possible. It was many months in the working, many, many negotiations and meetings that went on to produce a bill that is not only going to be of extraordinary help to the great State of Louisiana and all the Gulf Coast States as we try to restore our coastline, restore our marshlands, stop the erosion, and build the levees and the floodgates that are so imperative and critical to the protection of our people, our communities, large and small, but it is also a bill that is so important for this Nation as we seek to increase the supply of oil and gas produced in this country so we don’t have to rely on oil and gas coming in from unfriendly and unstable places.

It took a tremendous amount of work for this bill to be put together. I begin by thanking particularly Senator Domenici who, as the chairman of the Committee on Energy and Natural Resources, was integral parts of bringing about this important bipartisan achievement. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. Mr. President, I ask unanimous consent that the quorum call be dispensed with.

Mr. President, I have introduced legislation that would encourage the additional production and use of biofuels, specifically ethanol and biodiesel. My amendment to this bill would help prevent the tactic every time they fill up their fuel tanks between gasoline or diesel and lower cost alternatives, such as E-85, comprised of 85 percent ethanol, biodiesel made out of soybeans, and other agricultural commodities, and even out of animal renderings.

These energy sources are not buried under miles of water or ocean floor located miles and miles away. They are right in our agricultural States. They are cleaner burning than traditional fossil-based fuels and they provide additional boosts to farmers in rural communities around the Nation, where local economies depend upon a healthy agricultural industry. They boost the market prices in the marketplace for those commodities, meaning they lower taxpayer subsidies. It is a win-win-win for all Americans; yet we are not allowed to offer these additional kinds of incentives and policies that offer energy fuels, conservation, and other ways that we can truly enhance our energy security.

For those reasons, I oppose this legislation and, most of all, I oppose the tactics underwritten by this tactic from becoming what it should be, what the American people need and certainly deserve, which is comprehensive energy legislation that will provide real energy security for our country, lower cost energy supplies now and for years to come.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the quorum call be rescinded.

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

Mr. McCONNELL. Mr. President, I wish to take a moment to congratulate the Senate in advance of a vote at 5 o’clock which is going to demonstrate the Senate at its best—a bipartisan accomplishment. For many years wanted as important to the area of the country that the occupant of the chair represents. I know Senator Vitter has for many years wanted to achieve something related to the gulf coast deepwater exploration issue that would benefit his State. We are on the verge of having that remarkable success.

Particular kudos to Senator Domenici, the chairman of the Energy Committee, who was absolutely indispensable in pulling together the various competing parts that did come together for this bipartisan accomplishment; Senator Mel Martinez of Florida, who protected the coastline of his State while still helping to lead the way in a direction that allowed this compromise to go forward; Senator Landrieu for delivering a significant number of Democrats who were, of course, needed in order to make this a bipartisan proposal; and to all the Gulf Coast Senators and other Senators whose States will indeed benefit from the Land and Water Conservation Fund.

As I said, this is the Senate at its finest. I congratulate all those who have been integral part of bringing about this important bipartisan achievement. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.
of the deficit by encouraging production where we can get new production, therefore generating more revenues for the Nation. Senator Harry Reid is from Nevada, a State that has produced great natural resources for the country. He understands the balance in this policy.

I thank Senator Bill Frist and Senator Mitch McConnell. Senator Domenici is in the Senate now. He is scheduled to speak, so I will wrap up. I thank Senator Bill Frist and Senator Mitch McConnell for helping to pull the Senate together to keep us working on this good, balanced compromise.

I thank the Senators from the Gulf coast, of course, including the President, the Senate from Louisiana, as well as Senator Lott, Senator Shelby, Senator Sessions, Senator Cochran, Senator Hutchison, and Senator Cornyn. None of this would have been possible without the Gulf coast Senators coming together and agreeing now that the President, and the members of the Senate, have to work to proceed. I thank the Senators from Florida, Senator Martinez and Senator Nelson, as well.

There is a list of staffs I will have printed in the Record, starting with my own staff, Janet Woodka, legislative director; Jason Matthews; Tom Michaels; Elizabeth Craddock; and Ron Faucheaux; a list of staffers representing all the Senators who were instrumental in the passing of this bill. I thank them very much, particularly Frank Macclorola with Senator Domenici and the Senate Energy and Natural Resources Committee who led this effort with Bruce Evans. It would not have been possible without the help of Libby Jarvis from Senator Frist’s office.

The staff have put in the long hours and I thank them for all of their hard work. That staff includes: Chris Miller, Senator Reid; Frank Macclorola, Senator Sessions, the Energy Committee; Bruce Evans, Senator Domenici, Senate Energy Committee; Libby Jarvis, Senator Frist; Kyle Simmons and Malloy McDaniel, Senator McConnell; Jim Sartucii and Annie Estrada, Senator Lott; Garrett Graves, Senator Vitter; Ryan Welch, Senator Shelby; Marie Thomas, Senator Cochran; Jamie Moore, Senator Hutchinson; Spencer Chambers, Senator Cornyn; Dan Shapiro and Bridget Walsh, Senator Bill Nelson; Brydon Ross, Senator Martinez; Stephen Boyd, Senator Sessions.

I also thank all of my staff—they have all worked hard over the years—and in particular, my energy team: Tom Michels, Elizabeth Craddock, Janet Wondka, Jason Matthews, and Ron Faucheaux.

Any of my former staff who have laid the groundwork and built this issue up over the past 10 years to get to where we are today—most notably Jason Schendel, who has been a tremendous resource and advocate, Kathleen Strottman, Dionne Thomas, and Neil Naraine.

Finally, I thank Senator J. Bennett Johnston, whose seat I now occupy and my great friend, Senator John Breaux. I see Senator Domenici in the Senate. I thank him for his extraordinary leadership in helping the Nation break through on oil drilling for the first time in many decades.

I yield the floor.

The President. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank the distinguished Senator from Louisiana for her kind remarks and for her great support in this effort.

The junior Senator from Louisiana, who is the President, I thank for the support and dedicated commitment to what we are doing. It is not only for the State of Louisiana, but for all the coastal States surrounding Louisiana. It is very important for the United States. I commend the Senator for his participation.

I would like to thank a Senator who was vital. He was courageous. He stepped forward as Senators from Florida have not been used to doing. That was Senator Mel Martinez, who came forward and said: I would like to work with you to end up striking a balance for his people of Florida and for America. And he, along with the others we have mentioned, got us going.

It has been a pleasure taking this job on and for everyone to have 10 minutes before the vote, with the full appreciation on the part of scores of Senators that we are about to do something very positive, very important. For a change, very few Senators will still have to say no. Most of the time it is hard to get 60 votes for closure. Many times it is hard to get that 51 needed for a simple majority.

Over the weeks, and finally over the night to add 1.2 million barrels, if this bill goes through, we instantly add it to the ready reserves of America for crude oil waiting to be drilled and put into the system. Members would be voting to instantly add to our ready reserves of natural gas. If we could start fines in the market in the not too distant future, almost 6 trillion cubic feet.

We have a crisis right in front of our nose and we have a partial cure right in front of our nose, but this time we cannot continue to say no. Most of the time it is hard to get 60 votes for closure. Many times it is hard to get that 51 needed for a simple majority.

This could happen, that could happen, we need it, should we do it. That is what has happened in the United States recently when we are trying to make energy decisions. We do not want to recognize that there is a risk for a big benefit. In this case, it is a very strong risk and a very big benefit.

I am particularly pleased in this bill that we are reinvesting in our environment. For decades, our coastal States have produced much of the oil and gas which the Nation consumes. They no longer sit back and go along with leasing without compensation needed for their infrastructure, the coastal environment. It is so critical to our domestic energy survival. We have changed direction and said “share it with them.”

That is a good idea, a new precedent we need not be embarrassed about.

We also have said we want to share some of this wealth with the Land and Water Conservation Fund, a very good national program. We have not done that before. That is a good precedent, good ground to break, and sets us on a good path.

For those who worry, again, about that and about sharing with the States, I regret if that concerns them so much. They will not vote for this bill. I am very sorry about that. In this case, the benefits so outweigh the risks of changing policy or changing direction.
that we should have a stampede, not a vote, when it comes time to count. I am not going to do justice to all those who helped me by mentioning them all because I will not get to it. That is probably my mistake. I thank my friend and colleague from the State of Louisiana, who is here in the Senate. She started working with me early as a member of the committee. Obviously, Senator VITTER, also, from Louisiana, an early participant. I thank him greatly for his efforts, as well as all the other Senators. I also thank the distinguished leaders on our side who encouraged and urged passing. In fact, I would say about my good friend from Kentucky, I think he thought more about my proceeding to get this done than I did a few weeks ago. He kept saying it was a great day, get along with it, PETE, let’s do it. So we are doing it.

This is a good bill. It took a little effort. It took a little time. Nonetheless, compared with other bills around here these days, it is not going to go to the graveyard. It is not going to die because Senators were able to talk the Senate into voting again to delay or kill a bill. They have not been able to do that with this bill. We are grateful.

The American people ought to know that even with the hurdle of 60 votes which was required because of filibuster threats on this bill, we prevailed. We have learned also that when we vote tough and I think we only needed 51 votes for a a change. That is a very good sign. Finally, we are at a point where a 51-vote majority would win. We thought it was that way all the time, but it wasn’t. Finally, after all the hurdles, we will have many more than that, but this is going to pass.

For those who are watching, we are at a point where that old-fashioned majority would be enough. We learned about the majority in school. It has been thrown out the window because there is no blocking your own bill. Every vote is 60 votes around here. In the next few years we will have a few more of those, Mr. Leader, with the tax bill, and it will be 60 votes because someone is screaming filibuster. I used to think filibusters were great when I first came to the Senate. Then I almost changed and said: Throw them away. I don’t know where I am now. I do know I am for using part of the day for a change. I yield the floor. The PRESIDING OFFICER (Mr. ALEXANDER). The majority leader is recognized.

Mr. FRIST. Mr. President, I do thank my distinguished colleague, who about 2 months ago said, we can do this, we can do it for the American people. It was at a time where it looked as though this Senate could not come together to address one of the more fundamental issues that the taxpayer, the American consumer, sees every day; that is, the price of gas, the price of consumer products that go up because of the high price of natural gas required to make that product.

We have addressed it in a bipartisan way. Senator DOMENICI, Senator LAN- DRIEU, Senator MARTINEZ, Senator VIT- TER—these are the many distinguished colleagues, the assistant majority leader, who was there every second of the way, through meeting after meeting, as we worked through the many, many details in what was really pioneering work in many ways, opening up the deep sea energy exploration, with the sharing of revenues coming in and what the appropriate amount should be. So I do thank all of them.

I have to come back to Senator DOMENICI and him just looking them in the eye and saying, I know elections are coming, and I know there is partisanship, people want to slow the place down, but we are going to do it. To have it done means a lot. The increase in energy prices is clearly going to be worse. . . . If oil prices continue to rise, there will be ‘‘significant consequences’’ for the economy. That was the testimony delivered by Federal Reserve Bank Chairman Ben Bernanke earlier this month before the House Committee on Financial Services.

When I look at the evidence, I cannot help but agree. Right now, Americans are paying, on average, $3 per gallon for regular unleaded gasoline. Right now, 60 percent of the oil we consume comes from overseas, from foreign countries. Right now, we are on track to a future where the demand for petroleum more than doubles our supply here at home—more than doubles our domestic supplies of oil. Right now, the price of natural gas for American consumers and industries, as of this morning, is $8.05 per million Btu, and that is six times as much as the price in countries competing for American jobs.

What do all these numbers mean? We hear the numbers a lot on the floor. What it translates into for that average consumer, that typical consumer, is higher cooling bills for their homes, higher heating bills in other seasons, higher prices for produce made with natural gas, and higher prices for farm produce.

They mean manufacturing jobs lost in America. When U.S. companies have to pay more for the energy they need, it makes it harder for them to compete in the global marketplace, and it results in jobs being lost to overseas, facilities being shipped overseas. The National Association of Manufacturers estimates that more than 3.1 million high-wage manufacturing jobs have been lost just in the last 4 years, largely as a result of high energy prices. Of more than 120 world-scale chemical plants under construction across the globe, only one is being built here at home.

The high cost of natural gas is hurting farmers. Over the last 3 days, over the weekend, I spent a lot of time with farmers, actually, in North Carolina, in Tennessee, and in Iowa, and I know No. 1 from the farmer’s point of view is the high price of fertilizer because of the natural gas to make that fertilizer.

It is hurting the forest and paper products industry. Mr. President, 267 mills have closed and 18,000 jobs have been lost since this runup in natural gas prices over the last 6 years.

You put all those numbers together, and they point to a clear conclusion. It is the exact same conclusion of Ben Bernanke, Chairman Bernanke: America is dangerously dependent on foreign sources of energy, and it is hurting our economy. It hurts our consumers.

Last year, Congress began to address this problem, under the leadership of PETE DOMENICI, once again, by passing a comprehensive energy bill. I do not think anybody realized at the time how comprehensive that bill was, how important, how timely that bill was. Again and again it had been obstructed from the other side of the aisle, but under his leadership we passed it.

What has happened just in the last 12 months? Because of that Energy bill, 27 new ethanol plants have broken ground, and 150 more are in the works. Because of that Energy bill, the amount of ethanol and biodiesel we use in our gasoline will more than double over the next 6 years, and that will save 80,000 barrels a day. Because of the Energy bill we passed, 401 new E-85 pumps have been installed. Because of that Energy bill we passed a year ago, the nuclear industry is planning to build 25 new reactors in the United States, and that is enough to boost 15 million households with power with that clean, emission-free energy. Because of that Energy bill, U.S. facilities are in the planning stages—enough to replace 2 million barrels of oil a day by the year 2025. And because of the Energy bill— as I was flying across the country, I looked out and saw those windmills out there—wind power, solar power, and hydrogen fuel cells all got a shot in the arm.

The Energy bill we passed a year ago was only part of the solution. The bill we will pass here shortly is that next critical step. And there will be other steps, as so many of my colleagues who have said ‘‘I have a great idea’’ have demonstrated. But the bill we have today will reduce our dependence on foreign oil and natural gas by opening up 8 million acres in the Gulf for domestic exploration. The area opened under this bill is estimated to contain 1.26 billion barrels of oil and over 5.8 trillion cubic feet of natural gas. As has been said, that is roughly the same amount of oil as is produced by the oil fields of Wyoming and Oklahoma combined, and more than six times our current imports of liquefied natural gas each year.
This bill will substantially reduce our dependence on foreign sources of oil and gas. It increases our energy independence. It strengthens our national security. And it helps to reduce the cost of living for every American consumer. It will have a direct impact on the prices consumers pay at the pump and on their power bills each month.

Mr. President, now more than ever America needs American energy. That is what the bill before us does. It brings more American energy to American consumers.

Let me just close once again in thanking Chairman DOMENICI, Senator MARTINEZ, Senator LANDRIEU, Senator VITTER—all the Senators from the gulf coast—and, as I said earlier, especially the assistant majority leader, Senator MCCONNELL, for his leadership.

I know this bill will receive broad bipartisan support. And when we begin that vote here shortly, it will move us one step closer to lowering energy prices for all Americans.

Mr. President, I ask for the yeas and nays.

THE PRESIDING OFFICER. The yeas and nays were ordered.

The yeas and nays were ordered.

THE PRESIDING OFFICER. Under the previous order, the amendments are withdrawn.

The question is on the engrossment and third reading of the bill.

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

THE PRESIDING OFFICER. The bill having been read the third time, the Yeas and Nays were ordered.

The Yeas and Nays were ordered.

THE PRESIDING OFFICER. The bill (S. 3711) was passed, as follows:

Yeas—25

NAYS—25

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE. This Act may be cited as the “Gulf of Mexico Energy Security Act of 2006”.

SEC. 2. DEFINITIONS. In this Act:


(2) 181 SOUTH AREA.—The term “181 South Area” means any area—

(A) located—

(i) south of the 181 Area;

(ii) west of the Military Mission Line; and

(iii) in the Central Planning Area;

(B) excluding from the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002, dated August 1996, of the Minerals Management Service, and

(C) including any area considered for oil and gas leasing, as identified in map 8, page 37 of the document entitled “Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012”, dated February 2006.

(3) BONUS OR ROYALTY CREDIT.—The term “bonus or royalty credit” means a legal instrument or other written documentation, or an entry in an account managed by the Secretary, that may be used in lieu of any other monetary payment for—

(A) a bonus bid for a lease on the outer Continental Shelf; or

(B) a royalty due on oil or gas production from any lease located on the outer Continental Shelf.

(4) CENTRAL PLANNING AREA.—The term “Central Planning Area” means the Central Gulf of Mexico Planning Area of the outer Continental Shelf, as designated in the document entitled “Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012”, dated February 2006.

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11) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

SEC. 3. OFFSHORE OIL AND GAS LEASING IN 181 AREA AND 181 SOUTH AREA OF GULF OF MEXICO.

(a) 181 AREA LEASE SALE.—Except as provided in section 4, the Secretary shall offer the 181 Area gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable, but not later than 1 year after the date of enactment of this Act.

(b) 181 SOUTH AREA LEASE SALE.—The Secretary shall offer the 181 South Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable after the date of enactment of this Act.

(c) LEASING PRIORITY.—The 181 Area and 181 South Area shall be offered for lease under this section notwithstanding the omission of the 181 Area or the 181 South Area from any outer Continental Shelf leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344).

(d) PAYMENT AMENDMENT.—Section 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 522) is amended by striking “the amount available under section (a)(2)(A) from any lease entered into by the lessee” and inserting “the amount made available under subsection (a)(2)(A) from any lease entered into by the lessee”.

SEC. 4. MORATORIUM ON OIL AND GAS LEASING IN CERTAIN AREAS OF GULF OF MEXICO.

(a) IN GENERAL.—Effective during the period beginning on the date of enactment of this Act and ending on June 30, 2022, the Secretary shall not offer for leasing, preleasing, or any related activity—

(i) any area east of the Military Mission Line in the Gulf of Mexico;

(ii) any area within 10 miles of the coastline of the State of Florida;

(iii) any area in the Eastern Planning Area that is within 125 miles of the coastline of the State of Florida; or

(iv) any area in the Central Planning Area that is—

(A) within—

(I) the 181 Area; and

(II) 100 miles of the coastline of the State of Florida;

(B) outside the 181 Area;

(C) east of the western edge of the Pensacola Official Protraction Diagram (UTM X coordinate 29,777); and

(D) within 100 miles of the coastline of the State of Florida.

(b) MILITARY MISSION LINE.—Notwithstanding section 1(b)(2)(B), the United States reserves the right to designate by and through the Secretary of Defense, with the approval of the President, national defense areas on the outer Continental Shelf pursuant to section 12(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(d)).

(c) EXCLUSION OF CERTAIN AREAS.—

(1) IN GENERAL.—The Secretary shall permit any person that, as of the date of enactment of this Act, has entered into an oil or gas lease on the outer Continental Shelf, and any areas described in paragraph (2) or (3) of subsection (a) to exchange the lease for a bonus or royalty credit that may only be used in the Gulf of Mexico.

(2) VALUATION OF EXISTING LEASE.—The amount of the bonus or royalty credit for a lease to be exchanged shall be equal to—

(A) the amount of the bonus bid; and

(B) any rental paid for the lease as of the date the lessor notifies the Secretary of the decision to exchange the lease.

(c) NO EXCHANGE.—No bonus or royalty credit may be used under this subsection in lieu of any payment due under, or to acquire any interest in, a lease subject to the provisions of section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)).

(d) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations that shall provide a process for—

(A) notification of the Secretary of a decision to exchange an eligible lease; (B) issuance of bonus or royalty credits in exchange for relinquishment of the existing lease; (C) transfer of the bonus or royalty credit to any other person; and

(D) determining the proper allocation of bonus or royalty credits to each lease interest owner.

SEC. 5. DISPOSITION OF QUALIFIED OUTER CONTINENTAL SHELF REVENUES FROM 181 AREA, 181 SOUTH AREA, AND 2002–2007 PLANNING AREAS OF GULF OF MEXICO.

(a) IN GENERAL.—Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) and subject to the other provisions of this section, for each applicable fiscal year, the Secretary of the Treasury shall deposit—

(1) 50 percent of qualified outer Continental Shelf revenues in the general fund of the Treasury; and

(2) 50 percent of qualified outer Continental Shelf revenues in a special account in the Treasury from which the Secretary shall disburse—

(A) 75 percent to Gulf producing States in accordance with subsection (b); and

(B) 25 percent financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–8), which shall be considered income to the Land and Water Conservation Fund for purposes of section 2 of that Act (16 U.S.C. 460l–5).

(b) ALLOCATION AMONG GULF PRODUCING STATES AND COASTAL POLITICAL SUBDIVISIONS.—

(1) ALLOCATION AMONG GULF PRODUCING STATES FOR FISCAL YEARS 2007 THROUGH 2016.

(A) IN GENERAL.—Subject to subparagraph (B), effective for each of fiscal years 2007 through 2016, the amount made available under subsection (a)(2)(A) shall be allocated to each Gulf producing State in amounts (based on a formula established by the Secretary by regulation) that are inversely proportional to the respective distances between the point on the coastline of each Gulf producing State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract.

(B) MINIMUM ALLOCATION.—The amount allocated to a given producing State for each fiscal year under subparagraph (A) shall be at least 10 percent of the amounts available under subsection (a)(2)(A).

(2) ALLOCATION AMONG GULF PRODUCING STATES FOR FISCAL YEAR 2017 AND THEREAFTER.

(A) IN GENERAL.—Subject to subparagraph (B), and effective for fiscal year 2017 and each fiscal year thereafter, the amount made available under subsection (a)(2)(A) from any lease entered into by the lessee shall be allocated to each Gulf producing State in amounts (based on a formula established by the Secretary by regulation) that are inversely proportional to the respective distances between the point on the coastline of each Gulf producing State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract.

(B) MINIMUM ALLOCATION.—The amount allocated to a given producing State for each fiscal year under subsection (A) shall be at least 10 percent of the amounts available under subsection (a)(2)(A).

(C) HISTORICAL LEASES.—

(i) IN GENERAL.—Subject to clause (ii), for purposes of subparagraph (A)(ii), the historical lease site in the 2002–2007 planning area shall include all leases entered into by the Secretary for an area in the Gulf of Mexico during the period January 1, 1982 (or an earlier date if practicable, as determined by the Secretary), and ending on December 31, 2015.

(ii) DEPOSIT.—Effective January 1, 2022, and every 5 years thereafter, the ending date described in clause (i) shall be extended for an additional 5 calendar years.

(3) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—

(A) IN GENERAL.—The Secretary shall pay 20 percent of the allocable share of each Gulf producing State, as determined under paragraphs (1) and (2), to the coastal political subdivisions of the Gulf producing State.

(B) ALLOCATION.—The amount paid by the Secretary to coastal political subdivisions shall be allocated to each coastal political subdivision in accordance with subparagraphs (B), (C), and (D) of section 31(b)(4) of the outer Continental Shelf Lands Act (43 U.S.C. 1356(b)(4)).

(c) TIMING.—The amounts required to be deposited under paragraph (2) of subsection (a) (for the applicable fiscal year) shall be made available in a manner determined under that paragraph during the fiscal year immediately following the applicable fiscal year.

(d) AUTHORIZED USES.—

(1) In general.—Subject to paragraph (2), each Gulf producing State and coastal political subdivision shall use all amounts received under subsection (b) in accordance with applicable Federal and State laws, only for or in the furtherance of the purposes described in paragraph (1)(E).

(2) LIMITATION.—Not more than 3 percent of amounts received by a Gulf producing State or coastal political subdivision under subsection (b) may be used for the purposes described in paragraph (1)(E).

(e) ADMINISTRATION.—Amounts made available under subsection (a)(2) shall—

(1) be available, without further appropriation, in accordance with this section;

(2) remain available until expended; and

(3) be in addition to any amounts appropriated under—

(A) the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.);

(B) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.); or

(C) any other provision of law.

(f) LIMITATIONS.—Not more than 3 percent of amounts received by a Gulf producing State or coastal political subdivision under subsection (b) may be used for the purposes described in paragraph (1)(E).

(g) USES.—
DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2007

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 532, H.R. 5631. I further ask that the committee-represented substitute be agreed to as original text for the purpose of further amendment, with no points of order waived by virtue of this agreement. I further ask that consideration of the bill be for debate only during today's session.

Further, I ask that it not be in order to file a cloture motion on this bill prior to the adjournment for August. This is the DOD appropriations bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 532, H.R. 5631. I further ask that the committee-represented substitute be agreed to as original text for the purpose of further amendment, with no points of order waived by virtue of this agreement. I further ask that consideration of the bill be for debate only during today's session.

Further, I ask that it not be in order to file a cloture motion on this bill prior to the adjournment for August. This is the DOD appropriations bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5631) making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2007, for military functions administered by the Department of Defense and for other purposes, namely:

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty, (except members of reserve components provided for elsewhere), cedets, and aviation cadets; for members of the Reserve Officers' Training Corps; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $22,940,686,000.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; for members of the Reserve Officers' Training Corps; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $9,246,696,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere) and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $3,304,247,000.

MILITARY PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $1,760,676,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $29,000,000.

MILITARY PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; for members of the Reserve Officers' Training Corps; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $23,186,011,000.
operative duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $1,329,080,000.

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under title 20,121, 1035, or 1240 of title 10 or section 606 or title 32, United States Code, while performing duties or entitled to receive amounts under the provisions of sections 12301(d) or 12391 of title 10, United States Code, while undergoing training or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $2,369,255,000.

TITLE II
OPERATION AND MAINTENANCE
 OPERATION AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $11,479,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, $23,980,100,000.

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $6,129,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes, $27,799,084,000.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law, $5,739,900.

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $7,599,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes, $30,653,427,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

(including transfer of funds)

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities, agencies, or departments of the Department of Defense (other than the military departments), as authorized by law, $19,919,175,000: Provided, That not more than $25,000,000 may be used for the Counterdrug Initiative: Provided further, That not to exceed $36,000,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: Provided further, That the funds provided under this heading, not less than $27,037,000 shall be made available for the Proton Exchange Membrane Cooperative Research and Development Agreement Program, of which not less than $3,600,000 shall be available for centers defined in 10 U.S.C. 2411(h)(D): Provided further, That none of the funds appropriated for military purposes may be used for official representation purposes.

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $2,158,278,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $4,985,560,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $2,981,811,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $2,624,300,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in conjunction with the National Guard; and for training, administration, and expenditures connected with National Guard regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; expenses of representation; maintenance, and issue of supplies and equipment (including aircraft), $4,655,565,000.

ENVIRONMENTAL RESTORATION, ARMY

(including transfer of funds)

For expenses of training, organizing, and administering the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; transportation of things, hire of passenger motor vehicles; supplying and equipping the Air National Guard, as authorized by law; expenses for repair, modification, maintenance, and issue of supplies and equipment, including those furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Army personnel on active Federal duty, for Air National Guard commanders while inspecting units in connection with National Guard regulations when specifically authorized by the Chief, National Guard Bureau, $5,008,392,000.

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces, $11,721,000, of which not to exceed $5,000 may be used for official representation purposes.

ENVIRONMENTAL RESTORATION, NAVY

(including transfer of funds)

For the Department of the Navy, $413,794,000, to remain available until transferred: Provided, That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Navy, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That no other funds are available for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, AIR FORCE

(including transfer of funds)

For the Department of the Air Force, $304,409,000, to remain available until transferred: Provided, That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Air Force, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That no other funds are available for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, AIR FORCE
are required for environmental restoration, re-
duction and recycling of hazardous waste, re-
moval of unsafe buildings and debris of the De-
partment of the Air Force, or for similar pur-
poses, the amounts made available by this appro-
priation to other appropriations made available to
the Department of the Air Force, to be merged with and
be available for the same purposes and for the same time
period as the appropriations to which transferred: Pro-
vided further, That upon a determination that all or part
of the funds transferred from this appropriation are
not necessary therefor, and such lands and interests
therein, may be acquired, and construction
completed and paid for prior to approval of title;
and procurement and installation of equipment,
appliances, and machine tools in public and pri-
vate plants; reserve plant and Government
and contractor-owned equipment layaway; and
other expenses necessary for the foregoing pur-
poses, $1,354,729,000, to remain available for ob-
ligation until September 30, 2009.

ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

For the Department of Defense, $18,431,000, to
remain available until transferred: Provided, That the Secretary of Defense shall, upon deter-
mination that such funds are required for envi-
ronmental restoration, reduction and recycling of
hazardous waste, removal of unsafe buildings
and debris of the Department of Defense, or for
similar purposes, transfer the funds made avail-
able by this appropriation to other appropri-
ations made available to the Department of De-
fense, to be merged with and to be available for
the same purposes and for the same time period as
the appropriations to which transferred: Pro-
vided further, That upon a determination that all or part
of the funds transferred from this appropria-
tion are not necessary for the purposes provided
herein, such amounts may be transferred back
to this appropriation.

ENVIRONMENTAL RESTORATION, FORMERLY USED
DEFENSE SITES

For the Department of Energy, $63,204,000, to
remain available until transferred: Provided, That the Secretary of Defense shall, upon deter-
mination that such funds are required for envi-
ronmental restoration, reduction and recycling of
hazardous waste, removal of unsafe buildings
and debris of the Department of Defense, or for
similar purposes, transfer the funds made avail-
able by this appropriation to other appropri-
ations made available to the Department of De-
fense, to be merged with and to be available for
the same purposes and for the same time period as
the appropriations to which transferred: Pro-
vided further, That upon a determination that all or part
of the funds transferred from this appropria-
tion are not necessary for the purposes provided
herein, such amounts may be transferred back
to this appropriation.

MISSILE PROCUREMENT, ARMY

For construction, procurement, production,
modification, and modernization of missiles,
equipment, including ordnance, ground han-
dling equipment, spare parts, and accessories
thereof; specialized equipment and training de-
vice; expansion of public and private plants,
including the land necessary therefor, for the
foregoing purposes, and such lands and inter-
ests therein, may be acquired, and construc-
tion completed and paid for prior to approval of title;
and procurement and installation of equipment,
appliances, and machine tools in public and pri-
vate plants; reserve plant and Government
and contractor-owned equipment layaway; and
other expenses necessary for the foregoing pur-
poses, $1,266,967,000, to remain available for ob-
ligation until September 30, 2009.

PROCUREMENT OF WAPONS AND TRACKED
COMBAT VEHICLES, ARMY

For construction, procurement, production,
modification and modernization of weapons, and
other expenses necessary for the foregoing pur-
poses, $1,266,967,000, to remain available for ob-
ligation until September 30, 2009.

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production,
and modification of ammunition, and acces-
sories therefor; specialized equipment and train-
ing devices; expansion of public and private
plants, including ammunition facilities, author-
ized by section 2854 of title 10, United States
Code, and the land necessary therefor, for the
foregoing purposes, and such lands and inter-
ests therein, may be acquired, and construc-
tion completed and paid for prior to approval of title;
and procurement and installation of equipment,
appliances, and machine tools in public and pri-
vate plants; reserve plant and Government
and contractor-owned equipment layaway; and
other expenses necessary for the foregoing pur-
poses, $1,545,489,000, to remain available for ob-
ligation until September 30, 2009.

PROCUREMENT, OTHER ARMY

For construction, procurement, production,
and modification of vehicles, including tactical,
support, and non-tracked combat vehicles; the
purchase of replacement parts; the purchase
for replacement only; and the purchase of 3 vehicles
required for physical security of personnel, not-
withstanding price limitations applicable to pas-
senger vehicles but not to exceed $255,000 per ve-
hicle; communications and electronic equipment;
other support equipment; spare parts, ordnance,
and weapons; weapons systems and major
equipment and training devices; expansion of public
and private plants, including the land necessary
therefor, for the foregoing purposes, and such
lands and interests therein, may be acquired, and
construction completed and paid for prior to ap-
proval of title; and procurement and installation of
equipment, appliances, and machine tools in
public and private plants; reserve plant and
Government and contractor-owned equipment
layaway; and other expenses necessary for the
foregoing purposes, $7,724,878,000, to remain available for obligation until September 30, 2009.

WEAPONS PROCUREMENT, NAVY

For construction, procurement, production,
modification, and modernization of aircraft,
equipment, including ordnance, spare parts,
and accessories thereof; specialized equipment
and training devices; expansion of public and private
plants, including the land necessary therefor, and
such lands and interests therein, may be acquired, and
construction completed and paid for prior to
approval of title; and procurement and installation of
equipment, appliances, and machine tools in
public and private plants; reserve plant and
Government and contractor-owned equipment
layaway; and other expenses necessary for the
foregoing purposes, $7,358,620,000, to remain available for obligation until September 30, 2009.

PROCUREMENT OF AMMUNITION, NAVY AND
MARINE CORPS

For construction, procurement, production,
and modification of ammunition, and acces-
sories therefor; specialized equipment and train-
ing devices; expansion of public and private
plants, including ammunition facilities, author-
ized by section 2854 of title 10, United States
Code, and the land necessary therefor, for the
foregoing purposes, and such lands and inter-
ests therein, may be acquired, and construc-
tion completed and paid for prior to approval of title;
and procurement and installation of equipment,
appliances, and machine tools in public and pri-
vate plants; reserve plant and Government
and contractor-owned equipment layaway; and
other expenses necessary for the foregoing pur-
poses, $799,947,000, to remain available for obli-
gation until September 30, 2009.

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction,
acquisition, or conversion, of ships: Provided, That
such funds are authorized by law, including airmen
and armament thereof, plant equipment, appliances,
and machine tools and installation thereof in
public and private plants; reserve plant and Govern-
ment and contractor-owned equipment layaway;
procurement of critical, long leadtime compo-
nents and design specifications to be constructed or
selected in the future for use on public and private
plants, including the land necessary therefor, and
such lands and interests therein, may be acquired,
and construction completed and paid for prior to
approval of title, as follows:

Carrier Replacement Program (AP), $82,545,000.
NSSN, $1,775,472,000.
NSSN, $1,775,472,000.
NSSN, $876,582,000.
For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including and accessories thereof, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, $3,975,407,000, to remain available for obligation until September 30, 2009.

PROCUREMENT, AIR FORCE

For construction, procurement, production, and modification of ammunition, and accessories thereof; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities, authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the purposes provided for; the purchase of passenger motor vehicles for replacement only, and the purchase of 2 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $255,000 per vehicle; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement of aircraft, engines and accessories, equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $4,731,000, to remain available for obligation until September 30, 2009.

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of passenger motor vehicles for replacement only, and the purchase of 10 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $255,000 per vehicle; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement of aircraft, engines and accessories, equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $15,310,200,000, to remain available for obligation until September 30, 2009.

PROCUREMENT, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $23,974,081,000, to remain available for obligation until September 30, 2008.

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for operational test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, $30,542,393,000, to remain available for obligation until September 30, 2008.
National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), and for the necessary expenses to maintain and preserve a U.S.-flag merchant fleet to meet the national security needs of the United States, $616,932,000, to remain available until expended: Provided, That none of the funds provided in this paragraph shall be available for the construction of new contract cranes: Provided further, That in the event an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: Provided further, That the Secretary of the military department responsible for such procurement may waive the restrictions in the first proviso on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

PENTAGON RESERVATION MAINTENANCE REVOLVING FUND

For the Pentagon Reservation Maintenance Revolving Fund, $18,500,000, to remain available until September 30, 2011.

TITLE VI

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law, $21,400,000,000, to remain available until September 30, 2011, for Operation and maintenance, and of which up to $10,887,784,000 may be available for contracts entered into under the TRICARE program, of which $978,212,000: Provided, That the funds appropriated for obligation for the same time period and for the same purpose as the appropriation to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That the authority for obligation of funds provided under this heading is in addition to any other transfer authority contained elsewhere in this Act.

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $216,297,000, of which $214,897,000 shall be for Operation and maintenance, of which not to exceed $700,000 is available for emergencies and extraordinary expenses to be expended on the approval or authorization of the Inspector General, and payments may be made on the Inspector General’s certificate of necessity for confidential military purposes; and of which $1,400,000, to remain available until September 30, 2009, shall be for Procurement.

TITLE VII

RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain the proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System, $526,400,000.

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Intelligence Community Management Account, $597,011,000, of which $397,355,000, to remain available until September 30, 2011; and $200,000,000, to remain available until September 30, 2010, shall be for Research, development, test and evaluation.

CHEMICAL AGENTS AND MUNITIONS DESTROYMENT, ARMY

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of chemical agents and munitions, to include construction of facilities, in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (10 U.S.C. 1512), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, $1,27,304,000, of which $11,000,000 shall be for Operation and maintenance; $231,014,000 shall be for Research, development, test and evaluation; and of which $235,440,000 shall only be for the Assembled Chemical Weapons Alternatives Program; and of which $276,755,000, to remain available until September 30, 2008; and no less than $111,283,000 may be for the Chemical Stockpile Emergency Preparedness Program, of which 10 and title 32, United States Code: for Operation and maintenance; and for Procurement; and for Research, development, test and evaluation, $978,212,000: Provided, That the funds appropriated for obligation for the same time period and for the same purpose as the appropriation to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That the authority for obligation of funds provided under this heading is in addition to any other transfer authority contained elsewhere in this Act.

TRANSFER OF FUNDS

SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary to further national interests, and by the approval of the Office of Management and Budget, transfer not to exceed $4,500,000,000 of working capital funds of the Department of Defense or funds made available in any other Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be expended in the same manner and for the same purposes, and for the same time period, as the appropriation or fund to which transferred: Provided, That such transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by the Congress: Provided further, That the Secretary of Defense shall notify the Congress promptly of all transfers pursuant to this section, and of any other authority in this Act: Provided further, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress: Provided further, That a request for multiple reprogramming of funds using authority provided in this section must be made prior to June 30, 2007: Provided further, That transfers among military personnel appropriations shall not be taken into account for purposes of reprogramming on the amount of funds that may be transferred under this section.

SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2308 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: Provided, That transfers may be made between such funds: Provided further, That transfers may be made from such funds to working capital funds and the “Foreign Currency Fluctuations, Defense” appropriation and the “Operation and Maintenance” appropriation to such amounts determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be incurred against a working capital appropriation or increase the value of war reserve material inventory, unless the Secretary of Defense notifies the Congress prior to any such obligation.

SEC. 8007. Funds made available in this Act may not be used to initiate a special access program without prior notification 30 calendar days in advance of such action.

SEC. 8008. None of the funds provided in this Act shall be available to initiate: (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of $20,000,000; or (2) a contract leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year, unless the Secretary of Defense has notified at least 30 days in advance of the proposed contract award: Provided, That no part of

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any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the authority. Provided further, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or components of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: Provided further, That no multiyear procurement contract can be terminated without 180-day prior notification to the congressional defense committees: Provided further, That the execution of multiyear authority shall require the use of a present value analysis with the lowest cost compared to an annual procurement: Provided further, That none of the funds provided in this Act may be used for a multiyear contract executed after the date of the enactment of this Act unless in the case of any such contract—

(1) the Secretary of Defense has submitted to Congress a budget request for full funding of units to be procured through the contract;

(2) cancellation provisions in the contract do not include consideration of recurring manufacturing and test factor associated with the production of unfunded units to be delivered under the contract;

(3) the contract provides that payments to the contractor associated with the production of unfunded units shall be made in advance of incurred costs on funded units; and

(4) the contractor does not provide for a price adjustment based on a failure to award a follow-on contract.

Funds appropriated in title III of this Act may be used for a multiyear procurement contract as follows:

C-17 Globemaster; F-22A;
MH-60R Helicopters; MH-60R Helicopter mission equipment; and V-22 Osprey.

SEC. 8010. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 29 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted by section 1231 of chapter 29 of title 10, United States Code, and these obligations shall be reported as required by section 401(d) of title 10, United States Code. Provided, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99–239: Provided further, That upon a determination by the Secretary of the Army that such action is beneficial to the interests of the United States, the contractor associated with the production of medical services at such facility or function under the contract; or

(2) the contractor does not receive an advantage for a price that significantly reduces costs for the Department of Defense by:

(a) not making an employer-sponsored health insurance plan available to the workers who are to be employed under that activity or function under the contract; or

(b) offering to such workers an employer-sponsored health benefits plan that requires the employee to contribute less than the premium or subscription share that the amount that is paid by the Department of Defense for health benefits for civilian employees under chapter 59 of title 5, United States Code,

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ownership by an Indian tribe, as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450h(c)), or a Native Hawaiian Organization, as defined in section 101(15) of the Small Business Act (15 U.S.C. 637(a)(15)).

(2) This section shall not apply to depot contracts or contracts for depot maintenance as provided in sections 2469 and 2474 of title 10, United States Code.

(c) TREATMENT OF CONVERSION. —The conversion of any activity or function of the Department of Defense under the authority provided by this section shall be credited toward any competitive or outsourcing goal, target, or measure that may be established by statute, regulation, or policy and is deemed to be awarded under the authority of, and in compliance with, subsection (h) of section 2304 of title 10, United States Code, for the competition or outsourcing of commercial activities.

(TRANSFER OF FUNDS)

SEC. 8015. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note), as amended, under the authority of this paragraph and any other transfer authority contained in this Act.

SEC. 8016. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of naval, shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are manufactured or manufactured within the United States: Provided, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): Provided further, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be constructed, produced, or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: Provided further, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8017. None of the funds available to the Department of Defense may be used to facilitate or dispose of M-1 Carbines, M-1 Garand rifles, M-14 rifles, .22 caliber rifles, .30 caliber rifles, or M-1911 pistols.

SEC. 8018. None of the funds appropriated by this Act or available from any other appropriation under the Committee on Health and Medical Program of the Uniformed Services (CHAMPUS) or TRICARE shall be available for the reimbursement of any health care provider for inpatient mental health care service for a patient who is treated at a facility to which the patient is referred: Provided, That this limitation does not apply in the case of inpatient mental health services provided for inpatient mental health services, attendance at a facility under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital
SEC. 8019. No more than $500,000 of the funds appropriated in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, action or function of the Department of Defense into or within the National Capital Region. Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that adequate funds are available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capacity or national security requirements provided further, That these restrictions shall not apply to contracts which are in being as of the date of the enactment of this Act.

SEC. 8020. In addition to the funds provided elsewhere in this Act, $8,000,000 is appropriated only for incentive payments authorized by section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544) (d) Notwithstanding any other provision of law, none of the funds available to the department during fiscal year 2007 may be used to defense FFRDCs, through a fee or other payment mechanism, for construction of new buildings, for payment of cost sharing for projects funded by Government grants, for the performance of certain charitable contributions, not to include employee participation in community service and/or development. (f) Notwithstanding any other provision of law, the funds available to the department during fiscal year 2007, not more than $5,317 staff years of technical staff (staff years) may be funded for defense FFRDCs. Provided, That the specific amount referred to previously in this subsection, not more than 1,059 staff years may be funded for the defense studies and analysis FFRDCs: Provided, That the Senior Acquisition Executive of the military department responsible for the procurement may waive this subsection in writing to the Committees on Appropriations of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of Appropriations of the Senate, and the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives. SEC. 8029. During the current fiscal year, the Department of Defense may acquire the modification of other FFRDCs for construction of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense defense contractors, charitable organizations and private firms: Provided, That the Senior Acquisition Executive of the military department or Defense Agency concerned, with power of appointment, shall certify that the bids include comparable estimates of all direct and indirect costs for both public and private bids: Provided further, That Office of Management and Budget Circular A-68 shall not apply to competitions conducted under this section.

SEC. 8030. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the Buy American Act was waived pursuant to any international agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver. (b) The Secretary of Defense shall submit to the Congress a report on the amount of Department of Defense purchases of foreign products in fiscal year 2007. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party and the Defense Health Program, “congressional defense committees” also means the Subcommittee on Military Quality of Life and Veterans Affairs, and Related Activities of the Committee on Appropriations of the House of Representatives.

SEC. 8028. During the current fiscal year, the Department of Defense may acquire the modification of other FFRDCs for construction of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense defense contractors, charitable organizations and private firms: Provided, That the Senior Acquisition Executive of the military department responsible for the procurement may waive this subsection in writing to the Committees on Appropriations of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of Appropriations of the Senate, and the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives. SEC. 8029. During the current fiscal year, the Department of Defense may acquire the modification of other FFRDCs for construction of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense defense contractors, charitable organizations and private firms: Provided, That the Senior Acquisition Executive of the military department or Defense Agency concerned, with power of appointment, shall certify that the bids include comparable estimates of all direct and indirect costs for both public and private bids: Provided further, That Office of Management and Budget Circular A-68 shall not apply to competitions conducted under this section.

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and Counter-Drug Activities, Defense” may be obligated for the Young Marines program.


SEC. 8033. (a) IN GENERAL.—Notwithstanding any other provision of law, any funds appropriated or transferred to the Central Intelligence Agency for advanced research and development acquisition, for agent operations, and for covert action programs authorized by the National Security Act of 1947, as amended, shall remain available until September 30, 2008.

SEC. 8034. Notwithstanding any other provision of law, any funds appropriated or transferred to the Central Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program Intelligence collection and dissemination systems and information systems for the Services, the Unified and Specified Commands, and the component commands.

SEC. 8035. (a) None of the funds appropriated for the Department of Defense under the heading “Operation and Maintenance, Defense-Wide”, not less than $319,000,000 shall be available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation and cost to complete estimates for mitigation, on Indian lands resulting from defense activities.

(b) Any other area or category of the Department of Defense Working Capital Funds. The term “Indian tribe” means any recognized tribe included on the list published by the Secretary of the Interior under section 104 of the Federally Recognized Indian Tribe Act of 1994 (25 U.S.C. 99d).

(c) RESOLUTION OF HOUSING UNIT CONFLICTS.—The Operation Walking Shield Program shall resolve any conflicts among requests of the Department of Defense and the Department of Housing and Urban Development under section 104 of the Housing Act of 1968 (42 U.S.C. 1437f-1).

SEC. 8036. During the current fiscal year, programs which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than $250,000.

SEC. 8037. (a) During the current fiscal year, none of the appropriations or funds available to the Department of Defense Working Capital Funds shall be used for the purchase of an investment item for the purpose of acquiring a new investment item or an undertaking during the current fiscal year or a subsequent fiscal year to customers of the Department of Defense Working Capital Funds if such an item would be chargeable to the Department of Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to the Department of Defense for procurement.

(b) The fiscal year 2008 budget request for the Department of Defense as well as all justification materials and other documentation supporting the fiscal year 2008 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which is or could be chargeable to the Department of Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to the Department of Defense for procurement.

(c) SEC. 8038. (a) None of the funds appropriated for the Department of Defense under the heading “Operation and Maintenance, Defense-Wide”, not less than $319,000,000 shall be available, except for funds appropriated to the Central Intelligence Agency which shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 2008. Provided, That funds appropriated, transferred, or otherwise credited to the Central Intelligence Agency Central Services Working Capital Fund, including any prior year balances subsequent fiscal year shall remain available until expended: Provided further, That any funds appropriated or transferred to the Central Intelligence Agency for advanced research and development acquisition, for agent operations, and for covert action programs authorized by the President under National Security Act of 1947, as amended, shall remain available until September 30, 2008.

(b) The Secretary of Defense or Secretary of a military department may waive the limitations in subsection (a), on an individual basis, if the Secretary determines, and certifies to the Committees on Appropriations of the House of Representatives and Senate that the granting of the waiver will reduce the personnel requirements or the financial requirements of the department.

(c) This section does not apply to—

(1) field operating agencies funded within the National Intelligence Programs, or
(2) an Army field operating agency established to eliminate, mitigate, or counter the effects of improvised explosive devices, and, as determined by the Secretary of the Army, other similar threats.

SEC. 8039. The Secretary of Defense, notwithstanding any other provision of law, acting through the Office of Economic Adjustment of the Department of Defense, may use funds made available in this Act under the heading “Operation and Maintenance, Defense-Wide”, to support efforts to ensure that funds made available in this Act shall be budgeted for in a proposed fiscal year budget for the Department of Defense, as defined in section 2921(c)(2) of the National Security Act of 1947, as amended, as specified by the Senate, and to ensure that any funds appropriated or transferred to the Central Intelligence Agency for advanced research and development acquisition, for agent operations, and for covert action programs authorized by the President under National Security Act of 1947, as amended, shall remain available until September 30, 2008.

SEC. 8040. Of the funds appropriated in this Act for Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts:

SEC. 8041. (a) Except as provided in subsection (b), none of the funds appropriated for the Department of Defense, the National Geospatial-Intelligence Agency, the Office of the Secretary of Defense, the National Aeronautics and Space Administration, the United States International Development Foundation, all of the following accounts and programs in the specified amounts:

SEC. 8042. The Secretary of Defense, notwithstanding any other provision of law, may use funds appropriated in this Act for the purpose of applying any administratively impracticable limitation.

SEC. 8043. (a) During the current fiscal year, any of the appropriations or funds available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than $250,000.

(b) The fiscal year 2008 budget request for the Department of Defense as well as all justification materials and other documentation supporting the fiscal year 2008 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which is or could be chargeable to the Department of Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to the Department of Defense for procurement.

(c) None of the funds appropriated by this Act for operation and maintenance may be used to reduce the authorized position for military (civilian) technicians of the Army National Guard, the Air National Guard, the Army Reserve and Air Force Reserve for the purpose of applying any administratively impracticable limitation.

(d) None of the funds appropriated or otherwise made available in this Act shall be available for the purpose of applying any administratively impracticable limitation to reduce on civil or military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.

SEC. 8044. None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People’s Republic of North Korea unless specifically appropriated for that purpose.

SEC. 8046. Funds appropriated in this Act for operation and maintenance of the Department of Defense, Combatant Commands and Defense Agencies shall be available for obligations of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence or counterintelligence support to Combatant Commands, Defense Agencies
and Joint Intelligence Activities, including the activities and programs included within the National Intelligence Program and the Military Intelligence Program; Provided, That nothing in this subchapter shall apply to programs for the Department of Veterans Affairs, the National Science Foundation, the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, the United States Geological Survey, the Bureau of Economic Analysis, the Bureau of Labor Statistics, or the Smithsonian Institution, or the President's Domestic Council, or the President's Committee on International Economic Policy; Provided, That funds made available in this Act under the heading "Operation and Maintenance, Defense-wide" for military personnel, to be merged with, and to be considered as part of the appropriation for "Operation and Maintenance, Defense-wide"; Provided, That in the case of an appropriation under this Act made available in support of the Department of Energy, on a nonreimbursable basis, to the Indian Health Service, on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That this restriction shall not apply to programs for the Department of Defense, unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

SEC. 8046. Notwithstanding any other provision of law, that not more than 35 percent of funds provided in this Act for environmental remediation may be obligated under indefinite delivery/indefinite quantity contracts with a total contract value of $130,000,000 or higher.

SEC. 8049. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically appropriated for drug interdiction or counter-drug activities.

(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

SEC. 8050. None of the funds appropriated by this Act may be used for the procurement of ball and roller bearings other than those produced by a domestic source and of domestic origin: Provided, That any such transfer of funds, if so, how the President proposes to provide for the acquisition of such items for delivery to military forces for operational use: Provided further, That any charge to a current appropriation under the authority of this section shall be reversed and recorded against the expired account: Provided further, That the amount charged to a current appropriation under this section may not exceed an amount equal to 1 percent of the total appropriation for that account.

SEC. 8055. None of the funds available to the Department of Defense under this Act shall be made available to the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force to support: (1) a statement of the value of the equipment, supplies, or services to be transferred; (2) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide for the acquisition of such items; (3) a statement of the value of the equipment, supplies, or services to be transferred.

SEC. 8056. During the current fiscal year, no more than $30,000,000 of appropriations made in this Act under the heading "Operation and Maintenance, Defense-wide" may be transferred to appropriations available for the pay of military personnel, to be merged with, to be available for the same time period as the appropriations to which transferred, to be used in support of such personnel in connection with support and services for eligible organizations and activities outside the Department of Defense pursuant to section 2012 of title 10, United States Code.

SEC. 8057. During the current fiscal year, in the case of an appropriation account of the Department of Defense, on a case-by-case basis, for national security purposes, the transfer of funds for the purpose of providing transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa, and funds available to the Department of Defense for any fiscal year from such an appropriation account shall be made available to an entity. Any funds made available in this Act may be used to acquire promptly the necessary skills: Provided, That the Secretary of Defense may waive the requirements of this section, on a case-by-case basis, for national security purposes.

SEC. 8053. None of the funds made available in this or any other Act may be used to pay the salary of any officer or employee of the Department of Defense who approves or implements the transfer of administrative responsibilities or budgetary resources of any program, project, or activity by this Act to the jurisdiction of another Federal agency not financed by this Act without the express authorization of Congress: Provided, That this limitation shall not apply to provide transfers, in the amount necessary for the Department of Defense Appropriations Acts, or provisions of Acts providing supplemental appropriations for the Department of Defense.

SEC. 8058. Any transfer of Defense Articles and Services.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the purchase of any item may be transferred or be used to acquire additional funds to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—This section applies to:

(1) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council Resolution;

(2) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) The value of the equipment, supplies, or services to be transferred.

(3) The case of a proposed transfer of equipment, supplies, or services.

(4) A statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met;

(5) A statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide for the acquisition of such items.

SEC. 8059. (a) LIM I TATION ON TRANSFER OF FUNDS.—None of the funds available to the Central Intelligence Agency for any fiscal year for activities and programs included within the National Intelligence Program, except that the restriction shall not apply to programs funded within the National Intelligence Program by an agency or entity engaged in reimbursable work.

(b) Amounts collected under subsection (a) shall be credited to funds available for the National Intelligence Program and be available to defray the costs associated with the use of equipment of the project under that subsection. Such funds shall be available for such purposes without fiscal year limitation.

SEC. 8060. None of the funds appropriated in title IV of this Act may be used to provide end-items for delivery to military forces for operational training, operational use or inventory requirements: Provided, That this restriction does not apply to end-items used in development, prototyping, and test activities preceding and leading to acceptance for operational use: Provided further, That this restriction does not apply to programs funded within the National Intelligence Program: Provided further, That the Secretary of Defense may waive this restriction in the case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.
sale of the F-0922A advanced tactical fighter to any foreign government.

SEC. 8063. (a) The Secretary of Defense may, on a case-by-case basis, waive with respect to a foreign country, any limitation on the procurement of defense items from foreign sources provided in law if the Secretary determines that the application of the limitation with respect to that country would be in the best interest of the United States and that the cooperative relationship with that country is not impaired as a result of the waiver.

(b) The Secretary shall submit a report to the Congress containing information and data in the possession of the Secretary of Defense, the Secretary of the Treasury and the United States Trade Representative concerning the waiver.

(c) The Secretary of Defense shall not waive the prohibition on the sale of defense articles or defense services to a country if the country is not in compliance with the provisions of the Arms Export Control Act of 1976 (22 U.S.C. 2751 et seq.).

SEC. 8064. (a) PROHIBITION.—None of the funds made available by this Act may be used to support any training program involving a unit of the security forces of a foreign country if the Secretary of Defense has received credible information that the unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.

(b) MONITORING.—The Secretary of Defense, in consultation with the Secretary of State, shall ensure that prior to a decision to conduct any training program referred to in subsection (a), full consideration is given to all credible information available to the Department of State relating to human rights violations by foreign security forces.

(c) Waiver.—The Secretary of Defense, after consultation with the Secretary of State, may waive the prohibition in subsection (a) if he determines that such waiver is required by extraordinary national security interests.

(d) REPORT.—Not more than 15 days after the exercise of any waiver under subsection (c), the Secretary of Defense shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the training program, the United States forces and the foreign security forces involved, the training program and the information relating to human rights violations that necessitates the waiver.

SEC. 8066. None of the funds appropriated or made available in this Act to the Department of the Navy shall be used to develop, lease or procure the T-AKE class of ships unless the main propulsion diesels engines and propellers are manufactured in the United States by a domestically operated entity.

SEC. 8072. Notwithstanding section 12310(b) of title 10, United States Code, a Reserve who is a member of the National Guard serving on full-time duty under section 502(f) of title 32 may perform duties in support of the ground-based elements of the National Ballistic Missile Defense System.

SEC. 8073. None of the funds provided in this Act may be used to transfer to any nongovernmental entity ammunition for the Department of Defense that has a center-fire cartridge and a United States military nomenclature designation of "armor penetrator", "armor piercing (AP)", "armor piercing incendiary-tracer (API–09T)", except to an entity performing demilitarization services for the Department of Defense under a contract that requires the entity to demonstrate to the satisfaction of the Department of Defense that armor piercing projectiles are either: (1) rendered incapable of reuse by the demilitarization process; or (2) used to manufacture ammunition pursuant to a contract with the Department of Defense or the manufacture of ammunition for export pursuant to a license for Perma-

SEC. 8074. Notwithstanding any other provision of law, the Chief of the National Guard Bureau may enter into an arrangement with any person or entity for the payment of an amount not in excess of 1 year to any organization specified in section 508(d) of title 32, United States Code, or any
other youth, social, or fraternal non-profit organization as may be approved by the Chief of the National Guard Bureau, or his designee, on a case-by-case basis.

SEC. 8076. Funds available to the Department of Defense for the Global Positioning System during the current fiscal year may be used to fund earth observation satellites associated with Department of Defense, to include operations and maintenance.

SEC. 8077. Of the amounts appropriated in this Act the Secretary of Defense is authorized to transfer such funds to other activities of the Federal Government: Provided, That such transfers shall be made consistent with the national security, as determined by the Secretary of Defense, at no cost to the Department of Defense, to Indian Health Service facilities and to federally-qualified health centers, to be distributed as follows: (a) under the heading “Operation and Maintenance, Indian Health Service”, $87,000,000; and (b) under the heading “Operation and Maintenance, Pharmaceuticals, Audiologists, and Dental Hygienists”, $22,000,000, which shall include, in the case of the Indian Health Service, payments to cover case management services for eligible veterans: Provided further, That the $22,000,000 shall be made available only for the purpose of providing a specified drug component of the National Hemophilia Treatment Drug Service Program: Provided further, That the Secretary of Defense shall give the Indian Health Service assurance that such funds will be used to initiate a new start program without prior written notification to the Secretary of Defense and the congressional defense committees.

SEC. 8078. Financing and fielding of key Army Capabilities.—The Department of Defense and the Department of the Army shall make available, and in the execution of the National Defense Authorization Act for fiscal year 2007 includes for Fielding and Deployment, at no cost to the Army and without regard to any other transfer authority contained in this Act, none of the funds in this Act shall be used for research, development, test, evaluation, and procurement of an initial FMS system for the purposes of this Act: Provided, That the Secretary of Defense shall include in the report submitted to the Congress pursuant to section 1001 of the National Defense Authorization Act for fiscal year 2008 a report on the status of the FCS program as of the date of the report: Provided further, That the Secretary of Defense shall include in the report submitted to the Congress pursuant to section 1001 of the National Defense Authorization Act for fiscal year 2008 a description of the FMS development timeline to achieve fielding by fiscal year 2010: Provided further, That the Secretary of Defense shall include in the report submitted to the Congress pursuant to section 1001 of the National Defense Authorization Act for fiscal year 2008 a description of the FMS development timeline to achieve fielding by fiscal year 2013.

SEC. 8079. None of the funds in this Act may be used to initiate a new start program without prior written notification to the Secretary of Defense.

SEC. 8080. Amounts appropriated in title II of this Act are hereby reduced by $92,000,000 to reflect savings attainable by efficiencies and management in the procurement of miscellaneous or other contracts in the military departments, as follows:

(1) From “Operation and Maintenance, Army”, $5,000,000.

(2) From “Operation and Maintenance, Air Force”, $87,000,000.

SEC. 8081. The total amount appropriated or otherwise made available in this Act is hereby reduced by $71,000,000 to limit excessive growth in the procurement of advisory and assistance services, to be distributed as follows:

“Operation and Maintenance, Army”, $32,000,000.

“Operation and Maintenance, Navy”, $34,000,000.

“Operation and Maintenance, Marine Corps”, $5,000,000.

SEC. 8082. Of the amounts appropriated in this Act under the heading “Research, Development, Test and Evaluation, Defense-Wide”, $152,494,000 shall be made available for the Arrow missile defense program: Provided, That of this amount, $63,000,000 shall be available for the purpose of producing Arrow missile components and missiles in Israel to meet Israel’s defense requirements, consistent with each nation’s laws, regulations and procedures, and $25,000,000 shall be available for the purpose of the initiation of a joint feasibility study designated the Short Range Ballistic Missile Defense (SRBMD) initiative: Provided further, That such funds may be transferred to appropriations for production of missiles and missile components may be transferred to appropriations available for the procurement of weapons and defense articles to be merged with and to be available for the same purpose as the appropriation to which transferred: Provided further, That the transfer authority provided in this provision is in addition to any other transfer authority contained in this Act.

SEC. 8083. Of the amounts appropriated in this Act under the heading “Research, Development, Test and Evaluation, Defense-Wide”, $66,049,000 shall be available for the purposes as the appropriation to which transferred: Provided further, That the transfer authority provided in this provision is in addition to any other transfer authority contained in this Act.

Under the heading “Shipbuilding and Conversion, Navy”, $557,849,000 shall be available until September 30, 2007, to fund prior year shipbuilding cost increases: Provided, That upon enactment of this Act, the Secretary of the Navy shall transfer such funds to the following appropriations in the amounts specified: Provided further, That the amounts transferred shall be merged with and to be available for the same purposes as the appropriations to which transferred: To: Under the heading “Shipbuilding and Conversion, Navy, 1999/2000/2001”, New SSN, $25,000,000; Under the heading “Shipbuilding and Conversion, Navy, 2000/2001”, LPD-997 Amphibious Transport Dock Ship Program, $66,049,000; Under the heading “Shipbuilding and Conversion, Navy, 2001/2002”, New SSN, $41,000,000; Carriers Replacement Program, $338,400,000; Under the heading “Shipbuilding and Conversion, Navy, 2002/2003”, New SSN, $43,000,000; Under the heading “Shipbuilding and Conversion, Navy, 2003/2004”, New SSN, $22,000,000; and Under the heading “Shipbuilding and Conversion, Navy, 2005/2006”, LPD-997 Amphibious Transport Dock Ship Program, $22,400,000.

SEC. 8084. The Secretary of the Navy may set, settle, or compromise, and pay any and all admiralty claims under section 7622 of title 10, United States Code arising out of the collision involving the LLE and the EHMINE MARU, in any amount and without regard to the monetary limitations in subsections (a) and (b) of that section. Provided, That such payment may be made with funds available to the Department of the Navy for operation and maintenance.
SEC. 8092. Of the amounts provided in title II of this Act under the heading "Operation and Maintenance, Defense-Wide", $20,000,000 is available for the Regional Defense Counter-ter- rorism Center program, to fund assistance to schools that have unusually high concentrations of special needs military dependents enrolled: Provided, That in selecting school systems to receive such assistance, special consideration shall be given to school systems in States that have the largest military installations, and all schools within these school systems shall be eligible for assistance: Provided further, That up to 2 percent of the total appropriated funds shall be available for activities that directly contribute to the education and training of these foreign students.

SEC. 8093. None of the funds appropriated or made available in this Act shall be used to de- duce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve, if such action would reduce the WC–130J Hercules and WP–3D Orion (Ventura) (hereinafter referred to as the "V–36"), or otherwise made available in this Act, $5,500,000 is hereby appro- priated and shall remain available until ex- pended to provide assistance, by grant or other- wise, to public schools that have unusually high concentrations of special needs military dependents enrolled: Provided, That in selecting school systems to receive such assistance, special consideration shall be given to school systems in States that have the largest military installations, and all schools within these school systems shall be eligible for assistance: Provided further, That up to 2 percent of the total appropriated funds shall be available for activities that directly contribute to the education and training of these foreign students.

SEC. 8094. None of the funds provided in this Act shall be available for integration of foreign intelligence information unless the information has been lawfully collected and processed during the conduct of authorized foreign intelli- gence activities: Provided, That information pertaining to United States persons shall only be handled in accordance with protections pro- vided in the Fourth Amendment of the United States Constitution as implemented through Ex- ecutive Order No. 12333.

SEC. 8095. None of the funds available to the Department of Defense may be obligated to modify command and control relationships to give Fleet Forces Command administrative and opera- tional control of U.S. Navy forces assigned to the Pacific fleet: Provided, That the command and control relationships which existed on Octo- ber 1, 2004, for forces under the control of the Navy, as they existed at the time of the transfer, are specifically authorized in a subsequent Act.

SEC. 8096. (a) At the time members of reserve components of the Armed Forces are called or ordered to active duty under section 12302 of title 10, United States Code, each member shall be notified in writing of the expected period during which the member will be mobilized.

(b) The Secretary of Defense may waive the requirements of subsection (a) in any case in which the Secretary determines that it is neces- sary to do so to respond to a national security emergency or to assure the proper performance of any subdivision under the heading "Ship- building and Conversion, Navy".

(TRANSFER OF FUNDS)

SEC. 8097. The Secretary of Defense may transfer, in accordance with the Department of the Navy appropriation to any available Navy shipbuilding and conversion appropriation for the purpose of funding shipbuilding, construction, and modernization projects, any ship construction program, to be merged with and to be available for the same purposes and for the same time pe- riod as the appropriation to which transferred: Provided, That all transfers under this section shall be subject to the notification requirements applicable to transfers under section 8005 of this Act.

SEC. 8098. (a) The total amount appropriated or otherwise made available in title II of this Act is hereby reduced by $85,000,000 to limit ex- cessive growth in the travel and transportation of person.

(b) The Secretary of Defense shall allocate this reduction proportionately to each budget activity, activity group, subactivity group, and each program/project/ activity within each applicable appropriation account.

SEC. 8099. In addition to funds made available elsewhere in this Act, $5,500,000 is hereby appro- priated and shall remain available until ex- pended to provide assistance, by grant or other- wise (such as, but not limited to, the provision of funds for repairs, maintenance, construction, and/or development of information tech- nology, text books, teaching resources), to public schools that have unusually high concentra- tions of special needs military dependents en- rolled: Provided, That in selecting school systems to receive such assistance, special consider- ation shall be given to school systems in States that have the largest military installations, and all schools within these school systems shall be eligible for assistance: Provided further, That up to 2 percent of the total appropriated funds shall be available for activities that directly contribute to the education and training of these foreign students.

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SEC. 8094. None of the funds provided in this Act shall be available for integration of foreign intelligence information unless the information has been lawfully collected and processed during the conduct of authorized foreign intel- ligence activities: Provided, That information pertaining to United States persons shall only be handled in accordance with protections pro- vided in the Fourth Amendment of the United States Constitution as implemented through Ex- ecutive Order No. 12333.

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SEC. 8096. (a) At the time members of reserve components of the Armed Forces are called or ordered to active duty under section 12302 of title 10, United States Code, each member shall be notified in writing of the expected period during which the member will be mobilized.

(b) The Secretary of Defense may waive the requirements of subsection (a) in any case in which the Secretary determines that it is neces- sary to do so to respond to a national security emergency or to assure the proper performance of any subdivision under the heading "Ship- building and Conversion, Navy".

(TRANSFER OF FUNDS)

SEC. 8097. The Secretary of Defense may transfer, in accordance with the Department of the Navy appropriation to any available Navy shipbuilding and conversion appropriation for the purpose of funding shipbuilding, construction, and modernization projects, any ship construction program, to be merged with and to be available for the same purposes and for the same time pe- riod as the appropriation to which transferred: Provided, That all transfers under this section shall be subject to the notification requirements applicable to transfers under section 8005 of this Act.

SEC. 8098. (a) The total amount appropriated or otherwise made available in title II of this Act is hereby reduced by $85,000,000 to limit ex- cessive growth in the travel and transportation of person.

(b) The Secretary of Defense shall allocate this reduction proportionately to each budget activity, activity group, subactivity group, and each program/project/ activity within each applicable appropriation account.

SEC. 8099. In addition to funds made available elsewhere in this Act, $5,500,000 is hereby appro- priated and shall remain available until ex- pended to provide assistance, by grant or other- wise (such as, but not limited to, the provision of funds for repairs, maintenance, construction, and/or development of information tech- nology, text books, teaching resources), to public schools that have unusually high concentra-
(c) PREPARATION OF REPORT.—A report under this section shall be prepared and submitted by the Institute of Defense Analysis to the Secretary of the Air Force for transmittal by the Secretary in accordance with subsection (a).

(2) PREPARATION OF REPORT.—A report under subsection (a) shall be in unclassified form, but may include a classified annex.

TITLE IX
ADDITIONAL APPROPRIATIONS
CHAPTER 1
MILITARY PERSONNEL
MILITARY PERSONNEL, ARMY
For an additional amount for “Military Personnel, Army”, $5,654,502,000.

MILITARY PERSONNEL, NAVY
For an additional amount for “Military Personnel, Navy”, $114,300,000.

MILITARY PERSONNEL, MARINE CORPS
For an additional amount for “Military Personnel, Marine Corps”, $170,500,000.

MILITARY PERSONNEL, AIR FORCE
For an additional amount for “Military Personnel, Air Force”, $129,000,000.

RESERVE PERSONNEL, ARMY
For an additional amount for “Reserve Personnel, Army”, $99,700,000.

RESERVE PERSONNEL, MARINE CORPS
For an additional amount for “Reserve Personnel, Marine Corps”, $15,400,000.

NATIONAL GUARD PERSONNEL, ARMY
For an additional amount for “National Guard Personnel, Army”, $214,100,000.

OPERATION AND MAINTENANCE
OPERATION AND MAINTENANCE, ARMY
For an additional amount for “Operation and Maintenance, Army”, $24,037,232,000.

OPERATION AND MAINTENANCE, NAVY
(INCLUDING TRANSFER OF FUNDS)
For an additional amount for “Operation and Maintenance, Navy”, $1,384,317,000: Provided, That the Secretary may transfer to the Coast Guard “Operation Expenses” account.

OPERATION AND MAINTENANCE, MARINE CORPS
For an additional amount for “Operation and Maintenance, Marine Corps”, $1,309,466,000.

OPERATION AND MAINTENANCE, AIR FORCE
For an additional amount for “Operation and Maintenance, Air Force”, $1,940,553,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE
For an additional amount for “Operation and Maintenance, Defense-Wide”, $2,383,189,000, of which up to $760,000,000, to remain available until September 30, 2009: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Office of Security Cooperation—Afghanistan, or the Secretary’s designee, to provide assistance to the security forces of Afghanistan, including the Provincial Reconstruction Teams.

IRAQ FREEDOM FUND
(INCLUDING TRANSFER OF FUNDS)
For an additional amount for “Iraq Freedom Fund”, $90,000,000, to remain available for transfer until September 30, 2009: Provided, That the Secretary of Defense may transfer the funds provided herein to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and working capital funds: Provided further, That funds transferred shall be merged with funds provided for the same purposes and for the same time period as the appropriation or fund to which transferred: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That the Secretary of Defense shall, not fewer than 5 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer: Provided further, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

AFGHANISTAN SECURITY FORCES FUND
(INCLUDING TRANSFER OF FUNDS)
For the “Afghanistan Security Forces Fund”, $1,200,000,000, to remain available until September 30, 2009: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Office of Security Cooperation—Afghanistan, or the Secretary’s designee, to provide assistance to the security forces of Afghanistan, including the Provincial Reconstruction Teams.

IRAQ SECURITY FORCES FUND
(INCLUDING TRANSFER OF FUNDS)
For the “Iraq Security Forces Fund”, $1,400,000,000, to remain available until September 30, 2009: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Multi-National Security Transition Command—Iraq, or the Secretary’s designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Iraq, including the Provincial Reconstruction Teams.

IRAQI DEFENSE FUND
For an additional amount for “Iraqi Defense Fund”, $1,500,000,000, to remain available until September 30, 2009: Provided, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund, and used for such purposes: Provided further, That the Secretary shall notify the congressional defense committees in writing of the details of any such transfer: Provided further, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.
For an additional amount for “Other Procurement, Air Force”, $1,220,293,000, to remain available until September 30, 2009.

PROCUREMENT, DEFENSE-WIDE
For an additional amount for “Procurement, Defense-Wide”, $110,000,000, to remain available until September 30, 2009.

CHAPTER 4
RESEARCH, DEVELOPMENT, TEST AND EVALUATION
RESEARCH, DEVELOPMENT, TEST AND DESIGN
For an additional amount for “Research, Development, Test and Evaluation, Navy”, $110,000,000, to remain available until September 30, 2008.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE
For an additional amount for “Research, Development, Test and Evaluation, Air Force”, $33,064,000, to remain available until September 30, 2009.

CHAPTER 5
REVOLVING AND MANAGEMENT FUNDS
DEFENSE WORKING CAPITAL FUNDS
For an additional amount for “Defense Working Capital Funds”, $471,474,000.

CHAPTER 6
RELATED AGENCIES
INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT
For an additional amount for “Intelligence Community Management Account”, $19,265,000, to remain available until September 30, 2008.

GENERAL PROVISIONS, THIS TITLE
SEC. 9001. Appropriations provided in this title are available for obligation until September 30, 2007, unless otherwise so provided in this title.

SEC. 9002. Notwithstanding any other provision of law, funds made available in this title are in addition to amounts provided elsewhere in this Act.

TRANSFER OF FUNDS
SEC. 9003. Upon his determination that such action is necessary for national interest, the Secretary of Defense may transfer between appropriations up to $2,500,000,000 of the funds made available to the Department of Defense in this title: Provided, That the Secretary shall notify the Congress promptly of each transfer made pursuant to the authority in this section: Provided further, That the authority provided in this section is in addition to any other transfer authority available to the Department of Defense and is subject to the same terms and conditions as the authority provided in section 8005 of this Act.

SEC. 9004. Funds appropriated in this title, or made available by the transfer of funds in or pursuant to this title, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 9005. None of the funds provided in this title may be used to finance programs or activities denied by Congress in fiscal years 2006 or 2007 appropriations to the Department of Defense or to initiate a procurement or research, development, test, and evaluation program without prior written notification to the congressional defense committees.

SEC. 9006. (a) From funds made available in this title, not to exceed $500,000,000 may be used, notwithstanding any other provision of law, to fund the Commander’s Emergency Response Program, for the purpose of enabling military commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements within their area of responsibility. The President shall provide Congress a plan that will immediately assist the Iraqi people, and to fund a similar program to assist the people of Afghanistan.

(b) Quarterly Reports.—Not later than 15 days after the end of each fiscal quarter year (beginning with the first quarter of fiscal year 2007), the Secretary of Defense shall submit to the congressional defense committees a report regarding the source of funds and the allocation and use of funds during that quarter that were made available pursuant to the authority provided in this section on provision of law for the purposes of the programs under subsection (a).

S. 9007. Amounts provided in this title for operations in Iraq and Afghanistan may be used by the Department of Defense for the purchase of up to 20 heavy and light armored vehicles for force protection purposes, notwithstanding price or other limitations specified elsewhere in this Act, or any other provision of law: Provided, That the Secretary of Defense shall submit a report in writing no later than 30 days after the authority provided in this fiscal year’s defense appropriations committee of any purchase described in this section, including the cost, purposes, and quantities of vehicles purchased.

S. 9008. During the current fiscal year, funds available to the Department of Defense for operation and maintenance may be used, notwithstanding any other provision of law, to provide supplies, services, transportation, including airlift and sealift, and other logistical support to coalition forces supporting military and stability operations in Iraq and Afghanistan: Provided, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees regarding support provided under this section.

S. 9009. Supervision and administration costs associated with a construction project funded with appropriations available for operation and maintenance, and executed in direct support of the Global War on Terrorism only in Afghanistan, shall be paid by the Department of Defense: Provided, That no such funds shall be paid for support to coalition forces supporting military and stability operations in Iraq and Afghanistan: Provided, That no such funds shall be paid for support to the Global War on Terrorism in Afghanistan unless in the national interest, and the Congress having been notified of the intent to pay such funds.

S. 9010. (a) Not later than 60 days after the date of the enactment of this Act and every 90 days thereafter through the end of fiscal year 2007, the Secretary of Defense shall submit in a report to Congress a comprehensive set of performance indicators and measures for progress toward military and political stability in Iraq.

(b) The report shall include performance standards and goals for security, economic, and security force training objectives in Iraq together with a national measure for achievement of these goals.

(c) In specific, the report requires, at a minimum, the following:

(1) With respect to stability and security in Iraq, the following:

(A) Key measures of political stability, including the important political milestones that must be achieved over the next several years.

(B) The primary indicators of a stable security environment in Iraq, such as the number of engagements per day, number of trained Iraqi forces, and trends relating to numbers and types of ethnic and religious-based hostile encounters.

(C) An assessment of the estimated strength of the insurgency in Iraq and the extent to which it is composed of non-Iraqi fighters.

(D) A description of all militias operating in Iraq, including the number, size, equipment, strength, military effectiveness, sources of support, legal status, and efforts to disarm or re-integrate each militia.
(E) Key indicators of economic activity that should be considered the most important for determining the prospects of stability in Iraq, including—
(i) unemployment levels;
(ii) electricity, water, and oil production rates; and
(iii) hunger and poverty levels.

(F) The criteria the Administration will use to determine when it is safe to begin withdrawing United States forces from Iraq.

(2) In respect to the training and performance of security forces in Iraq, the following:
(A) The training provided Iraqi military and other Ministry of Defense forces and the equipment used by such forces.
(B) Key criteria for assessing the readiness of the Iraqi military and other Ministry of Defense forces, goals for achieving certain readiness levels, and the milestones and notional timetable for achieving these goals.
(C) The operational readiness status of the Iraqi military forces, including the type, number, size, and organizational structure of Iraqi battalions that are—
(i) capable of conducting counterinsurgency operations independently;
(ii) capable of conducting counterinsurgency operations with the support of United States or coalition forces; and
(iii) not ready to conduct counterinsurgency operations.

(D) The number of soldiers, including—
(i) the number of police recruits that have received classroom training and the duration of such instruction;
(ii) the number of veteran police officers who have received classroom instruction and the duration of such instruction;
(iii) the number of police candidates screened by the Iraqi Police Screening Service, the number of candidates derived from other entry procedures, and the success rates of those groups of candidates;
(iv) the number of Iraqi police forces who have received field training by international police trainers and the duration of such instruction; and
(v) attrition rates and measures of absenteeism and infiltration by insurgents.

(G) The estimated total number of Iraqi battalions for which Iraqi security forces to perform duties now being undertaken by coalition forces, including defending the borders of Iraq and providing adequate levels of law and order throughout Iraq.

(H) The effectiveness of the Iraqi military and police officer cadres and the chain of command.

(1) The number of United States and coalition advisors needed to support the Iraqi security forces and associated ministries.

(2) An assessment, in a classified annex if necessary, of United States military requirements, including planned forces and operations, through the end of calendar year 2007.

SEC. 9011. Amounts provided in chapters 1 and 2 of this title are designated as making appropriations for operations directly related to the global war on terrorism, and other unanticipated defense-related operations, pursuant to section 402 of H. Con. Res. 376 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable to the Senate by section 7055 of Public Law 109-162 (H.J. Res. 81), the omnibus appropriation Act, 2007, as provided in chapters 3, 4, 5, and 6 of this title and are designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable to the Senate by section 7055 of Public Law 109-162 (H.J. Res. 81), the omnibus appropriation Act, 2007.

Mr. STEVENS. Mr. President, Senator INOUYE and I are pleased to present this Defense appropriations bill for fiscal year 2007 to the Senate. This bill reflects the bipartisan approach given by Senator INOUYE and I and have maintained regarding the issue of the Department of Defense as cochairmen of the Subcommittee on Defense for the Appropriations Committee. It has been a pleasure for us to work together and with the other members of the committee in the process.

This bill was reported out of the full Appropriations Committee 2 weeks ago by a unanimous vote. We hope to finish this bill and proceed to conference early in September. Our goal is to get the bill to the President before the end of the fiscal year. This bill can be worked on by the staffs in the August recess, and with the House, and we will be able to proceed as early as possible in September if we can finish the work this week.

It is our hope that we can finish the bill and have it be sent to conference before we leave for the August recess. The Army, Navy, Air Force, and Marines need training and equipment at the beginning of the fiscal year, not 3 or 4 months after the beginning of the fiscal year. We should do everything possible to ensure that Congress completes action on this bill in a timely fashion.

As we debate this bill today, there are hundreds of thousands of men and women in uniform forward deployed and serving our country in over 120 countries throughout the world and throughout Iraq. Their bravery and dedication to our country and serving our country in over 120 countries throughout the world and throughout Iraq. Their bravery and dedication to our country and sacrifices are extraordinary, and their sacrifices don’t go unnoticed.

Each year, the Department of Defense faces the critical challenge of balancing the costs of maintaining high levels of readiness, being ready to respond to the call wherever and whenever it is necessary. This also means adequately investing in transformation to be ready to meet the threats of tomorrow.

The bill Senator INOUYE and I present today offers a prudent balance among the objectives of the administration and the broad recommendations contained in the Senate’s national defense authorization bill for fiscal year 2007.

We have sought to recommend a balanced bill to the Senate. We believe it addresses key requirements for readiness, quality of life, and transformation of the force.

It honors the commitment we have to our Armed Forces. It helps ensure they will continue to have first-rate training, modernized equipment, and quality infrastructure.

It provides the much needed funds to continue the global war against terror.

Finally, I thank my great friend and colleague, Senator INOUYE, and his staff, particularly Charlie Houy, for their support and counsel on this bill.

I yield at this time to Senator INOUYE for any statements the cochairmen wish to make.

Mr. REID. Mr. President, may I ask the distinguished ranking member of the subcommittee to allow me to make a brief statement?

Mr. INOUYE. Yes.

TRIBUTE TO PHILLIP BAUCUS

Mr. REID. Mr. President, I received a phone call early this morning from Senator MAX BAUCUS. It was a call that was so troubling. MAX BAUCUS and I are friends. I have such great admiration and respect and affection for him. On the issue that is before the Senate now, he has been such a good person, trying to work through the matter we are going to vote on this Friday. He called to indicate that he would not be here this week. He asked me not to say anything until he made some public statement. I have certainly followed his desire.

Senator BAUCUS comes from a very close-knit family. He has one son. Senator BAUCUS’ nephew, Phillip, is also close-knit family. He has one son. Senator BAUCUS’ nephew, Phillip, is also

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Mr. INOUYE. Yes.

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Senator BAUCUS comes from a very close-knit family. He has one son. Senator BAUCUS’ nephew, Phillip, is also
On behalf of the entire Senate family, I express through the Chair to our dear friend, MAX BAUCUS, our sympathy and condolences.

Senator BAUCUS put out a brief statement saying that Phillip was... an incredible person, a dedicated Marine, a loving husband, and a proud Southidian. He heroically served the country he loved and he gave it his all. We loved him dearly, and we'll miss him more than words can ever express.

Mr. President, during these difficult times for Senator BAUCUS and the entire Baucus family while dealing with this loss, we send to them our thoughts and our prayers.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I wish to join my leader in expressing my condolences and my sadness. It is ironic that at this moment we are considering a measure which is something that is very important to him.

Mr. President, I rise to express my strong support for the measure pending before us. The measure includes some $453.5 billion for the Department of Defense. As the chairman stated, it included help offset the cost of wars in Iraq and Afghanistan for the first several months of fiscal year 2007. This is a very good bill, and all of my colleagues should thank Chairman STEVENS for his efforts. And believe me, it wasn’t easy. Everyone in the Senate knows how difficult it is to write a Defense bill, but this year’s challenge was particularly great because the committee’s 302 allocation required the Defense Subcommittee to cut $9 billion from the requested amounts. As a result, this bill is $13 billion below the amount the Senate has already approved for Defense authorization this year.

However, it is also true that if supplemental funds are excluded from computations, the amount of unobligated funding is still $15 billion more than was provided in fiscal year 2006. This is a tough bill but an exceedingly fair one. It provides for the essential requirements of the Department of Defense while holding down the growth in the budget. The committee did a tough review of the real needs of the Defense budget. Funding for programs that were delayed or in which substantial increases were requested was cut.

The chairman also made a courageous decision to cut back on the non-defense medical research funding in this bill. In recent years, Senators have been seeking funding for more and more medical programs that have very little direct relations to defense matters. Because of the need of sharply reducing funding, the chairman had to decide to deny funds for many of these programs.

To the colleagues on the Democratic side, Mr. President, I say this is a good bill. It was fashioned in a bipartisan manner and it funds our critical defense needs. I fully support the bill that was unanimously reported out by the committee and recommended to the Senate.

I urge my colleagues to support this measure.

Before I close, I commend the chairman for his courage, for his foresight, and I commend the staff: Ms. Sid Ashworth and Charlie Houy. Without these two people, I don’t think we would be where we are at this moment. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

AMENDMENT NO. 4751

Mr. STEVENS. Mr. President, I have an amendment I wish to send to the desk. I want to explain it. We have had a series of requests from Members and from people who would like to establish a mechanism to add money to this bill due to emergency requirements that were not presented to us at the time we considered the bill in our committee.

This is money for what we call equipment reset. It is the money that meets the requirements for continuing combat operations, primarily in Iraq, but it is for the Department overall. It is additional money, as I said, for the Army and Marine Corps for equipment reset.

We have consulted with the Department and with the OMB about this issue.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE, Mr. President, this measure has been cleared by both sides. I have studied the measure, and I approve it. I support it.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4751.

The amendment (No. 4751) was agreed to.

Mr. STEVENS. Mr. President, this means the committee has addressed the total needs that have been presented to us by the Department and by the administration and by many Members to the extent we could afford it. We urge that Members study this bill. We will be prepared, I hope, to come in early tomorrow, and it is my understanding tomorrow we will be able to consider amendments that are filed by Members.

At this time, we have no further amendments to offer on behalf of the committee. We may, as the bill proceeds, in the next 2 days. Again, it is my—and I believe our—fervent hope that we can bring this bill to a close and vote on it before we leave this Friday for the August recess so that it may be worked on during the period of the August recess and presented to the Senate and the House early in September so that the President in ample time for it to be signed and become law prior to the end of this fiscal year.

Mr. President, does the Senator from Hawaii have any further comments?

Mr. INOUYE. No, Mr. President.

Mr. STEVENS. Mr. President, on behalf of both of us, I say the bill is open to amendment. We would be pleased to discuss amendments with any Member. It is my hope the leadership will convene the Senate as early as possible tomorrow morning.

May I inquire of the Chair, it is my understanding the Senator from South
Dakota has a statement to make that is not related to our bill. I think it is in order, if he wishes to do so, while we wait to see if Senators wish to bring amendments to discuss tonight.

Mr. GREGG. Mr. President, as Chairman of the Committee, I regularly comment on Appropriations bills that are brought to this Senate for consideration and present the financial comparisons and budgetary data. Today I am reporting on compliance with the Budget Act in the case of the pending measure, H.R. 5631, the Department of Defense Appropriations Act for fiscal year 2007.

As reported by the Senate Committee on Appropriations, H.R. 5631 provides $456.805 billion in budget authority and $496.082 billion in outlays in fiscal year 2007 for the Department of Defense and related agencies. Of these totals, $251 million in budget authority and $251 million in outlays are for mandatory programs in fiscal year 2007. I would note here that this bill is in compliance with the 2007 302(b) allocations, but there are other budgetary matters worthy of Senators' attention.

The bill provides discretionary budget authority in fiscal year 2007 of $414.500 billion for DOD's regular appropriation. But it also includes $50.0 billion for projected contingency operations overseas. Of that, $42.054 billion is designated as an emergency. The rest—$7.946 billion—is funds remaining in Defense's fiscal year 2006 allocation. We should be very clear on this point: putting those funds in the Defense Appropriations bill has the effect of reversing the across-the-board cut Congress passed at the end of last year.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee estimate of the bill be printed in the Record.

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

H.R. 5631, 2007 DEFENSE APPROPRIATIONS SPENDING COMPARISONS—SENATE-REPORTED BILL  
(Fiscal Year 2007, $ millions)

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MORNINGS BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak therein subject to some time limit agreed to by the leadership.

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

The PRESIDING OFFICER. That is correct.

Mr. THUNE. Mr. President, I ask unanimous consent to speak for up to 15 minutes in morning business.

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

ISSUES RELATING TO SOUTH DAKOTA

Mr. THUNE. Mr. President, I rise today to address some issues that are pending before the Senate, and I also want to acknowledge what I hope will be action we will take sometime down the road regarding a situation in South Dakota that we are experiencing this year.

We are experiencing what I would say, probably a 100-year drought. We are having extraordinarily high temperatures. In fact, the rain accumulations this year in South Dakota are less than the rain in many years throughout the Great Depression back in the 1930s, and it is having a devastating impact on our economy and the farmers and ranchers in South Dakota on which our economy relies. In fact, if one looks at the small grain crop, the wheat crop in South Dakota was a complete bust, a 100-percent loss in many areas of South Dakota.

The row crops, corn and soybeans, are extremely stressed. Much of that crop will be lost this year as well. Cattle producers are selling their herds, liquidating their herds, creating all kinds of economic issues for my State of South Dakota.

What I hope is that as time goes on, we will have an opportunity to address in some fashion that crisis in South Dakota in the form of an emergency disaster relief package. There is some money attached, currently, to the agriculture appropriations bill that passed at the committee level of the Senate—it hasn't seen floor action—about $3.9 billion that would apply to 2005. Obviously, 2006 is much worse in many parts of the country and for sure in my State of South Dakota.

So I am hopeful we will be able to amend that or perhaps move on to some other legislation. I am looking at introducing a piece of freestanding legislation, too, that would address this situation for 2006.

My point is this is something which is a dire emergency in my State of South Dakota. It literally is burning up out there. We have had temperatures that have shattered State records, in the high hundreds—115, 118—temperatures like that for days and days at a time without any rain. In fact, in many cases, there was very little moisture in the air up until the very first of this year. It is a historic event. As I said, it is probably up to a 100-year type event in terms of the actual weather conditions we are experiencing in South Dakota. I hope we can do something to address that issue and get the support of our colleagues here in the Senate to address it.

I also wish to speak to an issue which has some bearing on that in a lot of ways—trying to keep people on the family farm, on the ranch, keeping these small businesses active, and allowing the next generation to move in and assume those operations and continue to create jobs and keep the economy going in South Dakota. It is really important.

Many pieces of legislation with which we will be dealing this week bear on this. One, the Energy bill has huge economic consequences for farmers and ranchers and small businesses that have to get their products to the marketplace and rely heavily on transportation, that need the inputs to get the crop planted, and the fertilizer and equipment needed to keep going through the ceiling as a result of high energy costs. Increasing energy supplies is critical.

The bill we just moved is important. I have another piece of renewable fuel legislation which I hope we will be able to get agreement on and be able to move across the Senate floor, too, this week and get some relief and move the country in the direction that is expanding the use of renewable fuels and expanding the sources of energy and lessening our dependence on foreign sources of energy.

We will also be voting on a pension bill this week, which is important, but the piece of legislation I want to speak to now is the tax bill which will come before the Senate later this week.

There are several provisions in the bill. One on which I have been working for some time is to provide permanent death tax relief. If we want to keep farmers and ranchers on the farm, continuing to grow and contributing to our economy in this country, we need to do something to address what is a very real issue. If we do not take action now, a few years down the road, the capital gains tax will rise back up to 55 percent, the top rate, and the exemption will drop back to $1 million. Anybody who knows agriculture knows that today, with land values being what they are and the capital costs associated with agriculture, we need to provide some additional relief.

The death tax reform bill which is going to be considered and voted on in the Senate would raise that exemption
over a course of time to $5 million, indexed for inflation, and then for anything over that amount, over $5 million, it would tax it at the capital gains rate, which is 15 percent, and then on amounts above $25 million it would go up to 30 percent. It would also uniformly affect all the estates, not just the big ones...

I have always maintained that when someone dies, they should not have to see the undertaker and the IRS on the same visit. We need to do something that addresses this issue, that will bring some relief for hard-working farmers and ranchers across this country who are trying to provide a nest egg, something for the next generation to assume those operations and continue to be a part of the business that is an integral part of our economy in this country, to the benefit of South Dakota but across the entire country. You have small businesses, farmers, and ranchers who are adversely impacted tremendously by the death tax. It is high time we did something about that.

These are the people we need to argue, and I have heard this argued before by Democrats in the Senate, that this is something which just benefits the rich. The reality is, regarding the death tax today, the people who are actually benefiting from the death tax are the superrich. The reason is the superrich are not the ones who are paying the taxes. They use accountants and lawyers to figure out ways around paying the tax. It is those small farm and ranch operations, small businesses, that get stuck with the bill.

There are a lot of reasons we need to permanently deal with this death tax issue, but one of the reasons is the death tax revenues that come into the Federal Government are not all that consequential in terms of the overall budget relative to what it costs to collect and comply. Death tax revenues were $218.6 billion in 2005. They have averaged about 1.3 percent of Federal revenues annually over the past 10 years. The other side will argue that requiring this tax isn’t too much to ask from the superwealthy. What they don’t consider is all the costs imposed on family farms or small businesses to avoid these burdensome and extensive estate planning documents which can cost up to $50,000. Plans involving limited partnerships can cost up to $250,000. One study concluded that in New York, family-owned businesses can spend an average of $125,000 on estate planning.

At the time of death, tax preparation fees can range from $5,000 to $50,000, according to some estimates. Often, family-owned farms and businesses right on the cusp of the death tax exemption will be required to fill out the IRS paperwork to prove they don’t owe anything. In 2004, there were 62,718 estate tax returns filed, but only 30,276 owed any taxes to the Federal Government. What that means is that 52 percent of the estates filing a return were required to hire a team of accountants, lawyers, and other professionals, only to file a few dozen papers with the IRS but pay no tax. What is the point? According to what one estimate indicates, the amount spent on avoiding the death tax could be approximately equal to the amount of revenue generated.

This is not good policy. The cost of repealing the death tax raised the ire from the other side. It clearly has been a very different outcome, a very different record when it comes to revenues coming into the Federal Government from reducing capital gains and dividends rates.

I would say that it relates to the estimates that have been made in the past and the rhetoric and many of the prognostications that have come from the other side, that it has clearly been a very different outcome, a very different record when it comes to revenues coming into the Federal Government from reducing capital gains and dividends rates.

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This is not good policy. The cost of repealing the death tax raised the ire from the other side. It clearly has been a very different outcome, a very different record when it comes to revenues coming into the Federal Government from reducing capital gains and dividends rates.

Some on the other side are also arguing that only the superrich pay the death tax and that Warren Buffett and the Gates family are the ones who are really going to benefit from this. Warren Buffett and the Gates family have both been vocal in their support of keeping the death tax. As I said earlier, the reason is they are not the ones paying it. They have armies of accountants and lawyers to figure out ways to get around it. Don’t let yourself think these estates will not be taxed. There are lots of folks who will make sure they never have to see the 55 percent of the value of their estates being taxed. In fact, Warren Buffett and Bill Gates have both figured out ways to shelter their net worth in charitable基金会s. That is obviously their right, and we appreciate and are grateful for their generosity. But if the superrich support keeping the death tax, have they figured out ways to avoid it, who actually is paying the tax? The smaller, family-owned farms and businesses are the ones that pay it because they didn’t spend the money preparing to avoid it. That is why agriculture and big industry support repealing this very onerous tax.

If you look at the folks who are in favor of getting rid of this tax, it is not the superrich that the other side argues would benefit from repealing the tax or at least reforming it in the fashion that has been proposed. It is the organizations that represent the small, family-owned businesses and farmers and ranchers in this country. The list of those who support repealing the Federal death tax includes the Farm Bureau Federation, the National Cattlemen’s Beef Association, Pork Producers Council, the National Federation of Independent Business, National Association of Home Builders, Large Equipment Distributors Association, Beer Wholesalers Association, National Tax Limitation Committee, National Wholesalers and Distributors Association, National Taxpayers Union, Forest Landowners Association, American Family Business Institute, National Grocers Association, U.S. Chamber of Commerce, National Association of Manufacturers. In my State, South Dakota, Petroleum and Propane Marketers Association, South Dakota
Association of Convenience Stores, the National Restaurant Association, American International Automobile Dealers Association, Family Research Council, the Black Chamber of Commerce—the list goes on and on.

My point is that as we engage in this debate this week, the arguments are going to be made, as they have been already, and the issue framed in a way by the Democrats that, again, this is somehow something which only affects the super wealthy. As I noted, the super wealthy are the ones coming out to say we don’t need to repeal this. The reason they say that is because they are not going to be paying it because they have at their disposal the lawyers and accountants and professionals who can figure out a way to keep them from having to pay it. The people who get stuck paying the death tax in this country are the small farms, the ranch operations, the small businesses, the people who are just trying to put together a little bit of equity, a little bit of assets that they can then pass on to the next generation and keep that family business growing and prospering.

It just seems to me that on a matter of principle, death should not be a taxable event. We should not be taxing people throughout their entire lifetime on everything they earn, on everything they acquire, on everything they buy, and then when death rolls around: We are going to take 50 percent of everything you have acquired during the course of your lifetime and give it to the Federal Government. And as I said, much of the cost associated with either collecting or complying with the death tax actually negates, I believe, the positive revenue benefit that comes into the Federal Treasury to start with.

As I said earlier, I think you will find when this happens—and I hope it does happen—that we get another chance to pass it later this week—that you will see what happens with the death tax repeal is the same thing that happened when we reduced capital gains and dividend tax rates, and that is you will see more expansion, more investment, and actually more Federal revenue coming into the Treasury, which has been the record with the capital gains and dividend tax reductions.

I might again repeat, because I think it is going to take a little bit of education of the super wealthy. Let’s remember again who is paying the tax, and let’s also remember again who we are going to pass it to. The super wealthy is an important part of the debate and the other side maybe will come over here and talk about how this will add to the deficit, how much this is going to cost the Government in terms of lost revenue, how it is going to only benefit the super wealthy. Let’s remember again who is paying the tax, and let’s also remember again who we are going to pass it to.

Let’s move forward. Let’s do something that has been on the agenda here for a very long time. Failure to act on the part of this Congress means that in the year 2010 going into 2011, these rates start kicking back in. We provided some temporary relief in previous tax bills. But if we don’t take action to permanently address this issue, then people who pass on in the year 2010 going to be paying on everything they pass on to their next generation; 55 percent is going to be taken by the Federal Government.

It is an issue that needs to be addressed. As I mentioned earlier, Mr. President, once we act on in the House—not once but on multiple occasions. In fact, the House voted last week on this total package which includes the death tax repeal. It also includes extension of some other tax relief measures and an increase in the minimum wage. The vote coming out of the House was a fairly big bipartisan vote, with 34 Democrats in the House of Representatives voting with the majority of Republicans in the House to send it over to the Senate. We are faced with this vote on Friday on whether we are going to do something that will address once and for all for this situation that the death tax creates for estates, for businesses, family farms and ranch operations going forward, whether we are going to address these other tax issues which also expire.

I might add that in my State of South Dakota, there is one on this list that is extremely important to the people I represent, and that is the State and local sales tax deduction. We are not an income tax State. We don’t have a personal or corporate income tax. We do have a sales tax. For a long time, people who paid State income tax got to deduct that on their Federal tax return. People who had sales tax and used the sales tax as basis for taxation were not able to take the same benefit. We changed that in 2003. That is set to expire. If we don’t do something to extend that tax relief, then people in my State of South Dakota and other States across this country who use the sales tax as their primary source of raising revenue to fund State governments are going to lose this deduction. That again creates an inequity between States that use the sales tax and those States that use the income tax to fund their governments.

There are other things on this list as well—college tuition deduction, work opportunity tax credit, welfare to work, the highway trust fund, all of these things that are also on the list of taxes, tax revenue that would be extended, teachers’ classroom expenses deduction, something a lot of teachers across this country have benefited from.

My point very simply is these are all things included in this package. This is our one opportunity to get this vote. I think there are those on the other side who are hopeful they can take this down and then they will figure out a way to split all these things off. But I think it is fair to say this is one opportunity. We get one shot. We get one shot at providing some permanent death tax relief by extending these death tax relief measures that are set to expire, and we get one shot at an increase in the minimum wage.

I think if you look at this body and the way it works, there is a sort of sense of finding a consensus. It has been a long-time priority for our colleagues on the Democratic side to get an increase in the minimum wage. There is a phased increase in the minimum wage in this bill.

There has been a long-term priority for us on this side to be able to provide some death tax relief for farmers and ranchers and small businesses in this country. This bill accomplishes that.

It does not total a repeal. As I said, I think it is a very modest approach. It goes to $5 million for an individual and $10 million for a couple, basically if you have a spouse, and it also uses after that amount the capital gains tax rate and the small business income tax rate as a level of taxation up to $25 million at which point it would be a 30 percent rate.

So it is not a complete repeal. You are still going to capture the super wealthy who are going to pay the 30 percent rate, because most of their estate assets are going to be well over the $25 million threshold or limit.

So this is a moderate, modest approach. It represents what this institution is about; that is, trying to bring both sides together, trying to figure out where that middle ground is and form a consensus around these issues. The minimum wage, as I said, is phased in. The estate tax death tax relief is phased in. It is phased in to get up to the $5 million unified credit, or the exemption. And then these other tax extenders are something I think most Members here in the Senate on both sides at one time or another have supported and to $25 million at which point it would be a 30 percent rate.

Again, it has been voted on in the House by a big bipartisan vote coming out of the House. This is an opportunity, I think, for this Senate to come together on a set of priorities which reflect, I think, the agendas of both sides.

As he said, the minimum wage increase is something that the Democrats have been advocating for some time. I voted for a minimum wage increase in the past, coupled with small business tax relief.

The estate tax—or death tax—relief is something our side has been actively working on for years. As a Member of the Senate, we voted numerous times on this and now as a Member of the Senate I will have that same opportunity.

Of course, the extension of the other forms of tax relief are in this bill. We
get one shot. I hope Members on both sides will recognize what an incredible opportunity we have right now to address this whole range of issues that have been languishing here for a long time, and do something that will be meaningful in terms of continuing to give our country, small businesses, farm and ranch operations the opportunity to grow, to continue to build wealth, to create jobs, and to keep the economy strong. That is what this particular bill and what it contains is all about.

Again, my hope is that at the end of the day we will see a good, strong, bipartisan vote in the Senate as we saw in the House of Representatives, and be able to send this on to the President where he can sign it into law and we can demonstrate to the people of this country that we are addressing the issues they care deeply about and, most importantly, I say to them the issue of the economy, and dealing with energy costs today with an energy bill, dealing with the death tax, dealing with the minimum wage, dealing with these other forms of tax relief are all things that have been on the agenda for some time.

But we have an opportunity to get this done. I hope we can.

I appreciate the work of my colleagues who have labored so diligently to get this far in the process, to get it on the floor for a vote. I hope when Friday rolls around and we have the vote that we will have the 60 votes necessary to move forward and to get this done once and for all.

I yield the floor.

HONORING OUR ARMED FORCES
ARMY CORPORAL NATHANIEL S. BAUGHMAN

Mr. BAYH. Mr. President, I rise today with a heavy heart and deep sense of gratitude to honor the life of a brave young man from Idaville, Nathaniel S. Baughman, 23 years old, was killed on July 17th by rocket-propelled grenades while on duty in Bayji, Iraq. Nate risked everything to fight for the values Americans hold close to our hearts, in a land halfway around the world.

Baughman enlisted in the Army National Guard last spring and shortly after was deployed to Iraq. He was on his last mission when he was killed and was due to come home in a few weeks. Baughman was remembered by his mother, Jill Baughman, who told a local news outlet, “He was a good dad, a great father. He was a hard worker who believed in what he was doing. We’re proud of what he did for us, very proud of him.” Nate was a 2001 graduate of Twin Lakes High School. He was married 2 years ago and had a son, Hunter, 4.

Nate was killed while serving his country in Operation Iraqi Freedom. He was assigned to 1st Battalion, 187th Infantry Regiment, 3rd Brigade Combat Team, 101st Airborne Division out of Fort Campbell, KY. This brave soldier leaves behind his parents, Robert and Jill Baughman and Andy Skorup; twin brother Nick Skorup and brothers Ben, Joseph and Christopher Baughman; his wife Erin; son Hunter and Hunter’s mother Amanda Conrad.

Today, I join Nate’s family and friends mourning his death. While we struggle to bear our sorrow over this loss, we can also take pride in the example he set, bravely fighting to make the world a safer place. It is his courage and strength of character that we honor. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

CRISES IN LEBANON

Mr. LEAHY. Mr. President, since July 12th we have watched with growing horror as Hezbollah rockets have landed deeper and deeper inside Israel, indiscriminately killing and injuring civilians, and Israeli bombs, missiles and artillery shells have destroyed much of the civilian infrastructure in areas of Beirut and southern Lebanon.

Some 550 Lebanese have died, the vast majority of them civilians, and an estimated 866,000 one in five Lebanese citizens have fled their homes and are either displaced in Lebanon, living in tents and public buildings, or as refugees in Syria. Fifty Israelis have died, and in Haifa and other towns in the north many families are living in terror in basements or shelters.

Meanwhile, three Israeli soldiers remain as hostages and their families remain in anguish hostages held in violation of the Geneva Conventions and every other international norm. In another sense, Hezbollah and its supporters Syria and Iran are holding the entire population of Lebanon hostage of the 26,000 American citizens who were living in or visiting Lebanon when this crisis began, more than 12,000 have been evacuated, and the exodus continues.

The cost to the U.S. Government of this air and sea lift is expected to be at least $46 million.

The evacuation took too long to start, and the delay and confusion caused a lot of frustration and anxiety among Americans in Lebanon as well as their families back home.

As after Hurricane Katrina, I hope the administration has learned something from this experience. At the same time, I want to commend the State Department employees and U.S. military personnel who worked around the clock to help Americans, or as requted by the administration.

The unprovoked, indiscriminate and utterly inexcusable kidnapping of Israeli soldiers and rocket attacks by Hezbollah should be universally condemned. Those who ordered it should be brought to justice. It has ignited a conflict that Hezbollah cannot win but which could engulf the region if a way
is not found to stop the spiral of violence from widening.

It is clear that a buffer zone patrolled by an international force is urgently needed along the Israeli-Lebanese border to prevent these kinds of violent incidents and its people, and that Hezbollah must be disarmed in order for Lebanon to finally finally—break free of Syria’s harsh grip.

While hundreds of Hezbollah’s missiles continue to rain down on Israel, Israel’s military response has also caused the deaths of hundreds of civilians in Lebanon, including four United Nations observers. One of the latest tragedies is the destruction by an Israeli missile of an apartment building in Qana that resulted in 57 Lebanese deaths including 34 children, children who were not terrorists.

Secretary Rice’s whirlwind visits to the region have been welcome but they have produced few tangible results. This type of crisis diplomacy rarely achieves lasting solutions. She is also occupied with a widening civil war in Iraq, resurgent Taliban violence in Afghanistan, an increasingly recalcitrant and aggressive regime in North Korea, a worsening humanitarian crisis in Darfur with no end in sight, the specter of a nuclear-weapons-capable Iran in the world’s future, and other pressing problems. She is simply unable to focus the sustained, high-level attention on the Middle East that is needed.

I and others like my friend from Nebraska, Senator Hagel, have urged the sustained, high-level attention on the world’s future, and other pressing issues, and aggressive regime in North Korea, Iraq, resurgent Taliban violence in Afghanistan, the possibility of a cease-fire with a lasting solution to the Arab-Israeli conflict without the active, creative participation of the United States, including direct talks and sustained engagement of the Palestinians, and to the prospects for resuming a meaningful peace process in that region is all the more clear today.

I am not among those who believe that the United States pulls all the strings in the Middle East. There are forces there over which we have only limited influence. But neither do I believe there can be a lasting solution to the Arab-Israeli conflict without the active, creative and sustained engagement of the United States, including direct talks with those with whom we strongly disagree, like Syria and Iran. That has been sorely lacking under this administration, and we are witnessing the price of that neglect in Lebanon and Israel today.

A CALL TO DUTY

Mr. GRASSLEY. Mr. President, I rise today to recognize two acts of selfless courage that exemplify the willingness of Iowans to accept and fulfill their Nation’s call to duty. The actions of US Marine Corps Sgt. R.J. Mitchell and Sergeant Major Bradley Kasal have earned each of them the Navy Cross.

For the past 5 years, the Bush administration’s approach to the Middle East has been either to ignore it or to parochially in for just enough time for a few handshakes and photographs. There has never been an effective strategy. They have not expended any political capital. Their policy toward Syria and Iran has been erratic and ineffective. Their relations with the Palestinians have stagnated.

While hundreds of Hezbollah’s missiles continue to rain down on Israeli civilians, the terror organization’s approach to the Middle East has been either to ignore it or to parochially in for just enough time for a few handshakes and photographs. There has never been an effective strategy. They have not expended any political capital. Their policy toward Syria and Iran has been erratic and ineffective. Their relations with the Palestinians have stagnated.

It was clear since the earliest days of this administration that this laxity would define their approach to these tinderbox issues, and the terrible harm of that approach—to our ally Israel, to the Palestinians, and to the prospects for resuming a meaningful peace process in that region is all the more clear today.

I extend my personal gratitude, that our liberties we prize, and our rights must not be so much an adornment, but a living, breathing entity that can be found. The meaning of honor can be found. The Navy Cross is more than an adornment, of all Iowans, and all Americans, to the future of our country, Brad Kasal and R.J. Mitchell truly embodied the motto of Iowa, “Our liberties we prize, and our rights we will maintain.”

THANKING SUMMER INTERNS

Mr. THUNE. Mr. President, today I rise to thank Bill Blewett, an intern in my State of South Dakota this summer.

Bill is a graduate of Stevens High School in Rapid City, SD, and Black Hills State University. Currently, he attends the University of South Dakota School of Law. He is a hard worker and has been dedicated to getting the most out of his internship experience.

I give my thanks to Bill and wish him continued success in the years to come.

Mr. President, today I rise to thank Dan English, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the state of South Dakota this summer.

Dan is a graduate of O’Gorman High School in Sioux Falls, SD, and after returning from a year abroad at the London School of Economics will be a senior at the University of Richmond where he is studying economics and political science. He really and has been dedicated to getting the most out of his internship experience.

I give my thanks to Dan and wish him continued success in the years to come.
work he has done for me, my staff, and the State of South Dakota this summer.

Kyle is a graduate of Cresbar High School in Cresbar, SD, and is currently a senior at South Dakota State University where he is majoring in political science. He is a hard worker and has been dedicated to getting the most out of his internship experience.

I give my thanks to Kyle and wish him continued success in the years to come.

ROBIN RYNO

Mr. President, today I rise to thank Robin Ryno, an intern in my Sioux Falls, SD office, for all of the hard work she has done for me, my staff, and the State of South Dakota this summer.

Robin is a graduate of Winner High School in Winner, SD, and is currently attending the University of South Dakota where she is majoring in political science. She is a hard worker and has been dedicated to getting the most out of her internship experience.

I give my thanks to Robin and wish her continued success in the years to come.

REFORMING THE COMMITTEE ON FOREIGN INVESTMENT

• Mr. BUNNING. Mr. President, today I express my interest in continuing to work on reform of the Committee on Foreign Investment in the United States.

National security is our priority, but it is vital that we not let overreaction from the Dubai Ports World controversy result in hasty legislation that will choke off foreign direct investment, or “in-sourcing,” which is a key contributor to the U.S. economy.

In my own State, 87,000 people, or 6 percent of the entire State workforce, are employed by in-sourcing companies. These are good jobs, most frequently in manufacturing, paying 34 percent higher wages on average.

It is understandable that everyone involved with the CFIUS process today is very cautious. Consequently, there are more CFIUS filings. CFIUS is taking extra measures to ensure that every transaction is strenuously scrutinized. Moreover, CFIUS is frequently requiring security commitments from parties with regard to transactions that they would not have given a second thought before.

Without a doubt, some of this is good—the CFIUS process needs to be thorough. But extreme caution, when mixed with amendments to the Exon-Florio statute proposed by S. 3549, may result in substantial bureaucratic friction and delay for the foreign investments that pose no national security risk.

I am concerned that, in the post-Dubai Ports World environment, overburdened CFIUS agencies could be tempted to regularly seek to extend the initial 30-day review to a 60-day period for reasons unrelated to any issues presented by the transaction under review. This temptation could be even greater given the case-by-case, detailed notifications to Congress that the bill would require CFIUS personnel to provide at every stage of regulatory proceeding. Ultimately, these delays could maintain the CFIUS process, penalize foreign investors, and chill foreign investment, without actually contributing to improved national security.

I also raised this issue during Banking Committee hearings on S. 3549, which I believe is the right approach. Chairman Shelby pledged to work to address these concerns during markup of the legislation. I look forward to working with him to do so as the bill proceeds to conference.

ADDITIONAL STATEMENTS

TRIBUTE TO BRIGADIER GENERAL JAMES J. D’AGOSTINO

• Mr. REED. Mr. President, today I recognize the accomplishments of BG James J. D’Agostino, U.S. Air Force, assistant adjutant general for air and deputy commanding general of the Rhode Island National Guard. General D’Agostino is retiring on August 5, 2006, with over 38 years of active military service in war and peace. I have been pleased to know General D’Agostino for many years.

Brigadier General D’Agostino has served in a variety of field and staff assignments. His military career began in 1967 when he enlisted in the U.S. Army. After completing infantry training, he served with distinction during the Vietnam war in four separate military campaigns. After serving in Vietnam, he was transferred to the Army Reserve and was honorably discharged as a sergeant in 1973.

In 1974, Brigadier General D’Agostino joined the 133rd Civil Engineering Flight of the Rhode Island Air National Guard. Three years later, he graduated from the Air National Guard Academy of Military Science and was commissioned a first lieutenant. Shortly thereafter, he assumed the duties of base civil engineer for the 281st Combat Communications Group in Coventry, RI. Twenty-one years later, in 1999, he was transferred to the U.S. Property and Fiscal Office for Rhode Island as the supervisory logistics management specialist. Within 2 years, Brigadier General D’Agostino was selected to be the fiscal officer for Rhode Island, where he served through September 2005. In October 2005, he transitioned to his current position as the assistant adjutant general for air and deputy commanding general of the Rhode Island National Guard.

You have to cast a very large net to truly capture every Brigadier General D’Agostino has done to improve the Rhode Island National Guard. I would like to highlight some of his greatest accomplishments. During his 21-year tenure as the only “one person” base civil engineering officer in the Air National Guard, he completely rebuilt both the Coventry and North Smithfield Air National Guard stations. He planned and effected a comprehensive program of military construction which has since cut operational and maintenance costs by nearly 50 percent. Additionally, he more than tripled the size of the North Smithfield Air National Guard, station, which provided, for the first time, a realistic environment for unit-wide, in-garrison flight training. For his performance he was recognized as Rhode Island’s Federal Professional Employee of the Year in 1997.

In 1998, Brigadier General D’Agostino prepared the critical project book for what was at that time the single largest military construction project in the Rhode Island National Guard, the $16 million C-130J aircraft hanger. Rhode Island’s 133rd Airlift Wing was subsequently the first Air Force unit to receive the C-130J. Importantly, they performed superbly as they deployed the first C-130Js during the global war on terrorism in Iraq. Today, that hanger supports the Rhode Island Air National Guard’s five C-130J aircraft.

And finally, Brigadier General D’Agostino’s has been a critical supporter of energy conservation. While rebuilding Rhode Island’s bases, he strictly adhered to using energy efficient air conditioning units, lighting fixtures, and appliances. Additionally, he has implemented various energy conservation programs that further enhance energy efficiency. Between these and other cost saving measures, an estimated reduction of over 50 percent has been achieved in operating and maintenance costs.

While carrying the full load of his professional career, Brigadier General D’Agostino has been affiliated with at least 35 professional organizations. He has and continues to serve in many prominent positions, where his work has paralleled his military successes.

Brigadier General D’Agostino currently serves as the chairman of the board at the Society for Human Advancement through Rehabilitation Engineering Foundation, with which he has been actively involved for over 20 years. The society has enabled hundreds of individuals with disabilities to advance through Rehabilitation Engineering Foundation, with which he has been actively involved for over 20 years. The society has enabled hundreds of individuals with disabilities to communicate via custom-made computer systems utilizing voice synthesizers and other specialized equipment.

As a past president of the National Guard Association of Rhode Island, Brigadier General D’Agostino created and still chairs its scholarship awards program, which has awarded almost $40,000 in scholarships. Additionally, he also served for several years as a trustee for the Rhode Island Air National Guard’s McGown-Roberts Scholarship Fund, the primary educational fund-raising vehicle for Air National Guard personnel. In 2002, the National Guard Association of the United States
awarded him its coveted Meritorious Service Award for his contributions to his State and Nation.

Brigadier General D’Agostino is surrounded by a wonderful family. Together with his wife of almost 30 years, Frances, he has raised two children, Christopher and Alisa, of which they are very proud. He and Frances have been a remarkable example of husband and wife in service to the Air Force, to the Rhode Island National Guard, and to the Nation. Anyone who has enjoyed their friendship has seen their company and their kindness.

Through Brigadier General D’Agostino’s considerable efforts, the men and women of the Rhode Island National Guard have truly world-class facilities in which to accomplish their critical work. His consistent exceptional performance and exemplary character have secured his reputation as one of Rhode Island’s most respected military officers.

The Rhode Island National Guard has never been stronger and more connected to the Army and Air Force. Brigadier General D’Agostino has set the groundwork for current and future Rhode Island National Guard facilities. His dedication to excellence and his unsurpassed devotion to duty, honor, and country have marked his distinguished service over 38 years.●

CELEBRATING 50 YEARS OF MARRIAGE
● Mr. THUNE. Mr. President, today I recognize Vert and Doris Voig and Clayton and Minnie Wittmeier of Avon, SD. The Voigts were married on September 7 while the Wittmeiers’ were married on August 24, both 50 years ago this year.

The Voigts and Wittmeiers are close neighbors and even closer friends. Both couples were married in the Emmanuel Reformed Church in Springfield, SD, and their marriages have been in the First Baptist Church in Avon. The Wittmeiers and the Voigts have served and continue to serve as a great example of dedication and commitment; both in their marriages and through their friendships.

I would like to offer my congratulations to Vert and Doris Voig and Clayton and Minnie Wittmeier on their anniversaries and wish them continued happiness in the years to come.●

MESSAGES FROM THE PRESIDENT
Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED
As in executive session the Presiding Official referred the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MEASURES PLACED ON THE CALENDAR
The following bill was read the first and second time without amendment, and placed on the calendar:

H.R. 5684. An act to implement the United States-Oman Free Trade Agreement.

EXECUTIVE AND OTHER COMMUNICATIONS
The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-7720. A communication from the Deputy Assistant Secretary, Office of Legislative and Intergovernmental Affairs, Department of Homeland Security, transmitting, a report relative to a bill entitled “Coast Guard and Maritime Transportation Act of 2006”: to the Committee on Commerce, Science, and Transportation.

EC-7721. A communication from the General Counsel, Department of Commerce, transmitting, a report of draft legislation relative to amending the Communications Act of 1934, received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7722. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, the report of a draft bill entitled “The Western and Central Pacific Fisheries Convention Act” received on July 16, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7723. A communication from the Acting Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Final Rule to Implement ES Habitat, Critical Habitat, and Areas of Particular Concern Conservation Measures” (RIN0648-AT08) received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7724. A communication from the Acting Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Final Rule to Revise Regulations Regarding Tagger Halibut and Tagged Sahbfish” (RIN0648-AR09) received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7725. A communication from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Fisheries Off West Coast States; Pacific Coast Groundfish Fishery; Specifications and Management Measures; Inseason Adjustments” (RIN0670-DB03) received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7726. A communication from the Assistant Administrator for Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Safety Zones (including 10 regulations beginning with CGD09-96-042)” (RIN1625-AA00) received on July 6, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7727. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled “Sanitation Compliance Certifications for the Position of Administrator, received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7728. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled “Coast Guard and Maritime Transportation Act of 2006”: to the Committee on Commerce, Science, and Transportation.

EC-7729. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zah洛克 Act, 1 U.S.C. 112b, as amended, the report of the text of the statements of international agreements, other than treaties (List of unclassified agreements 06-139-06-151); to the Committee on Foreign Relations.

EC-7731. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed retransfer of Major Defense Equipment (MDE) of defense articles or defense services in the amount of $14,000 or more to Gabon; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES
The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 3681. A bill to amend section 29 of the International Air Transportation Sensitivity Act of 1979 relating to air transportation to and from Love Field, Texas (Rept. No. 109-317).

H.R. 5104. A bill to designate the facility of the United States Postal Service located at 7320 Reseda Boulevard in Reseda, California, as the “Coach John Wooden Post Office Building”. H.R. 4646. A bill to designate the facility of the United States Postal Service located at 100 Pitcher Street in Utica, New York, as the “Captain George A. Wood Post Office Building”.

H.R. 5107. A bill to designate the facility of the United States Postal Service located at 150 Pitcher Street in Amherst, Ohio, as the “John Ruano Post Office Building.”

H.R. 5108. A bill to designate the facility of the United States Postal Service located at 8600 West Jordan Street in Salt Lake City, Utah, as the “Morris W. Milto Post Office”. H.R. 5109. A bill to designate the facility of the United States Postal Service located at 250 E. 31st Street in Denver, Colorado, as the “John H. Dudding Post Office Building.”
EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. WARNER for the Committee on Armed Services.

Robert L. Wilkie, of North Carolina, to be an Assistant Secretary of Defense.

Frank R. Jimenez, of Florida, to be General Counsel of the Department of the Army.


C. Thomas Yarlington, Jr., of Washington, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2011.

Colleen Conway-Welch, of Tennessee, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2011.

Army nomination of Maj. Gen. Kevin T. Campbell, of Pennsylvania, to be General Counsel of the Department of the Army.


Navy nomination of Capt. Michael H. Mittelman to be Rear Admiral (lower half).

Army nomination of Maj. Gen. Lloyd J. Austin III to be Lieutenant General.

Mr. WARNER, Mr. President, for the Committee on Armed Services I report favorably the following nomination lists which were printed in the RECORDS on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary’s desk for the information of Senators.

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

Air Force nominations beginning with Gary L. Atkins and ending with Glenn Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record on July 19, 2006.

Army nomination of David W. Wilson to be Lieutenant Colonel.

Army nomination of Lisa M. Weide to be Lieutenant Colonel.

Army nomination of Kerry K. King to be Major.

Army nomination of Lawrence N. Petz to be Major.

Army nomination of Yolanda Ruizsilases to be Colonel.

Army nominations beginning with Paul G. Arbour and ending with James M. Zarlengo, which nominations were received by the Senate and appeared in the Congressional Record on July 19, 2006.

Marine Corps nomination of Robert J. Gallagher to be Major.

Navy nomination of Ben M. Smith to be Captain.

Navy nomination of Sidney E. Hall to be Commander.

Navy nomination of Lieutenant Commander.

Navy nomination of Michael J. Lavelle to be Lieutenant Commander.

Navy nomination of Gary C. Norman to be Lieutenant Commander.

Navy nominations beginning with Neil D. Araamaite and ending with David C. Kleinberg, which nominations were received by the Senate and appeared in the Congressional Record on July 18, 2006.

Navy nominations beginning with Gregory R. Bart and ending with Gregory J. Smith, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Rickie V. Adsice and ending with Michael J. Zerbo, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Thomas M. Dalley and ending with Toby C. Swain, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Anibal L. Acevedo and ending with Theresa M. Whelan, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Thomas M. Bailey and ending with Toby C. Swain, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Kevin J. Bartoe and ending with Machelle A. Vieux, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Kevin L. Anderson, Jr. and ending with Thomas B. Webber, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Rebecca L. Bates and ending with Henry X. Young, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Erol A. Agi and ending with Walter R. Wittke, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Juliann M. Althoff and ending with Michael R. Yochelson, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with George A. Quirao and ending with Joyce C. Ross, which nominations were received by the Senate and appeared in the Congressional Record on July 27, 2006.

Navy nominations beginning with Edward J. Jordan and ending with Kimberly J. Schultz, which nominations were received by the Senate and appeared in the Congressional Record on July 27, 2006.

Navy nominations beginning with Mathew I. Borbash and ending with Robert W. Wittke, which nominations were received by the Senate and appeared in the Congressional Record on July 27, 2006.

By Mr. LUGAR for the Committee on Foreign Relations.

*Mark R. Dybul, of Florida, to be Coordinator of United States Government Activities to Combat HIV/AIDS Globally, with the rank of Ambassador.

*Henry M. Paulson, Jr., of New York, to be United States Governor of the International Finance Corporation for a term of years; United States Governor of the International Bank for Reconstruction and Development for a term of five years; United States Governor of the Inter-American Development Bank for a term of five years; United States Governor of the African Development Bank for a term of five years; United States Governor of the Asian Development Bank; United States Governor of the African Development Fund; United States Governor of the European Bank for Reconstruction and Development.

*Christina B. Rocca, of Virginia, for the rank of Ambassador during her tenure of service as U. S. Representative to the Conference on Disarmament.

*Philip S. Goldberg, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bolivia.

Nominees: Philip S. Goldberg.

Post: Bolivia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: None.

2. Spouse: N/A.

3. Children and spouses: N/A.


5. Grandparents names: Charles and Anna Goldberg (deceased); Hyman and Lillian Cohen (deceased).

6. Brothers and spouses: N/A.

7. Sisters and spouses: N/A.

8. Elected office: N/A.

9. Business interests: N/A.

10. Family members employed by the Federal Government: N/A.

11. Family members who are candidates for public office: N/A.

12. Conflicts of interest: N/A.

13. Other financial interests: N/A.

14. Family members employed by the Federal Government: N/A.

15. Conflicts of interest: N/A.

16. Other financial interests: N/A.

17. Family members who are candidates for public office: N/A.

18. Family members employed by the Federal Government: N/A.

19. Conflicts of interest: N/A.

20. Other financial interests: N/A.


*Richard W. Graber, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech Republic.

Nominees: Richard W. Graber.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: $500, 3/14/04, Hoze for Congress; $443, 06/07/2005, Ben Grassley (Sister); $500, 09/20/04, Michels for U.S. Senate; $500, 5/
The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

**INTRODUCTION OF BILLS AND JOINT RESOLUTIONS**

**By Mr. MARTINEZ:**

<table>
<thead>
<tr>
<th>Bill Number</th>
<th>Title</th>
<th>Cosponsors</th>
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</thead>
<tbody>
<tr>
<td>S. 3766</td>
<td>A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for the educational expenses of students enrolled in high-quality, high-need preschool programs</td>
<td></td>
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<tr>
<td>S. 3772</td>
<td>A bill to establish wilderness areas, refuge areas, and national park units in and adjacent to the Walnut Canyon National Monument in Arizona</td>
<td></td>
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</tbody>
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**ADDITIONAL COSPONSORS**

S. 556  At the request of Mr. Marble, the name of the Senator from Arizona (Mr. Kyl) was added as a cosponsor of S. 556, a bill to direct the Secretary of the Interior and the Secretary of Agriculture to jointly conduct a study of certain land adjacent to the Walnut Canyon National Monument in the State of Arizona.

S. 1057  At the request of Mr. Burns, his name was added as a cosponsor of S. 1057, a bill to amend the Indian Health Care Improvement Act to extend and expand that Act.

S. 1313  At the request of Mr. Cornyn, the name of the Senator from Colorado (Mr. Allard) was added as a cosponsor of S. 1313, a bill to protect homes, small businesses, and other private property rights, by limiting the power of eminent domain.

S. 1621  At the request of Ms. Collins, the name of the Senator from South Dakota (Mr. Johnson) was added as a cosponsor of S. 1621, a bill to amend the Internal Revenue Code of 1986 to increase the above-the-line deduction for teacher classroom supplies and to expand such deduction to include qualified professional development expenses.

S. 1867  At the request of Ms. Mikulski, the name of the Senator from North Dakota (Mr. Dorgan) was added as a cosponsor of S. 1867, a bill to amend the Public Health Service Act to provide waivers relating to grants for preventive health measures with respect to breast and cervical cancers.

S. 1940  At the request of Mr. Thune, the name of the Senator from Michigan
(Ms. STABENOW) was added as a cosponsor of S. 3485, a bill to amend section 340B of the Public Health Service Act to increase the affordability of inpatient drugs for Medicaid and safety net hospitals.

S. 3930
At the request of Mr. REID, the name of the Senator from Maryland (Ms. MCKULKIS) was added as a cosponsor of S. 3930, a bill to expand the research, prevention, and awareness activities of the National Institute of Diabetes and Digestive and Kidney Diseases and the Centers for Disease Control and Prevention with respect to inflammatory bowel disease.

S. 2475
At the request of Mr. SALAZAR, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 2475, a bill to establish the Commission to Study the Potential Creation of a National Museum of the American Latino Community, to develop a plan of action for the establishment and maintenance of a National Museum of the American Latino Community in Washington, DC, and for other purposes.

S. 2491
At the request of Mr. CORKY, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 2491, a bill to award a Congressional gold medal to Byron Nelson in recognition of his significant contributions to the game of golf as a player, a teacher, and a commentator.

S. 2590
At the request of Mr. CORBURN, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2750
At the request of Mr. DE MINT, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 2750, a bill to improve access to emergency medical services through medical liability reform and additional Medicare payments.

S. 3275
At the request of Mr. ALLEN, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 3275, a bill to amend title 18, United States code, to provide a national standard in accordance with which nonresidents of a State may carry concealed firearms in the State.

S. 3485
At the request of Mr. DORGAN, the names of the Senator from Nevada (Mr. REID) and the Senator from West Virginia (Mr. BYRD) were added as cosponsors of S. 3485, a bill to amend the Tariff Act of 1930 to prohibit the import, export, and sale of goods made with sweatshop labor, and for other purposes.

S. 3568
At the request of Mr. BENNETT, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 3568, a bill to protect information relating to consumers, to require notice of security breaches, and for other purposes.

S. 3617
At the request of Mr. INHOFE, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 3617, a bill to reauthorize the North American Wetlands Conservation Act.

S. 3663
At the request of Mr. ALEXANDER, the name of the Senator from Florida (Mr. MARTINEZ) was added as a cosponsor of S. 3662, a bill to establish the America's Opportunity Scholarships for Kids Program.

S. 3664
At the request of Mr. ALLEN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 3664, a bill to study and promote the use of energy efficient computer servers in the United States.

S. 3691
At the request of Mr. BROWNACK, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of S. 3691, a bill to amend the Revised Statutes of the United States to prevent the use of the legal system in a manner that exerts money from State and local governments, and the Federal Government, and inhibits such governments’ cooperation under the first, tenth, and fourteenth amendments.

S. 3693
At the request of Mr. JEFFORDS, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 3693, a bill to amend the Clean Air Act to reduce emissions of carbon dioxide, and for other purposes.

S. CON. RES. 97
At the request of Mr. GRASSLEY, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. CON. RES. 97, a concurrent resolution expressing the sense of Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should provide from renewable resources not less than 25 percent of the total energy consumed in the United States and continue to produce safe, abundant, and affordable food, feed, and fiber.

S. CON. RES. 106
At the request of Mr. JOHNSON, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. CON. RES. 106, a concurrent resolution expressing the sense of Congress regarding high level visits to the United States by democratically elected officials of Taiwan.

S. CON. RES. 113
At the request of Mrs. CLINTON, the names of the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Rhode Island (Mr. REED) and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. CON. RES. 113, a concurrent resolution congratulating the Magen David Adom Society in Israel for achieving full membership in the International Red Cross and Red Crescent Movement, and for other purposes.

S. RES. 407
At the request of Mr. MENENDEZ, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. Res. 407, a resolution recognizing the African American Spiritual as a national treasure.

S. RES. 531
At the request of Mr. LIEBERMAN, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. Res. 531, a resolution to urge the President to appoint a Presidential Special Envoy for Sudan.

AMENDMENT NO. 4692
At the request of Mr. MENENDEZ, his name was added as a cosponsor of amendment No. 4692 intended to be proposed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

AMENDMENT NO. 4698
At the request of Mr. MENENDEZ, his name was added as a cosponsor of amendment No. 4698 intended to be proposed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Mr. BAUCUS):
S. 3767. A bill to provide the full implementation of the occupational mix adjustment to the wage index under the Medicare inpatient hospital prospective payment system; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, I am pleased to join once again my good friend and colleague Senator BAUCUS to introduce the Wage Index Accuracy Improvement Act.

A Wage Index Accuracy Improvement Act enables the Centers for Medicare & Medicaid Services, CMS, to improve the accuracy of Medicare payments for acute care hospital services. Under Medicare, acute care hospitals are paid for inpatient services through the hospital inpatient prospective payment system, IPPS. Around 3,500 hospitals received payment through the
oller, to 100 percent of the wage index adjustment, based on data collected in 2004. But given concerns over the accuracy of the data, in fiscal years 2005 and 2006, CMS applied only a 10-percent adjustment for occupational mix. CMS proposed the same adjustment—10 percent—for fiscal year 2007. On April 3, 2006, the Second Circuit Court of Appeals ordered CMS to apply 100-percent of the occupational mix adjustment for fiscal year 2007. The court directed CMS to complete data collection and measurement by September 30, 2006, and then apply the adjustment in full.

Mr. President, if CMS proceeds with a 100 percent occupational mix adjustment, hospital payments will be subject to inaccuracy, uncertainty, and volatility. Congress can prevent these outcomes, by passing the Wage Index Accuracy Improvement Act that we introduce today. This bill would maintain the current 10 percent occupational mix adjustment for the next 2 fiscal years, giving CMS time to collect accurate data. The bill would require CMS to report on its data collection for the occupational mix adjustment by January 1, 2008. Both of these actions will give hospitals more time—and more information—to better understand the effect of the occupational mix adjustment.

Mr. President, Medicare pays for more than $100 billion of hospital inpatient services every year. This system should not be subject to swings resulting from quickly-collected data, applied at the last minute. I urge my
By Mr. LEAHY (for himself, Mr. SPECTER, Mr. DONGAN, and Mr. HARKIN). S. 3768. A bill to prohibit the procurement of victim-activated landmines and other weapons that are designed to be victim-activated; to the Committee on Armed Services.

Mr. SPECTER. Mr. President, today I join Senator LEAHY in introducing the Victim-Activated Landmine Abolition Act of 2006, which will prohibit the procurement of victim-activated landmines. Antipersonnel, victim-activated landmines are small, inexpensive weapons that kill or maim people upon contact. Indiscriminate use has produced many civilian casualties and has resulted in an international effort to control or ban these weapons.

As a member of both the Appropriations Subcommittee on Defense and Foreign Operations, I have supported efforts to create alternatives to victim-activated munitions, to mitigate the associated risks for innocent civilians, and to those who have been inadvertently harmed. The United States sets an example for the world by remaining a global leader in providing funds for mine clearance, mine risk education, and mine survivor assistance activities. According to the Congressional Research Service, the United States has dedicated an estimated $500 million for demining efforts over the last 10 years. Furthermore, the U.S. Department of Defense, in conjunction with industry partners, has developed technology which permits the deployment of mines that cannot be activated by the victim. This “man-in-the-loop” technology will ensure that innocent civilians are not harmed by mines.

On September 18, 1997, diplomats from almost 90 countries met in Oslo, Norway, and adopted the text of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction, commonly referred to as the Ottawa Convention or the Mine Ban Treaty. The Mine Ban Treaty went into effect on March 1, 1997. The International Campaign to Ban Landmines estimates that there are more than 80 million landmines in the ground in more than 80 countries and that 15,000–20,000 people are maimed or killed each year. UNICIP estimates that 30 to 40 percent of mine victims are children under 15 years old. Millions more suffer from the economic and psychological impact of these weapons.

Innocent civilians in foreign countries are not the only victims that suffer the debilitating effects of these weapons. Landmines have injured and killed thousands of U.S. and allied troops and conventional forces since World War II, including those in Iraq and Afghanistan. Although landmines cost as little as $3 to produce, they can cost as much as $1,000 per mine to clear.

The legislation introduced today calls on the United States to continue to set an example for other countries by implementing a ban on the procurement of victim-activated weapons systems. Further, it recognizes that the U.S. has acquired reliable technology that enables all weapons systems to be equipped with man-in-the-loop targeting and triggering capabilities, meaning that the device can be deployed and triggered only in response to an intentional action by a person. I yield the floor.

Mr. LEAHY. Mr. President, I am today introducing, with my friend from Pennsylvania, Senator SPECTER, and Senator DONGAN, The Victim-Activated Landmine Abolition Act of 2006.

This legislation would prohibit the procurement of victim-activated landmines and other weapons that are designed to be victim-activated. It builds on a long history of leadership by the Congress on the issue of landmines, which indiscriminately kill and maim innocent people, as well as U.S. troops, around the world.

I will have another statement on this subject when we return from the August recess, but I want to make a couple of points today.

First, Senator, you know that since 1997, when an international treaty banning the manufacture, use, export and stockpiling of antipersonnel landmines was initialed at Ottawa, 154 nations have signed and 151 have ratified the treaty.

This treaty was an extraordinary achievement, for which Lloyd Axworthy, Canada’s Foreign Minister at the time, and the International Campaign to Ban Landmines deserve enormous credit. Unfortunately, the United States is not a signatory to the treaty and at one time even worked against it.

Thanks to the treaty, the manufacture and export of antipersonnel landmines has decreased significantly, and the number of victims has also declined. But mines continue to be a weapon of choice, especially for rebel groups such as the FARC in Colombia and Hezbollah in Lebanon.

Second, the United States has not exported antipersonnel mines since 1992, produced antipersonnel mines since 1997, or used antipersonnel mines since 1991. This is not a weapon we need. However, for the record, because the Department of Defense has been developing alternatives to landmines. The goal has been to replace mines that cannot distinguish between an enemy combatant and a U.S. soldier, an innocent child, a farmer or a refugee.

That program has produced man-in-the-loop technology that is ready to be deployed in a new generation of mines that are not victim-activated.

I have long supported this program and continue to hold Department of Defense for its support for the development of this technology. I believe it will provide the U.S. military with the force multiplier and protection afforded by conventional landmines without impeding the flow of our troops or endangering innocent civilians. It will enable the military to finally stop using or stockpiling victim-activated landmines that have no place in the arsenal of a civilized nation, much less the world’s only superpower.

As we see daily in Iraq, Afghanistan, and Lebanon, civilians bear the brunt of wars today. They do not have body armor or armored vehicles. They are routinely caught in the crossfire. At any moment they are at risk of being killed or maimed by a landmine or other improvised explosive that lies in wait until triggered by whoever steps on it or drives over it.

I do not believe that the need for this legislation is not because the United States is causing the mine problem. It is not. As I mentioned, we have not used or exported antipersonnel mines for 15 years, despite fighting wars in Afghanistan and Iraq. We are also the largest contributor to humanitarian demining in countries that have been severely affected by mines, and we support programs to assist mine survivors.

But just as a solution to the Middle East conflict depends on the active, sustained engagement and leadership of the United States, so does the problem of landmines.

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I again want to thank my friend Senator SPECTER, who has supported legislation to ban landmines for more than a decade.
Mr. SPECTER. The ‘Victim-activated Landmine Abolition Act of 2006’, which I am joining my friend from Vermont, Senator LEAHY, in introducing today would end the procurement of these indiscriminate weapons by the United States. We neither need these weapons nor do we want to continue to insist on the right to use them. They cannot distinguish between civilians and combatants, and as long as we stockpile them we cannot credibly urge others to stop using them against our troops. We must welcome the opportunity to do so again today. We want to send a message to the world that victim-activated landmines and other weapons designed to be victim-activated are beyond the pale. We have seen what they can do to our troops. We have seen what they do to a child who picks up one of these seemingly harmless objects, only to have it blow off an arm or worse. These weapons do not belong in the arsenals of civilized nations.

Mr. SPECTER. I thank my friend, who has led this campaign for so many years. Landmines and other munitions that are designed to be victim-activated are inherently indiscriminate. In that sense, they are no different from poison gas. They should be abolished and replaced with weapons that have a man-in-the-loop who can distinguish between an enemy combatant and a civilian. The Department of Defense has this technology. It is time for the United States to adopt a policy that is consistent with the force protection needs of our troops and with the moral values of the American people.

By Mr. ENSIGN (for himself, Mr. NELSON of Florida, Mr. COLEMAN, Mr. LIEBERMAN, Mr. SANTORUM, and Mr. FRIST):
S. 3769. A bill to encourage multilateral cooperation and authorize a program of assistance to facilitate a peaceful transition in Cuba, and for other purposes; to the Committee on Foreign Relations.

Mr. ENSIGN. Mr. President, at long last, Fidel Castro’s reign of terror over the Cuban people may be coming to an end. Fidel Castro is incapacitated. He has handed over control of the government to his brother, Raul. The Cuban Government wants us to believe that it is a temporary measure—that Castro just needs to recuperate from surgery. But we know the truth, because lies are the byproduct of tyranny. And tyrannies are notoriously opaque. For all we know, it may be that Fidel already has already spent his last day as Cuba’s leader.

I believe that now is the time for the U.S. Government to push for a peaceful transition to democracy in Cuba. It is a travesty that more than a decade after the Cold War ended, a brutal communist dictatorship is still oppressing people 90 miles from our border. It would be an even greater travesty if the United States did not do everything in our power to ensure that after Fidel leaves power—one way or another—Cuba becomes free.

Let’s join together in support of the Cuban people and in support of freedom, and let’s adopt this bill.

We need to send a signal to all the dissidents and political prisoners in Cuba that we have no illusions about the nature of Fidel Castro’s regime—that we know of their plight and stand ready to help them. When Ronald Reagan called Russia the ‘‘evil empire,’’ it brought hope to the dissidents and political prisoners in the Soviet gulags. They knew that the people and leaders of the United States were united with them. They were not alone.

That is why I am introducing a bill today that authorizes assistance to the OAS for Cuban human rights activities and election reform. It also authorizes a fund to support independent civil society-building efforts. That includes assistance to political prisoners and their families, independent libraries, youth organizations, workers’ rights activists, agricultural cooperatives, associations of the self-employed, journalists, economists, and medical doctors. And it creates the ‘‘Fund for a Free Cuba’’ to provide assistance to a transition government in Cuba.

This bill is consistent with the recommendations in the July 2006 Commission for Assistance for a Free Cuba report. We need to move this legislation now because it will have the biggest and most direct impact. The people of Cuba are watching and learning. We need to show them that the leaders of the United States are willing to join them in their quest to be free. They need to know that they are not alone.

By Mr. MENENDEZ (for himself and Mr. LAUTENBERG):
S. 3776. A bill to require a pilot program for the facilitation of the transition of members of the Armed Forces to receipt of veterans health care benefits upon completion of military service, and for other purposes; to the Committee on Veterans’ Affairs.

Mr. MENENDEZ. Mr. President, since the March 2003 start of the Iraq war, more than 19,157 members of our Nation’s Armed Forces have been injured, more than 18,777 of them wounded in action.

Imagine that you are one of those wounded. You are an enlisted marine serving your country in Iraq. Your convoy is attacked by Iraqi gunmen and your transport explodes, killing several of your fellow soldiers and wounding many more. You are seriously wounded, so you’re medevaced to Landstuhl Regional Medical Center and then transported to an appropriate medical facility in the U.S. for further stabilization and treatment.

You begin the long road to recovery in the hospital, you may be approached by a Department of Veterans Affairs, VA, counselor who provides you with information about VA medical benefits and vocational rehabilitation services and employment services. You may or may not meet with someone from the VA. But you’re not ready to think about those things yet. You just want to get better and rejoin your fellow marines in Iraq.

Several months later, as you convalesce, Department of Defense, DEFEND SEALESS, determines that you should be discharged due to the seriousness of your injuries. But, the discharge process won’t become official for at least nine months, and you are not eligible for services until it does. This leaves you in limbo, caught somewhere between the DOD and VA systems.

You finally return home, still convalescing from your injuries and whileyou have to file and fill out discharge papers. This development means no more access to the support you received during active duty, including health care. In order to receive medical care, you need to begin enrollment in the VA system to access services until it does. This leaves you in limbo, caught somewhere between the DOD and VA systems.

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As the conflicts in Iraq and Afghanistan grind on, these stories are all too frequent. Many wounded soldiers, service men and women are faced with the prospect of a premature end to their military service and are struggling to reenter civilian life, often with permanent disabilities. And they now have to find their way to the VA. They need help finding their way so they can get the care they deserve. They have served their country and now their country, their military, owes them our best in return.

That is why I am proud to introduce the Veterans Navigator Act, a bill that would expand and enhance the important work done by VSOs and other national organizations to guide our Nation’s service men and women to and through the VA healthcare system. It would, in fact, acknowledge the work of these organizations by providing $25 million in grants over 5 years to augment their capabilities.

The ‘‘navigator’’ concept is not new. It is similar to the Patient Navigator demonstration program I introduced and which was subsequently enacted.
into law. There, we also took a successful small-scale program being used at select medical facilities around the country and expanded it by providing grants for a scaled-up demonstration program to serve those with cancer and other chronic diseases, and in particular, those with disabilities of the brain and medically underserved populations.

With the veterans navigator bill, I propose to do something similar, capitalizing on the successes of the Patient navigator concept, to help our troops. The $25 million over 5 years in the bill would allow VSOs and other organizations to apply for grants so that they could hire and train navigators to provide assistance, on an individualized basis, to members of the Armed Forces as they transition from military service to the VA health care system. They would do so in coordination with DOD and the VA. Right now, many VSOs rely principally on donations to perform these services.

At the end of the last war, the VA Secretary would submit a report to Congress on the effectiveness of the veterans navigator demonstration program and to recommend whether it should be made permanent.

 Often called national service officers or counselors, a navigator is a “sherpa,” a guide through the maze of paper and people and specialists and benefits. A navigator is an advocate for those no longer able to go it alone. A navigator is able to help those who especially need continuity of care as they enter and wind their way through the VA medical system. Part of our mission is to provide the infrastructure needed to accommodate the needs of soldiers trying to navigate their way through the active duty military medical extension' ADME—process... this has resulted in injured and ill soldiers carrying and heavy burden for ensuring that they do not fall off their active duty orders.”

The Veterans Navigator Act would help minimize such occurrences by providing National Guard and Reserve members with the expertise needed to help them through the ADME process and to help correct any discrepancies before they cause a delay in accessing VA medical care.

Vets with psychological problems also need help. In the last several years, we have been hearing a lot more about post-traumatic stress disorder, PTSD, in veterans and those returning from conflict. A recent GAO report has concluded that almost four out of five service members returning from Iraq and Afghanistan who were found to be at risk for PTSD, were not provided appropriate medical assistance. All of these factors mean that now, more than ever, our Nation’s soldiers need help moving between the DOD and VA realms.

According to the chief of psychology at Walter Reed Army Institute of Research, roughly 20 percent of those service men and women returning from Iraq and Afghanistan are being discharged home with severe disabilities, including traumatic brain injuries and missing limbs that require comprehensive inpatient rehabilitation services. But, severe injuries often mean a lengthy transition from active duty to veteran status. As my story earlier indicates the physical evaluation of a seriously wounded service member to determine whether he or she can return to active duty can take months to complete. In the interim, the VA has to ensure that those soldiers so identified so that they can perform early outreach, provided that they have the information to do so.
Despite this, the GAO observed in a March 2005 report that the VA faces "significant challenges in providing services to seriously injured service members."

In many cases, VA staff has reported that seriously injured service members and their families are simply not ready to begin thinking about VA benefits or dealing with the VA system during the recovery process. The problem here, as GAO has pointed out, is that the VA has no policy for maintaining contact with these service members once they are discharged. Contact is often conducted on an ad hoc basis. Navigators can also help these seriously wounded soldiers.

VSOs such as the Veterans of Foreign Wars, Disabled American Veterans, Jewish War Veterans and so many others have emphasized the importance of maintaining contact with seriously injured veterans who do not initially apply for VA health care benefits because they may be many months or even years before they are prepared to apply for them.

The veterans navigator can help perform this function. Because this individual or individuals have reached out to the seriously injured service member before his or her discharge, they can, in coordination with the VA caseworkers, remain in contact with them as they recover and prepare to reenter civilian life. The navigator can also help obtain information from DOD on seriously injured service members so that they can help ensure that all service members and veterans benefit from VA health care services at the right time.

At a time when many active duty service people and veterans have fought and often made the ultimate sacrifice for their country, we cannot risk having any soldier fall through the cracks. We cannot take the risk that our female soldiers, who are fighting alongside their male colleagues, may not receive the medical care they need. We cannot risk the lives and health of soldiers with PTSD. We cannot risk the lives and the health of any service member who put their lives at risk for our country.

Not so long ago we celebrated Memorial Day, a day when each and every American honors the service of our Nation’s Armed Forces, both past and present and takes a moment to thank them for helping to keep America safe and secure. The very least that we can do is to ensure that all of these brave men and women are able to access the medical benefits to which they are entitled, particularly in their time of greatest need. At some point in each of our lives, we might need a guiding hand to help us find our way. Today, Mr. President, I am proposing to provide that helping hand to our troops in a time of their greatest need. It is the very least that we can do.

By Mr. HATCH (for himself, Mr. KENNEDY, Mr. DEWINE, Mr. DODD, Mr. BURR, Mr. HARKIN, Mr. BOND, Ms. MIKULSKI, Ms. SNOWE, Mr. JEFFFORDS, Mr. TALMONT, Mr. BINGAMAN, Ms. COLLINS, Mrs. MURRAY, Mr. CHAFEE, Mr. REED, Mr. SMITH, and Mrs. CLINTON):

S. 371, a bill to amend the Public Health Service Act to provide additional authorizations of appropriations for the health centers program under section 330 of such Act; to the Committee on Health, Education, Labor, and Pension.

Mr. HATCH. Mr. President, today I am introducing the Health Centers Renewal Act with my colleagues, Senators KENNEDY, DEWINE, DODD, BURR, HARKIN, BOND, MIKULSKI, SNOWE, JEFFFORDS, TALMONT, BINGAMAN, COLLINS, MURRAY, CHAFEE, REED, SMITH, and CLINTON.

The health centers program was established more than 40 years ago and it has been successful in providing access to quality, comprehensive primary health care services throughout the country to a large number of uninsured or underinsured people, including children, parents and the elderly. Health centers are located within medically underserved areas and provide care to those who have limited or no access to health insurance. Health centers are a critical component of our Nation’s health care safety net, providing health care to over 15 million underserved individuals in the United States.

These health centers include community health centers which are local, not-for profit 501(c) (3) corporations that provide community-oriented primary and preventive health care and are governed by boards of directors who are composed of at least 51 percent health centers users, to ensure that the patients and the community are represented.

In my home State of Utah, community health centers serve 84,578 patients and provided almost 305,000 patient visits in 2005.

As I travel throughout Utah, I hear nothing but positive remarks about the vital work of community health centers. I would like to share some of the comments that I have received from Utahns with my colleagues.

Midtown Community Health Center in Ogden, UT just opened a very impressive new center which will enable patients in that community to receive the latest care for a range of illnesses such as diabetes, hypertension and asthma. These illnesses are costly and often require monthly visits, laboratory tests and expensive medication. One of the patients at Midtown who has diabetes and hypertension, stated that he was able to go to monitor her diabetes if Midtown didn’t exist. She describes Midtown as a “Godsend” and said that without her health care provided by Dr. Gregoire, she would be in serious financial debt and would have to choose between housing and food or health care.

Another Utah health center has a family that comes into the clinic with a son who is bipolar. The boy’s mother called very distraught because they were having problems affording his medicines and his illness had created other concerns within their family. The woman’s new husband thought discipline was the solution to the child’s behavior issues. The health center referred the boy to its mental health worker, who in addition to providing counseling, was able to get his medication for him at a reduced price. The mother thanked the mental health worker and said she had someone to talk to who understood the boy’s condition was helpful to her and her family.

Bottom line, community centers have made a tremendous difference for Utah’s residents with limited or no health insurance. And these examples are not unique to Utah—patients across the country have had similar experiences with community health centers.

Due to the difference that health centers have made in so many lives, Congress has consistently increased funding for them since 2001 in order to meet President Bush’s goal to have 1,200 new or expanded centers and an additional 4 million additional patients. Currently, the additional funding has provided service to 4 million additional patients and has added new or expanded facilities in well over 750 communities nationwide. By reauthorizing this program, we will allow health centers to provide lowcost health care to many more uninsured and underinsured individuals.

The legislation that we are introducing today will reauthorize the health center program for 5 more years at the fiscal year 2007 funding level of $1.963 billion, which is the administration’s fiscal year 2007 budget request for the health centers program.

Utah health centers have made a tremendous difference in the lives of many—66 percent of patients come from Utah’s urban areas and 27 percent are from the rural regions in Utah. Ninety-six percent of Utah’s health center patients lived below 200 percent of the Federal poverty level and health centers have made a tremendous difference in their lives. In fact, for most, these health centers serve as a vital component of the health care safety net for the medically underserved and uninsured. In rural areas, health centers are often the only health care provider for many miles.

Midtown Community Health Center coordinates a free comprehensive screening clinic for women on an annual basis. In 2006, over 230 women received pap smears, breast examinaions, diabetes screening, cholesterol screening and depression screening. Many of the low-income, uninsured women served had not received preventive care in many years. One woman we served had experienced irregular vaginal bleeding for several months. She had tried to find a medical provider but was unsuccessful...
due to a lack of health insurance and financial concerns. She came to Midtown Community Health Center with an enlarged uterus, a uterine mass and anemia. A Midtown medical provider arranged for an emergency ultrasound and removal of the tumor within 3 weeks. The patient is improving and being treated by Midtown for anemia and irregular menstrual periods.

A 40-year-old man was working as a contractor when his boss noticed he was losing weight and took him to the hospital. He was diagnosed with tuberculosis and hepatitis C. He did not have health insurance and became homeless. The hospital referred him to Wasatch Homeless Health Care, Inc. where he entered the tuberculosis housing and treatment program.

The Johnsons manage their own business in a small rural Utah town, but somehow health insurance coverage has always been difficult for them to purchase. Without the Wayne Community Health Center in Bicknell, the family could only seek medical care for emergencies.

These stories are just some of real life experiences which illustrate how community health centers make a difference. They provide preventive health care. They keep people out of hospitals. Community health centers are worth every cent that the Federal Government invests in them. I am pleased and proud to support them so that they can continue to provide the quality care that their patients and communities rely on.

Mr. KENNEDY. Mr. President, it is an honor to join Senator HATCH today in introducing this bill to reauthorize the Health Centers Renewal Act. The Health Centers Renewal Act reauthorizes the community health center program through 2011. Its goal is to make sure that people across the Nation can obtain the care they need in their community, regardless of their ability to pay.

What began in the 1960s as a neighborhood health center demonstration project at two sites—Columbia Point in Massachusetts and Mound Bayou in Mississippi—has become the backbone of today's expectation in the years since then. It has now grown to more than 1,000 community, migrant, and homeless health centers providing care in every State across the Nation. Health centers are the "medical home" today for over 15 million people who rely on them for the care that is necessary and to meet the needs of the community. They are truly consumer-directed. The requirement of a patient-majority for the health centers' governing boards makes health centers a real consumer voice in the services offered and that the needs of the community are met.

This community focus has been essential to the program's success in reducing barriers to good health care and overcoming disparities.

As the number of uninsured and underinsured persons grows each year, the need for health center services increases. More than 40 percent of health center patients have no health insurance and their ranks are increasing. Another 36 percent have coverage through Medicaid or CHIP, and cuts in these programs affect health centers as well. With the growing number of patients who rely on health centers, we must provide the capacity needed to open new centers in areas that are underserved and to provide better funding to existing centers to meet the growing demand.

Health centers fill a large void by providing quality, cost-effective care in medically underserved areas. Most health centers are located in rural areas or economically depressed inner cities, where poverty is high and the need is great. They truly are part of the community, providing not just health care but good jobs and other programs that benefit the entire community.

Community health centers have proven their value over the past four decades, and this bill will enable them to expand and grow in the years ahead, so that they can continue to provide the quality care that their patients and communities rely on.

Ms. SNOWE. I am pleased to join with my good friend Senator ENSIGN to introduce the White Pine County Conservation, Recreation and Development Act of 2006. This bill creates economic opportunity for the people of White Pine County, improves public land management, and protects some of Nevada's most incredible wild lands. It also makes needed changes to the Southern Nevada Public Land Management Act.

The White Pine County Conservation, Recreation and Development Act is the product of many years of work. Ranchers, land managers, conservationists, off-highway vehicle advocates, tribal members, city and county officials, wilderness advocates and many others have contributed to this effort. Meetings and tours focused on a White Pine County land bill have been taking place for more than 5 years.

The result of these many years of dialogue can be found in the sturdy compromise contained in this legislation. Our bill resolves wilderness study areas, provides a reasonable expansion of local tribal lands, authorizes a study and possible designation of an off-highway vehicle trail, provides for competitive Federal land sales, makes common sense transfers of land between Federal agencies, expands State parks, conveys two small tracts of land to the county for economic development, funds an
important landscape scale restoration project in eastern Nevada, and establishes a national heritage route in eastern Nevada and western Utah.

Like similar legislation that we have worked on and passed for Clark County and Lincoln County, we do not expect anyone to have any difficulty with this legislation. When it comes to the topics of growth, conservation and stewardship in rural Nevada there are many strong and often opposing views. We believe that this legislation offers a solid middle ground and a path forward for the people of White Pine County.

In order to understand why this legislation is necessary, it is important to first put Nevada and White Pine County in context. Unlike most states in our Union, nearly nine out of every ten acres in Nevada are managed by Federal agencies. In White Pine County the number is even higher. Of the 5.7 million acres that make up White Pine County, 94 percent are managed by the Bureau of Land Management, the Forest Service, the National Park Service and the Fish and Wildlife Service Federal agencies.

This means that local decisions are not always local. Even the simplest land use decisions often involve multiple Federal land agencies, and the associated rules that come along with each agency. All too frequently, congressional action is needed to bridge the divide. This is a reality in many parts of the West, but in no place is it more true than in Nevada.

Moving beyond the borders of White Pine County, our legislation also makes essential changes to the Southern Nevada Public Land Management Act that was first passed in 1998. This law has served Nevada well over the last 8 years, yet changes are needed to ensure that the legislation is able to meet the many and complex needs of our fast growing State. I will briefly describe these proposed amendments, in addition to the other major titles of this legislation.

But before moving on to the specifics of each section of this bill, let me thank my colleagues for their willingness to work with us on this legislation. Senator Ensign and I have crafted this bill through a hands-on, ground level process that we think you will appreciate and support. Throughout this effort we have aspired to make well reasoned, beneficial and necessary changes to land management in Nevada.

The first title in this bill creates a mechanism to increase the amount of privately held land in White Pine County. Currently, 94 percent of the land in the county is managed by Federal agencies. By increasing the total amount of private land in White Pine County, we create essential opportunities for growth and economic development that will also allow the county to provide greater services and support to its residents through an expanded tax base.

Our bill calls for up to 45,000 acres of land currently managed by the BLM to be made available for sale in reasonable increments. Each year a portion of the total acreage will be made available for public auction after a joint selection is made by the county and the BLM. This system has worked well in Clark County and Lincoln County, and we believe it will enhance the ability of White Pine County to help plan and the long-term growth of its many communities. As part of the land sale authority, the county may elect to halt the annual disposal of land when and if appropriate.

Like the Southern Nevada Public Land Management Act and the Lincoln County Conservation, Recreation and Development Act, this bill directs the Secretary of Interior to reinvest the proceeds from these land sales into essential Federal, State, and local environmental protection, infrastructure development, and recreational enhancements in the areas and communities surrounding the land.

These funds also provide an additional revenue source for fulfilling the various mandates of this bill, including an off-highway vehicle trail study, designation of new wilderness areas, and the conveyance of lands into trust for tribal use.

In 1985 when I visited White Pine County to discuss possible wilderness designations in the Schell Creek and Currant Ranges and the north and south portions of the Ruby Range, I heard from many local residents who opposed any effort to designate wilderness. Now in 2006, when I hear from the citizens of White Pine County they are most often strongly supportive of wilderness designation, particularly in the areas that they and their families have visited and cherished for generations.

I believe that much of this change can be attributed to the successful management of the Mt. Moriah and Highland Ridge Wilderness areas, which was designated in 1989, where we were able to protect truly wild lands while still allowing hunting, grazing and other historical uses to continue. Equally important, many White Pine County residents have noted that as new waves of people discover the incredible backcountry of the Great Basin, the identification and protection of lands that are untouched by permanent development has become a priority.

According to our analysis we have identified roughly 545,000 acres for wilderness designation and the release of 67,000 acres of BLM wilderness study areas. We have benefited greatly from the careful suggestions of the White Pine County Commission, the Nevada Department of Wildlife, the Nevada Wilderness Project, hunters, ranchers, miners, Friends of Nevada Wilderness, and other White Pine County residents during this process.

We have worked to make careful decisions on the wilderness boundaries in this bill. Based on feedback from grazers and other users of the Mount Moriah wilderness area, a number of boundary adjustments have been included to remove small pipelines and other encumbrances from the original wilderness area designated in 1989. We have also made careful choices like along the north end of Red Mountain where the wilderness boundary follows the crest of the mountain so that a number of primitive campsites between the stream and a nearby road are excluded from the wilderness area.

While this proposal will surely be criticized as too conservative by others, they will see it as too expansive. Senator Ensign and I have both made important compromises to reach the proposal that we are presenting today and we stand by the middle ground that we have reached. We are committed to continue listening to all parties and taking into account their many and divergent needs.

The third title of this bill makes two important transfers of land between Federal agencies that will improve public land management in White Pine County. The first of these changes is a transfer of approximately 645 acres from the BLM to the Fish and Wildlife Service, FWS, to be managed as part of the Ruby Lake National Wildlife Refuge. The second transfer will be within the boundaries of the refuge after the Fish and Wildlife Service purchased the lands surrounding the BLM parcel in 2002. Management of this area by the Ruby Lake National Wildlife Refuge will improve recreational access to the land and strengthen the holdings of this popular refuge.

Our legislation also transfers administrative jurisdiction of roughly 117,000 acres from the Forest Service to the BLM. These lands can be easily identified on a map as the donut shaped configuration of Forest Service land currently surrounding Great Basin National Park. Under the present arrangement, the Park Service, the Forest Service and the BLM manage an awkward patchwork of lands. In some areas, land managed by each of the three agencies can be found within a single linear mile. This division of management and labor makes proper stewardship of this area complicated and often times unworkable.

In addition to moving the identified lands to the BLM to improve management efficiency, we also withdraw roughly 50,000 acres of this land from mineral and land laws and require a management plan for the roads and trails through the area. These added protections will not only compliment Great Basin National Park and its mission, but will also ensure that popular hunting areas remain open and accessible. The additional 70,000 acres transferred to the BLM will be designated as the Highland Ridge Wilderness Area.

This title conveys land to expand two existing state parks and one state wildlife management area. The Charleston Overlook State Park will receive approximately 650 acres of BLM land to expand its current holdings. The land to be conveyed is already managed by the
state through a Recreation and Public Purposes lease for the operation of a camping area and trail system. Cave Lake State Park will also receive a conveyance of land to help improve management of that site, although the exact boundaries of this designation have not yet been finalized. This park is exceptionally popular, receiving nearly 100,000 visitors each year, most of which are from southern Nevada.

In addition to expanding these two State parks, this bill conveys roughly 6,200 acres to the State of Nevada for an expansion of the Steptoe Valley Wildlife Management Area. The State acquired the 3C Ranch in 1999 and now manages it as the Steptoe Valley Wildlife Management Area. The conveyance of BLM land to this popular hunting and bird watching area will maximize management options while also creating a safety buffer between hunters and future residential and commercial development.

Further, our legislation makes two small but important conveyances to provide for the future economic growth of White Pine County. These include up to 200 acres for the expansion of the White Pine County Industrial Park and up to 2,000 acres for the planned expansion of the White Pine County Airport. The county has been working with the Federal Aviation Administration on this airport expansion for a number of years. When completed, it will allow larger planes at the airport, further expanding the economic reach of White Pine County. The conveyance also allows for the airport to expand and accommodate additional business tenants. Any funds collected from the lease, sale or conveyance of either the industrial park or airport land will be directed for public uses.

Building on the designation of the Silver State Off-Highway Vehicle Trail in Lincoln County, this bill authorizes a 5-year, possible extension of the trail into and through White Pine County. If the Secretary of Interior, working with local citizens and other stakeholders, is able to identify a route for the trail that would not significantly impact wildlife, natural or cultural resources, an extension of the Silver State Trail will be designated at the conclusion of the study.

Off-highway vehicle use in Nevada has grown exponentially in recent years, in use has led to the pioneering of hundreds of miles of additional trails and roads across Nevada's frontier. The longer this uncontrolled use continues, the fewer areas we will have in Nevada that are truly wild and untouched. And when these places are gone, we will have lost something that cannot be replaced.

With this in mind, the study authorized by this bill is an effort to recognize that the use of off-highway vehicles is a popular form of recreation that is growing in use every year. Many people use their off-highway vehicles responsibly and we are creating a process with this legislation that will put advocates for off-highway vehicles, wildlife, grazing and other land users around the same table.

Perhaps no issue addressed by this legislation has been more discussed and debated than the conveyance of BLM land to the State of Nevada and the United States for the Ely Shoshone Tribe. Currently, the tribe holds 100 acres in two separate parcels within the city limits of Ely. For 3 years meetings have been taking place in White Pine County to discuss possible configurations and areas for the conveyance. Local residents and interested parties have expressed strong feelings on all sides of this issue, and our proposal is better as a result of this dialog.

This bill transfers roughly 3,500 acres in four separate parcels into trust for the benefit of the Ely Shoshone Tribe. Over half of this acreage is contained in one parcel to the west of Ward Mountain. This large area is designated exclusively for traditional tribal uses, such as ceremonial celebrations and gatherings and pine nut picking.

The conveyance also includes two parcels to the south of Ely and one approximately 10 miles north of McGill on highway 93. These lands are available to be used for residential and commercial purposes.

The placement of these conveyances will allow the tribe to be a partner in the growth and economic development of White Pine County while also ensuring that the city of Ely has sufficient room to grow south along highway 93. We have taken special care to ensure that existing developments, like the KOA, have room to expand.

This conveyance represents a tough compromise between many important interests. Some have proposed that the tribe should receive in excess of 20,000 acres of land in and around Ely. Others have fought to block the tribe from receiving a single acre. We do not expect that any plan in this bill will please anyone completely, but we do believe it is a fair compromise that addresses the main concerns of all the concerned parties.

The invasion of non-native species like cheat grass and red brome and the overgrowth of pinon and juniper woodlands has begun to fundamentally alter the ecosystems in eastern Nevada. This landscape level change threatens to bring catastrophic fire to this area, thus destroying essential habitat for many of Nevada's native species.

In order to address the challenges, in this bill we provide funding for the Southern Nevada Public Land Management Act special account available for the implementation of the Eastern Nevada Landscape Restoration Project in White Pine and Lincoln Counties. In addition to funding this vital program, we have authorized the Secretaries of the Interior and Agriculture to work with Eastern Nevada Landscape Coalition to oversee the implementation of the Eastern Nevada Landscape Restoration Project. In doing so, this legislation makes funds from the BLM to use SNPLMA funds to properly clear and protect vacant parcels in the Las Vegas Valley from dumping. The current practice of providing funding for approved projects only through reimbursement is also brought to an end. Under this legislation the Department of Interior is required to distribute funds for approved SNPLMA projects no later than 60 days after a transfer of funds is requested. Of special note, these amendments also include a 5-year authorization for Washoe County to acquire up to 250
acres of land for a county park. The residents of Washoe County have been and remain strong advocates for open space and we hope that they will take advantage of this opportunity.

Perhaps the most important change that SNPLMA makes is a complete rewrite of the legislation's affordable housing title. While language was included in the original legislation that allows for land to be acquired at less than fair market value for the development of affordable housing, it took the BLM over 4 years to negotiate the guidelines for implementing this provision. Since that time no eligible party has successfully used these guidelines to secure land and build affordable housing anywhere in Nevada.

With an estimated 170,000 housing units needed in southern Nevada for affordable and workforce housing in the next 10 years, immediate action is needed. As a result, we have struck the largely unworkable language from the original legislation. We have replaced it with an authority allowing all legitimate interested parties to work with the BLM to pursue land for the development of affordable and workforce housing. We also take a further step and allow all parcels of public land over 200 acres in size that is auctioned in the Las Vegas Valley must include at least 5 percent affordable and workforce housing.

These new affordable and workforce housing provisions are by no means a complete answer to the housing crisis facing southern Nevada, but they are a step in the right direction. I applaud the work that has been done at the local and State levels to address this issue and I am committed to continuing to work on broad based solutions to ensure that we can meet the affordable housing needs in all of Nevada's communities.

The last title of this bill establishes the Great Basin National Heritage Route. Encompassing Millard County, Utah; the Duckwater Indian Reservation in Nevada; and White Pine County, Nevada, this historic area includes historic mining camps and ghost towns, Mormon and other pioneer settlements, as well as Native American communities. The Route passes through classic Great Basin country along the trails of the Pony Express and the Overland Stage. Cultural resources within the route include highly valued and culturally important Native American archaeological sites dating back to the Fremont Culture.

Designation of the corridor as a heritage route will ensure long-term protection of key educational and recreational opportunities while also bringing attention to the Great Basin's rich natural wonders like the bristlecone pine, the old living things on Earth, and the rare Bonneville cutthroat trout. In short, the Great Basin National Heritage Route will provide a framework for celebrating eastern Nevada's and western Utah's rich historic, archaeological, cultural, and natural resources for both visitors and residents.

I have been proud to support the designation of the Great Basin Heritage Route for many years and have helped pass legislation through both the Senate and the House to establish the route. Unfortunately, in each instance the legislation was included in a larger package of bills that failed to reach the President for signature. Having received the approval of both bodies of Congress for this measure, it is my hope that we can finally make this route a reality as part of this comprehensive legislative package for White Pine County.

The White Pine County Conservation, Recreation and Development Act of 2006 is an ambitious, timely and complex piece of legislation. By making long-term and forward looking improvements to public land management and the stewardship of our shared natural resources, we believe we have crafted a bill that best serves the interests of the people of White Pine County, eastern Nevada and our entire State.

I look forward to working with the chairman and ranking member of the Senate Energy and Natural Resources Committee to ensure timely review and passage of this bill.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4749. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table.

SA 4750. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5970, to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and to extend expiring provisions, and which was ordered to lie on the table.

SA 4751. Mr. STEVENS (for himself and Mr. INOUYE) proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table.

SA 4752. Mr. INOUYE submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4753. Mr. REED (for himself and Mr. DODD) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4754. MR. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4755. MR. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4756. MR. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4757. MR. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4758. MR. COCHRAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4759. MR. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4760. MR. LOTT (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4761. MR. LOTT (for himself and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4749. MR. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the tables; as follows:

SEC. 8109. No funds appropriated or otherwise made available to the Department of Defense under title VI under the heading "DEFENSE HEALTH PROGRAM" may be obligated or expended unless, during the period beginning on April 1, 2006, and ending on December 31, 2007, the cost sharing requirements established under subparagraph (B) of section 1074(a) of title 10, United States Code, for pharmaceutical agents available through retail pharmacies covered by paragraph (2)(B)(ii) of such section do not exceed amounts as follows:

(1) In the case of generic agents, $3.

(2) In the case of formulary agents, $8.

(3) In the case of nonformulary agents, $22.

SA 4750. MR. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5970, to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

Strike title I and insert the following:

TITLE I—ELIMINATION OF THE MEDICARE PART D COVERAGE GAP

SEC. 101. ELIMINATION OF THE MEDICARE PART D COVERAGE GAP.

(a) ELIMINATION OF COVERAGE GAP.—

(I) IN GENERAL.—Paragraph (3) of section 1860D–2(b) of the Social Security Act (42 U.S.C. 1395w–102(b)) is repealed.

(II) BEEPING AND PASSING.—Section 1860D–2(b)(2)(A) of such Act (42 U.S.C. 1395w–102(b)(2)(A)) is amended by striking "and up to the initial coverage limit under paragraph (3)" and inserting "and up to the point at which the annual out-of-pocket threshold is reached under paragraph (4) in the matter preceding clause (1)."

(II) CONFORMING AMENDMENTS.—

(A) SUPPLEMENTAL PRESCRIPTION DRUG COVERAGE.—Section 1860D–2(a)(2)(A)(1) of such Act (42 U.S.C. 1395w–102(a)(2)(A)(1)) is amended—

(i) by striking "deductible," and inserting "deductible or";
SA 4751. Mr. STEVENS (for himself and Mr. INOUYE) proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title IX, add the following:

SEC. 9012. (a) ADDITIONAL AMOUNT FOR OPERATION AND MAINTENANCE, ARMY.—The amount appropriated by chapter 2 of this title under the heading “OPERATION AND MAINTENANCE, ARMY” is hereby increased by $6,326,000,000.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2007.

SA 4752. Mr. INOUYE submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the appropriate place in the bill, include the following new provision:

SEC. ___. The Secretary of Defense shall make available to the Dwight D. Eisenhower Memorial Commission established by section 518(b) of the Department of Defense Appropriations Act, 2000 (106 Stat. 1274), $5,000,000, to remain available until expended.

SA 4753. Mr. REED (for himself and Mr. DODD) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year beginning January 1, 2007, as made applicable in the Senate, pursuant to section 402 of S. Con. Res. 83 (109th Congress), and are designated as an emergency requirement pursuant to section 402 of H. Con. Res. 376 (109th Congress), as made applicable to the bill by Mr. DODD, for Fiscal Year 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

SEC. 9012. (a) REPAIR AND MAINTENANCE OF ARMED FORCES AND WARRIOR RESERVE SECONDARY ITEMS.

(1) ADDITIONAL AMOUNT FOR OPERATION AND MAINTENANCE, ARMY.—The amount appropriated by chapter 2 of this title under the heading “OPERATION AND MAINTENANCE, ARMY” is hereby increased by $6,326,000,000.

(2) ADDAVAILABILITY.—Of the amount appropriated by chapter 2 of this title under the heading “OPERATION AND MAINTENANCE, ARMY”, as increased by paragraph (1)—

(A) $6,000,000,000 may be available for the repair and maintenance of Army equipment; and

(B) $326,000,000 may be available for war reserve secondary items.

(3) SUPPLIMENT NOT SUPPLANT.—Amounts available under paragraph (2) for the purposes specified in that paragraph are in addition to any other amounts available in this Act for such purpose.

(b) REPAIR, MAINTENANCE, AND PROCUREMENT OF MARINE CORPS EQUIPMENT.—

(1) ADDITIONAL AMOUNT FOR OPERATION AND MAINTENANCE, MARINE CORPS.—The amount appropriated by chapter 2 of this title under the heading “OPERATION AND MAINTENANCE, MARINE CORPS” is hereby increased by $6,326,000,000, with the amount of the increase to be available for the repair and maintenance of Marine Corps equipment.

(2) ADDITIONAL AMOUNT FOR PROCUREMENT, MARINE CORPS.—The amount appropriated by chapter 3 of this title under the heading “PROCUREMENT, MARINE CORPS” is hereby increased by $2,400,000,000, with the amount of the increase to be available for procurement of Marine Corps equipment.

(3) SUPPLEMENT NOT SUPPLANT.—Amounts available under paragraphs (1) and (2) for the purposes specified in paragraph (1) and (2) are in addition to any other amounts available in this Act for such purpose.

SA 4754. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading “RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY”, up to $2,500,000 may be available for the Wireless Maritime Inspection System as part of the Smartship Wireless Project of the Navy.

SA 4756. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading “RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY”, up to $3,000,000 may be available for Medical Advanced Technology (PPE #0603002A) for Advanced Switching and Cooling Concepts for Electromagnetic Gun Applications.

SA 4758. Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading “RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY”, up to $3,000,000 may be available for Weapons and Munitions Advanced Technology (PPE #0603004A) for Advanced Switching and Cooling Concepts for Electromagnetic Gun Applications.
to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" is hereby increased by $2,000,000.

(b) AVAILABILITY.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", as increased by subsection (a), up to $2,000,000 may be available for support of design enhancements and continued testing of the Joint Precision Air Drop System (JPADS) design parachute system for the drop of 5-ton and 15-ton loads to precise locations from high altitude and greater offset distances.

(c) OFFSET.—Of the amount appropriated by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE" is hereby decreased by $2,000,000.

SA 4761. Mr. LOTT (for himself and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following: 

SEC. 8109. (a) PROCUREMENT OF CLASS IV UNMANNED AERIAL SYSTEMS IN FISCAL YEAR 2007.—The Secretary of the Army shall provide for the procurement, during fiscal year 2007, of eight Class IV Unmanned Aerial Vehicles (UAVs) for the Army as provided in the budget of the President for fiscal year 2007 (as submitted to Congress for such fiscal year under section 110(a) of title 31, United States Code).

(b) TACTICS AND DOCTRINE FOR CLASS IV UNMANNED AERIAL SYSTEMS.—

(1) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" is hereby increased by $29,000,000.

(2) AVAILABILITY OF AMOUNT.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", as increased by paragraph (1), $29,000,000 may be available for experimentation and refinement of tactics and doctrine in the use of the Class IV unmanned aerial vehicles procured pursuant to subsection (a) and two ground stations associated with that procurement, on a purely humanitarian basis, without discrimination; and

(3) OFFSET.—Of the amount appropriated by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE" is hereby reduced by $29,000,000.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. VITTER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on August 1, 2006, at 2:30 p.m., in open session, to receive testimony on the Boeing Company Global Settlement Agreement.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. VITTER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, August 1, 2006, at 2:15 p.m. to hold a business meeting.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. VITTER. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate on Tuesday, August 1, 2006, at 10:00 a.m. in 430 Dirksen Senate Office Building for a hearing on nominations.

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

COMMITTEE ON THE JUDICIARY

Mr. VITTER. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary be authorized to meet to conduct a hearing on "Judicial Nominations" on Tuesday, August 1, 2006 at 2:00 p.m. in Dirksen Senate Office Building, Room 226.

Panel I: TRA

Panel II: Peter D. Keisler to be United States Circuit Judge for the District of Columbia Circuit.

Panel III: Judge Valerie L. Baker to be United States District Judge for the Central District of California; Francisco Augusto Besosa to be United States District Judge for the District of Puerto Rico; Judge Philip S. Gutierrez to be United States District Judge for the Central District of California.

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

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. VITTER. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs be authorized to meet on Tuesday, August 1, 2006, at 9:00 a.m., for a hearing entitled "Offshore Abuses: The Enablers, The Tools and Offshore Secrecy."

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

SUBCOMMITTEE ON FAMILY, WILDLIFE, AND WATER

Mr. VITTER. Mr. President, I ask unanimous consent that Tuesday, August 1, 2006, at 2:30 p.m. the Subcommittee on Fisheries, Wildlife, and Water be authorized to hold a hearing on interpreting the effect of the U.S. Supreme Court’s recent decision in the joint cases of Rapanos v. United States, and Carabell v. United States Corps of Engineers on "The Waters of the United States."

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

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Matt Miller and Justin Cohen of my staff be granted the privilege of the floor during the duration of today’s session.

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

Mr. INOUYE. Mr. President, I ask unanimous consent that Ms. Lisa Raimondo, a legislative fellow assigned to my office, be afforded the privilege of the floor during the consideration of H. R. 5631, the Defense appropriations bill.

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

CONGRATULATING THE MAGEN DAVID ADOM SOCIETY IN ISRAEL

Mr. FRIST. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Con. Res. 113, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 113) congratulating the Magen David Adom Society in Israel for achieving full membership in the International Red Cross and Red Crescent Movement, and for other purposes.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table, with no intervening action and that any statements relating to the measure be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 113) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. CON. RES. 113

Whereas international humanitarian law is, quintessentially, about principle, establishing standards of conduct that can not be breached under any circumstance, or for any calculation of political efficacy or utility; Whereas the International Red Cross and Red Crescent Movement is a worldwide institution in which all national Red Cross and Red Crescent societies have equal status, whose mission is to prevent and alleviate human suffering wherever it may be found, without discrimination; Whereas the Magen David Adom (Red Shield of David) Society is the national humanitarian society of Israel that has performed heroically, aiding all in need of assistance, on a purely humanitarian basis,
Whereas sustaining international support through the presence of medical services of the armed forces and the protection thus conferred, and there is not, and has never been, any implicit religious connection in the cross;

Whereas, since its establishment in 1930, the Magen David Adom Society has worked under the Red Star of David, as an expression of the humanitarian values the Magen David Adom Society shares with the Red Cross and Red Crescent societies;

Whereas Israel acceded to the Geneva Conventions in 1951 with a reservation specifying their intent to continue to use the Magen David Adom;

Whereas international consultations among nations and national Red Cross Societies ensued until 1999, when the International Committee of the Red Cross formally concluded a protocol of the Geneva Conventions creating a third neutral symbol, allowing the use of either the Red Cross, the Red Crescent, or the third neutral symbol for the third neutral symbol to be used in combination with other national Red Cross Society symbols, including the Magen David Adom;

Whereas a diplomatic conference to adopt this proposal into the Geneva Conventions was scheduled for October 2000, but was prevented by the outbreak of the second Palestinian intifada;

Whereas the United States, the American Red Cross, and the American Friends of Magen David Adom have worked ceaselessly to resolve the issue of the third neutral symbol and achieve full membership in the International Red Cross and Red Crescent Movement;

Whereas Congress has insisted that funds made available to the International Committee of the Red Cross be contingent on approval by the states party to the Geneva Conventions, the national humanitarian aid societies, the International Federation of the Red Cross and Red Crescent Societies, and the International Committee of the Red Cross met in Geneva to adopt rules implementing the Third Additional Protocol;

Whereas, at the June 2006 meeting in Geneva, the International Red Cross and Red Crescent Movement accepted the Magen David Adom Society as a full member:

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) commends the Magen David Adom Society for its long and distinguished record of providing humanitarian assistance to all those in need of aid, even those responsible for heinous atrocities against Israeli civilians;

(2) congratulates the Magen David Adom Society, and the Government and people of Israel, for securing full membership in the International Red Cross and Red Crescent Movement, 57 years past due;

(3) thanks the President, the Secretary of State, and United States diplomatic representatives for their tireless pursuit and maintenance of the international consensus that culminated in the recent acceptance of the Magen David Adom Society as a full member in the International Red Cross and Red Crescent Movement;

(4) thanks the American Red Cross for its unwavering and compelling insistence within the International Red Cross and Red Crescent Movement that the principles of international humanitarian law could not be reconciled with continued exclusion of the Magen David Adom Society;

(5) thanks the Government of Switzerland and officials of the International Committee of the Red Cross for helping to prepare the necessary consensus and carrying to completion the adoption of the Third Additional Protocol by the states party to the Geneva Conventions and the rules for its implementation; and

(6) commends the President for—

(A) submitting the Third Additional Protocol to the Senate for its advice and consent; and

(B) pending approval by the Senate, preparing for congressional consideration and enactment of legislation necessary to carry into effect the Third Additional Protocol.

TO PRESERVE THE MT. SOLEDAD VETERANS MEMORIAL

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 5683) was ordered to a third reading, was read the third time, and passed.

Mr. FRIST. Mr. President, I want to pause for a moment and comment on the bill we just passed. I am proud that the Senate, in this bill, is choosing to protect an important memorial that honors our Nation’s fallen veterans.

With the passage of this legislation, the Mt. Soledad Veterans Memorial Protection Act—this memorial being in San Diego, CA—I believe we pay a real tribute to our fallen veterans. This memorial will be controlled, with this legislation, by the Federal Government, which will ensure that the men and women it memorializes will continue to be so honored.

The memorial is very important to our veterans and their families, and it is a key symbol of our religious freedom.

Just a very brief comment on the history. Since 1954, a 29-foot cross has stood atop Mt. Soledad in San Diego memorializing the American war dead of World War I, World War II, and the Korean War conflict.

Over the years, the memorial has grown and now includes six large, concentric walls covered with granite plaques commemorating individual service men and women, bollards, pavers, and a flagpole proudly flying the American flag. The Mt. Soledad Memorial, in its entirety is a world class war memorial.

In 1989, a plaintiff who claimed to be offended by the memorial sued the city for its removal. The city of San Diego went to great lengths to divest themselves of the property by selling it to a private party who could choose to keep or remove the memorial. It was blocked, however, by the Ninth Circuit Court of Appeals. Last year, the voters of San Diego passed a ballot measure providing for the donation of the memorial to the Federal Government, but again that transfer was blocked by the courts.

This bill, H.R. 5683, which we just passed, directs the Federal Government to acquire the property and enables the Mt. Soledad Memorial to be federally owned and continue to memorialize Americans who have fallen in service to their country. I do commend my colleagues for taking this significant step.

PREMATURITY RESEARCH EXPANSION AND EDUCATION FOR MOTHERS WHO DELIVER INFANTS EARLY ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 541, S. 707.

The PRESIDING OFFICER. The bill will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5683) to preserve the Mt. Soledad Veterans Memorial in San Diego, California, by providing for the immediate acquisition of the memorial by the United States.

There being no objection, the Senate proceeded to consider the bill.
The legislative clerk read as follows: A bill (S. 707) to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Health, Education, Labor, and Pensions with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE. This Act may be cited as the "PREEMIE Act".

SEC. 2. PURPOSE. (a) GENERAL EXPANSION OF NIH RESEARCH.—Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended by adding at the end the following:

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $3,000,000 for each of fiscal years 2007 through 2011.

SEC. 3. RESEARCH RELATING TO PRETERM LABOR AND DELIVERY AND THE CARE, TREATMENT, AND OUTCOMES OF PRETERM AND LOW BIRTHWEIGHT INFANTS. (a) GENERAL EXPANSION OF NIH RESEARCH.—Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended by adding at the end the following:

"SEC. 409J. EXPANSION AND COORDINATION OF RESEARCH RELATING TO PRETERM LABOR AND DELIVERY AND INFANT MORTALITY. (a) IN GENERAL.—The Secretary, acting through NIH, shall expand, intensify, and coordinate the activities of the National Institutes of Health with respect to research on the causes of preterm labor and delivery, infant mortality, and improving the care and treatment of preterm and low birthweight infants. (b) AUTHORIZATION OF RESEARCH NETWORKS.—There shall be established within the National Institutes of Health a multi-center clinical program (that shall be initially established utilizing existing networks) designed to— (1) improve the care and outcomes of neonates, especially very-low-birth-weight infants; and (2) improve infant mortality and disabilities caused by prematurity.

SEC. 4. PUBLIC AND HEALTH CARE PROVIDER EDUCATION AND SUPPORT SERVICES. Part P of title III of the Public Health Service Act (42 U.S.C. 300q et seq.) is amended by adding at the end the following:

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, except for subsection (d), $10,000,000 for each of fiscal years 2007 through 2011.

SEC. 5. INTERAGENCY COORDINATING COUNCIL ON PREMATURITY AND LOW BIRTHWEIGHT. (a) PURPOSE.—It is the purpose of this section to— (1) reduce rates of preterm labor and delivery; (2) work toward an evidence-based standard of care for pregnant women at risk of preterm labor or other serious complications, and for infants born preterm and at a low birthweight; and (3) reduce infant mortality and disabilities caused by prematurity.

SEC. 6. SURGEON GENERAL'S CONFERENCE ON PRETERM BIRTH. (a) CONVENING OF CONFERENCE.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services, acting through the Surgeon General, shall convene a conference on preterm birth.

(b) PURPOSES OF CONFERENCE.—The purpose of the conference convened under subsection (a) shall be to— (1) increase awareness of preterm birth as a serious, common, and costly public health problem in the United States; (2) review the findings and reports issued by the Interagency Coordinating Council, key stakeholders, and any other relevant entity; and (3) establish an agenda to present to Congress, for activities in both the public and private sectors that will speed the identification, evaluation, and treatment goals for, the causes of preterm labor and delivery.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $1,000,000.

Mr. FRIST. I ask unanimous consent that the committee-reported amendment be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the Record.

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

The amendment in the nature of a substitute was agreed to.

The bill (S. 707), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. FRIST. Mr. President, I ask unanimous consent that I be added as a cosponsor to this bill.

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

Mr. FRIST. I congratulate my distinguished colleague from Tennessee, who is occupying the Chair, for that very important bill.
Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 358, S. 1566.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2146) to extend relocation expenses test programs for Federal employees.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. I ask unanimous consent that the bill be read a third time and passed, with 30 minutes of the minority's time under the control of equally divided, with 30 minutes of the time specified on the amendments, and 1 hour equally divided on CFTCs authority, 1 hour equally divided on the amendments, and inserting "11 years".

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

The legislative clerk read as follows:

A bill (H.R. 3682) to redesignate the Mason Neck National Wildlife Refuge in Virginia as the Elizabeth Hartwell Mason Neck National Wildlife Refuge.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

(a) In general.—Section 5739 of title 5, United States Code, is amended—

(1) in subsection (a)(1), by striking "for a period not to exceed 24 months"; and

(2) in subsection (e), by striking "7 years" and inserting "11 years".

(b) Effective date.—The amendments made by this section shall take effect as though enacted as part of the Travel and Transportation Reform Act of 1996 (Public Law 105–264; 112 Stat. 2350).

UNANIMOUS CONSENT AGREEMENT—S. 1566

Mr. FRIST. Mr. President, I ask unanimous consent that at a time to be determined by the majority leader, with the concurrence of the Democratic leader, the Senate proceed to the immediate consideration of Calendar No. 191, S. 1566. I further ask that the Chambless amendment at the desk be agreed to, and that the only other amendments in order be the following four amendments, the text of which is at the desk, with no second-degree amendments in order: a Smith-Stevens amendment on petroleum prices, 1 hour equally divided; a Cantwell amendment on petroleum prices, 1 hour equally divided; a Feinstein amendment on electronic energy transactions, 4 hours equally divided, with 30 minutes of the minority's time under the control of Senator Levin; a Conrad amendment on CPTCs authority, 1 hour equally divided.

I further ask that, in addition to the time specified on the amendments, there be 30 minutes of debate equally divided on the bill, and that following the use or the yielding back of time, the bill, as amended, be read the third time.

I further ask that the Senate then proceed to Calendar No. 358, H.R. 4473, the House companion, and that all after the enacting clause be stricken and the text of S. 1566, as amended, be inserted thereof, the bill, as amended, be read a third time, and the Senate proceed to a vote on passage, and S. 1566, as amended, be returned to the calendar.

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

REDESIGNATING THE MASON NECK NATIONAL WILDLIFE REFUGE

Mr. FRIST. Mr. President, I ask unanimous consent that the EPW Committee be discharged from further consideration of H.R. 3682, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3682) to redesignate the Mason Neck National Wildlife Refuge in Virginia as the Elizabeth Hartwell Mason Neck National Wildlife Refuge.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

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

The bill (H.R. 3682) was ordered to be engrossed for a third reading, was read the third time, and passed.
Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:13 p.m., adjourned until Wednesday, August 2, 2006, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 1, 2006:

FARM CREDIT ADMINISTRATION

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LIZARD A. STROM, OF ILLINOIS, TO BE A MEMBER OF THE FARM CREDIT ADMINISTRATION, BOARD OF DIRECTORS, FARM CREDIT ADMINISTRATION, FOR A TERM EXPIRING OCTOBER 13, 2011, OF DIXIE L. FLOW, FARM CREDIT ADMINISTRATION.

DEPARTMENT OF AGRICULTURE

CHARLES R. CHRISTOPHERSON, JR., OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION, VICE JOSEPH J. JENKINS.

DEPARTMENT OF THE INTERIOR

C. STEPHEN ALLRED, OF IDAHO, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR, VICE RHUBERTA W. WATSON, INAUGURATED.

ENVIRONMENTAL PROTECTION AGENCY

ROGER ROMULUS MARTIELLA, JR., OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE ANN K. KREEG.

W. ALLEN BEHESHI, OF MARYLAND, TO BE INSPECTOR GENERAL, ENVIRONMENTAL PROTECTION AGENCY, VICE NIKKI RUSH TINSLEY, RESIGNED.

DEPARTMENT OF LABOR

RANDOLPH JAMES CHERRY, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE LISA KRUSKA.

NATIONAL SCIENCE FOUNDATION


NATIONAL LABOR RELATIONS BOARD


FEDERAL MINERAL SAFETY AND HEALTH REVIEW COMMISSION

MICHAEL J. DUFFY, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE FEDERAL MINERAL SAFETY AND HEALTH REVIEW COMMISSION FOR A TERM EXPIRING AUGUST 30, 2012, VICE JOHN D. HENDERSON, INAGURATED.

UNITED STATES POSTAL SERVICE

JAMES H. BILSEY, OF NEVADA, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 2004, VICE JOHN W. WALSH, RESIGNED.

JAMES H. BILSEY, OF NEVADA, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR A TERM EXPIRING DECEMBER 8, 2013, (REAPPOINTMENT)

EXECUTIVE OFFICE OF THE PRESIDENT

SUZANNE R. MURPHY, OF VIRGINIA, TO BE AN ADMINISTRATOR OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS, OFFICE OF MANAGEMENT AND BUDGET, VICE JOHN D. GRAMEN, RESIGNED.

DEPARTMENT OF THE INTERIOR

C. STEPHEN A. ALLRED, OF COLORADO, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR, VICE DAVID WAYNE ANDERSON.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624

KATHLEEN A. MCGOWAN, 0000
KATHRINE A. MCGOWAN, 0000
ALGONA R. BURGO, 0000
JOSEPH N. BLAUSTHEN, 0000
ARNOLD F. CAMPO, 0000
JOE C. CHAH, 0000
BRETT T. CHUNG, 0000
RICHARD E. CLARK, 0000
MICHAEL S. CORDBlixhinger, 0000
MARK E. COONEY, 0000
EDITH L. FRALEY, 0000
JOSHUA FULTON, 0000
ANTONIO M. GUAMARRAS, 0000
DENNIS W. RAAS, 0000
FRID HOSIT, 0000
DAIY RUSBLACK, 0000
BRENT W. SUGG, 0000
DAN W. TAYLOR, 0000
MICHAEL T. WINGATE, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624

GARY J. CONNE, 0000
ALAN C. DICKErSON, 0000

TO BE lieutenant colonel

ALGONA R. BURGO, 0000
JOSEPH N. BLAUSTHEN, 0000
ARNOLD F. CAMPO, 0000
JOE C. CHAH, 0000
BRETT T. CHUNG, 0000
RICHARD E. CLARK, 0000
MICHAEL S. CORDBlixhinger, 0000
MARK E. COONEY, 0000
EDITH L. FRALEY, 0000
JOSHUA FULTON, 0000
ANTONIO M. GUAMARRAS, 0000
DENNIS W. RAAS, 0000
FRID HOSIT, 0000
DAIY RUSBLACK, 0000
BRENT W. SUGG, 0000
DAN W. TAYLOR, 0000
MICHAEL T. WINGATE, 0000

TO BE vice admiral

KATHLEEN A. MCGOWAN, 0000
ALGONA R. BURGO, 0000
JOSEPH N. BLAUSTHEN, 0000
ARNOLD F. CAMPO, 0000
JOE C. CHAH, 0000
BRETT T. CHUNG, 0000
RICHARD E. CLARK, 0000
MICHAEL S. CORDBlixhinger, 0000
MARK E. COONEY, 0000
EDITH L. FRALEY, 0000
JOSHUA FULTON, 0000
ANTONIO M. GUAMARRAS, 0000
DENNIS W. RAAS, 0000
FRID HOSIT, 0000
DAIY RUSBLACK, 0000
BRENT W. SUGG, 0000
DAN W. TAYLOR, 0000
MICHAEL T. WINGATE, 0000

TO BE colonel
IN THE NAVY
THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624.

To be commander

TRACY A. BERGEN, 0000
CHRISTOPHER D. BOWENS, 0000
TRACY W. BYERS, 0000
JILL E. DREMELLA, 0000
DARRELL D. EVERHART, 0000
JENNIFER D. GORDON, 0000
MERT A. S. KATSON, 0000
TRACI A. KEKKAN, 0000
DAVID S. KEMP, 0000
TOLGA K. KERN, 0000
LAUREN E. KOTZER, 0000
GEORGE K. WERENKSKJOLD, 0000
DONALD W. WILCOXON, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624.

To be commander

MICHAEL N. ABREU, 0000
KARL A. ANDINO, 0000
JOHN W. APRISO, 0000
BRADY J. BARSTOSH, 0000
Tuesday, August 1, 2006

Daily Digest

HIGHLIGHTS
See Résumé of Congressional Activity.
Senate passed S. 3711, Gulf of Mexico Energy Security Act.

Senate

Chamber Action
Routine Proceedings, pages S8477–S8560
Measures Introduced: Seven bills were introduced, as follows: S. 3766–3772.
Page S8537

Measures Reported:
S. 3661, to amend section 29 of the International Air Transportation Competition Act of 1979 relating to air transportation to and from Love Field, Texas, with an amendment in the nature of a substitute. (S. Rept. No. 109–317)
H.R. 4646, to designate the facility of the United States Postal Service located at 7320 Reseda Boulevard in Reseda, California, as the “Coach John Wooden Post Office Building”.
H.R. 4811, to designate the facility of the United States Postal Service located at 215 West Industrial Park Road in Harrison, Arkansas, as the “John Paul Hammerschmidt Post Office Building”.
H.R. 4962, to designate the facility of the United States Postal Service located at 100 Pitcher Street in Utica, New York, as the “Captain George A. Wood Post Office Building”.
H.R. 5104, to designate the facility of the United States Postal Service located at 1750 16th Street South in St. Petersburg, Florida, as the “Morris W. Milton Post Office”.
H.R. 5107, to designate the facility of the United States Postal Service located at 1400 West Jordan Street in Pensacola, Florida, as the “Earl D. Hutto Post Office Building”.
H.R. 5169, to designate the facility of the United States Postal Service located at 1310 Highway 64 NW. in Ramsey, Indiana, as the “Wilfred Edward ‘Cousin Willie’ Sieg, Sr. Post Office”.
H.R. 5540, to designate the facility of the United States Postal Service located at 217 Southeast 2nd Street in Dimmitt, Texas, as the “Sergeant Jacob Dan Dones Post Office”.
S. 2555, to designate the facility of the United States Postal Service located at 2635 11th Street in Rock Island, Illinois, as the “Lane Evans Post Office Building”.
S. 2719, to designate the facility of the United States Postal Service located at 1400 West Jordan Street in Pensacola, Florida, as the “Earl D. Hutto Post Office Building”.
S. 3613, to designate the facility of the United States Postal Service located at 2951 New York Highway 43 in Averill Park, New York, as the “Major George Quamo Post Office Building”.
S. 3722, to authorize the transfer of naval vessels to certain foreign recipients.

Measures Passed:
Gulf of Mexico Energy Security Act: By 71 yeas to 25 nays (Vote No. 219), Senate passed S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, after taking action, pursuant to the order of July 31, 2006, on the following amendments proposed thereto:

Withdrawn:
Frist Amendment No. 4713, to establish an effective date.
Frist Amendment No. 4714 (to Amendment No. 4713), to amend the effective date.

Congratulating Magen David Adom Society:
Committee on Foreign Relations was discharged from further consideration of S. Con. Res. 113, congratulating the Magen David Adom Society in Israel for achieving full membership in the International Red Cross and Red Crescent Movement, and the resolution was then agreed to.

Mt. Soledad Veterans Memorial Preservation:
Senate passed H.R. 5683, to preserve the Mt.
Soledad Veterans Memorial in San Diego, California, by providing for the immediate acquisition of the memorial by the United States, clearing the measure for the President.

Prematurity Research Expansion and Education for Mothers Who Deliver Infants Early Act: Senate passed S. 707, to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity, after agreeing to the committee amendment in the nature of a substitute.

Federal Relocation Expenses Extension: Senate passed S. 2146, to extend relocation expenses test programs for Federal employees.

Elizabeth Hartwell Mason Neck National Wildlife Refuge: Committee on Environment and Public Works was discharged from further consideration of H.R. 3682, to redesignate the Mason Neck National Wildlife Refuge in Virginia as the Elizabeth Hartwell Mason Neck National Wildlife Refuge, and the bill was then passed, clearing the measure for the President.

Department of Defense Appropriations Act: Senate began consideration of H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, after agreeing to the committee amendment in the nature of a substitute, and taking action on the following amendments proposed thereto:

Adopted:

Stevens/Inouye Amendment No. 4751, to appropriate as additional appropriations $7,800,000,000 for the Army, and $5,300,000,000 for the Marine Corps for the reset of equipment due to continuing combat operations and to designate such amounts as emergency requirements.

A unanimous-consent agreement was reached providing that it not be in order to file a cloture motion on this bill.

A unanimous-consent agreement was reached providing for further consideration of the bill at 9:30 a.m., on Wednesday, August 2, 2006.

Commodity Exchange Reauthorization—Agreement: A unanimous-consent-time agreement was reached providing that at a time to be determined by the Majority Leader with concurrence of the Democratic Leader, Senate proceed to consideration of S. 1566, to reauthorize the Commodity Exchange Act, that the Chambliss Amendment at the desk be agreed to, that certain other amendments to be proposed be considered under certain time limitations, that in addition to the time specified on the amendments, there be 30 minutes of debate equally divided on the bill, that following the use or yielding back of time and disposition of amendments, the bill as amended be read a third time; further, that the Senate then proceed to H.R. 4473, House companion measure, that all after the enacting clause be stricken and the text of S. 1566, as amended, be inserted thereof, the bill as amended be read a third time, and the Senate then proceed to a vote on passage of H.R. 4473, and that S. 1566, as amended, be returned to the Senate Calendar.

Nominations Received: Senate received the following nominations:

Leland A. Strom, of Illinois, to be a Member of the Farm Credit Administration Board, Farm Credit Administration, for a term expiring October 13, 2012.

Charles R. Christopherson, Jr., of Texas, to be a Member of the Board of Directors of the Commodity Credit Corporation.

C. Stephen Allred, of Idaho, to be an Assistant Secretary of the Interior.

Roger Romulus Martella, Jr., of Virginia, to be an Assistant Administrator of the Environmental Protection Agency.

Alex A. Beehler, of Maryland, to be Inspector General, Environmental Protection Agency.

Randolph James Clerihue, of Virginia, to be an Assistant Secretary of Labor.

Arthur K. Reilly, of New Jersey, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Wilma B. Liebman, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2011.

Michael F. Duffy, of the District of Columbia, to be a Member of the Federal Mine Safety and Health Review Commission for a term expiring August 30, 2012.

James H. Bilbray, of Nevada, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 2006.

James H. Bilbray, of Nevada, to be a Governor of the United States Postal Service for a term expiring December 8, 2015.

Susan E. Dudley, of Virginia, to be Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget.

Carl Joseph Artman, of Colorado, to be an Assistant Secretary of the Interior.

1 Air Force nomination in the rank of general.

1 Navy nomination in the rank of admiral.

Routine lists in the Air Force, Army, Navy.
Executive Communications:  Page S8535
Executive Reports of Committees:  Pages S8536–37
Additional Cosponsors:  Pages S8537–38
Statements on Introduced Bills/Resolutions:  Pages S8538–47
Additional Statements:  Pages S8534–35
Amendments Submitted:  Pages S8547–49
Authorities for Committees to Meet:  Page S8549
Privileges of the Floor:  Page S8549
Record Votes: One record vote was taken today. (Total—219)  Page S8511
Adjournment: Senate convened at 9:46 a.m., and adjourned at 7:13 p.m., until 9:30 a.m., on Wednesday, August 2, 2006. (For Senate’s program, see the remarks of the Majority Leader in today’s Record on page S8552.)

Committee Meetings

(Committees not listed did not meet)

JIEDDO
Committee on Armed Services: Committee met in closed session to receive a briefing from the Joint Improvised Explosive Device Defeat Organization (JIEDDO) from General Montgomery C. Meigs, USA (Ret.), Director, JIEDDO.

NOMINATIONS
Committee on Armed Services: Committee ordered favorably reported the nominations of Lieutenant General James T. Conway, USMC to be general and Commandant of the Marine Corps, Benedict S. Cohen, of the District of Columbia, to be General Counsel of the Department of the Army, Frank R. Jimenez, of Florida, to be General Counsel of the Department of the Navy, William H. Tobey, of Connecticut, to be Deputy Administrator for Defense Nuclear Non-proliferation, National Nuclear Security Administration, Robert L. Wilkie, of North Carolina, to be an Assistant Secretary of Defense for Legislative Affairs, C. Thomas Yarington, Jr., of Washington, and Colleen Conway-Welch, of Tennessee, each to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences, and 474 military nominations in the Army, Navy, Air Force, and Marine Corps.

BOEING COMPANY GLOBAL SETTLEMENT AGREEMENT
Committee on Armed Services: Committee concluded a hearing to examine the Boeing Company Global Settlement Agreement, after receiving testimony from Paul J. McNulty, Deputy Attorney General, Department of Justice; and W. James McNerney, Jr., Boeing Company, Chicago, Illinois.

RAPANOS/CARABELL DECISION
Committee on Environment and Public Works: Subcommittee on Fisheries, Wildlife, and Water concluded a hearing to examine interpreting the effect of the U.S. Supreme Court’s recent decision in the joint cases of Rapanos v. United States and Carabel v. U.S. Army Corps of Engineers on “The Waters of the United States”, after receiving testimony from Benjamin H. Grumbles, Assistant Administrator for Water, Environmental Protection Agency; John Paul Woodley, Jr., Assistant Secretary of the Army for Civil Works, Department of the Army; John C. Cruden, Deputy Assistant Attorney General, Environment and Natural Resources Division, Department of Justice; Jonathan H. Adler, Case Western Reserve University School of Law, Cleveland, Ohio; William W. Buzbee, Emory University Law School, Atlanta, Georgia; Chuck Clayton, Izaak Walton League of America, Gaithersburg, Maryland; and Keith Kisling, Burlington, Oklahoma, on behalf of the National Association of Wheat Growers, and the National Cattlemen’s Beef Association.

BUSINESS MEETING
Committee on Foreign Relations: Committee ordered favorably reported the following business items:

S. 3722, to authorize the transfer of naval vessels to certain foreign recipients,

Treaty Between the United States and the Oriental Republic Of Uruguay Concerning the Encouragement and Reciprocal Protection of Investment, with Annexes and Protocol, signed at Mar Del Plata, Argentina, on November 4, 2005 (Treaty Doc. 109–9);

United Nations Convention Against Corruption (the “Corruption Convention”), adopted by the United Nations General Assembly on October 31, 2003 (Treaty Doc. 109–6); and

The nominations of Christina B. Rocca, of Virginia, for the rank of Ambassador during her tenure of service as U.S. Representative to the Conference on Disarmament, Philip S. Goldberg, of Massachusetts, to be Ambassador to the Republic of Bolivia, Richard W. Graber, of Wisconsin, to be Ambassador to the Czech Republic, and Karen B. Stewart, of Florida, to be Ambassador to the Republic of Belarus, Mark R. Dybul, of Florida, to be Coordinator of United States Government Activities to Combat HIV/AIDS Globally, with the rank of Ambassador, Henry M. Paulson, Jr., of New York, to be United States Governor of the International Monetary Fund, United States Governor of the International Bank for Reconstruction and Development,
United States Governor of the Inter-American Development Bank, United States Governor of the African Development Bank, United States Governor of the Asian Development Bank, United States Governor of the African Development Fund, United States Governor of the European Bank for Reconstruction and Development, and certain officer promotion lists in the Foreign Service.

**TAX HAVEN ABUSES**

Committee on Homeland Security and Governmental Affairs: Permanent Subcommittee on Investigations concluded a hearing to examine the issue of tax havens and offshore abuses which are undermining the integrity of the Federal tax system, focusing on case histories on the use of offshore trusts and corporations to circumvent U.S. tax, securities and anti-money laundering laws, after receiving testimony from Mark Everson, Commissioner, Internal Revenue Service, Department of the Treasury; Reuven S. Avi-Yonah, University of Michigan School of Law, Ann Arbor; Gary M. Brown, Baker, Donelson, Bearman, Caldwell, and Berkowitz, P.C., Nashville, Tennessee; Haim Saban, Saban Capital Group, Inc., Los Angeles, California; Michael C. French, formerly with Scottish Re Group, Limited, Louis J. Schaufele, III, and Charles W. Blau, Meadows, Owens, Collier, Reed, Cousins, and Blau, LLP, all of Dallas, Texas; Jeffrey Greenstein, Quellos Group, LLC, Seattle, Washington; Michael G. Conn, Bank of America, San Francisco, California; George T. Wendler, HSBC Bank USA, Marlboro, New Jersey; Michael G. Chatzky, Chatzky and Associates, San Diego, California; John P. Barrie, Bryan Cave, LLP, Washington, D.C.; Lewis R. Steinberg, formerly with Cravath, Swaine, and Moore, LLP, New York, New York; and Robert Wood Johnson, IV, New York, New York.

**NOMINATIONS**

Committee on Health, Education, Labor, and Pension: Committee concluded a hearing to examine the nominations of Andrew von Eschenbach, of Texas, to be Commissioner of Food and Drugs, Department of Health and Human Services, who was introduced by Senator Hutchison, and Paul DeCamp, of Virginia, to be Administrator of the Wage and Hour Division, Department of Labor, after the nominees testified and answered questions in their own behalf.

Committee on the Judiciary: Committee concluded a hearing to examine the nominations of Peter D. Keisler, of Maryland, to be United States Circuit Judge for the District of Columbia Circuit, Valerie L. Baker and Philip S. Gutierrez, each to be a United States District Judge for the Central District of California, who were introduced by Senators Feinstein and Boxer, and Francisco Augusto Besosa, to be United States District Judge for the District of Puerto Rico, after the nominees testified and answered questions in their own behalf.

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**House of Representatives**

**Chamber Action**

The House was not in session today. The House is scheduled to meet at 11 a.m. on Wednesday, August 2, 2006, unless it sooner has received a message from the Senate transmitting its adoption of H. Con. Res. 459, in which case the House shall stand adjourned pursuant to that concurrent resolution until 2 p.m. on Wednesday, September 6, 2006.

**Committee Meetings**

No committee meetings were held.

**NEW PUBLIC LAWS**

(For last listing of Public Laws, see DAILY DIGEST, p. D 867)


**COMMITTEE MEETINGS FOR WEDNESDAY, AUGUST 2, 2006**

(Committee meetings are open unless otherwise indicated)

**Senate**

Committee on Agriculture, Nutrition, and Forestry: Subcommittee on Forestry, Conservation, and Rural Revitalization, to hold hearings to examine H.R. 4200, to improve the ability of the Secretary of Agriculture and the Secretary of the Interior to promptly implement recovery treatments in response to catastrophic events affecting Federal lands under their jurisdiction, including the removal of dead and damaged trees and the implementation of reforestation treatments, to support the recovery of
non-Federal lands damaged by catastrophic events, to re-
vitalize Forest Service experimental forests, 9 a.m.,
SR–328A.

Committee on Appropriations: Subcommittee on Legisla-
tive Branch, to continue hearings to examine progress of
the Capitol Visitor Center construction, 10:30 a.m.,
SD–138.

Committee on Armed Services: to resume hearings to ex-
amine the future of military commissions in light of the
Supreme Court decision in Hamdan v. Rumsfeld, 2 p.m.,
SH–216.

Full Committee, to hold a closed meeting to discuss
Overhead Imagery Systems, 5 p.m., S–407, Capitol.

Committee on Banking, Housing, and Urban Affairs: busi-
ness meeting to consider an original bill to improve rat-
ings quality for the protection of investors and in the
public interest by fostering accountability, transparency,
and competition in the credit rating agency industry, 10
a.m., SD–538.

Subcommittee on Housing and Transportation, to hold
hearings to examine efforts to meet the housing needs of
veterans, 2:30 p.m., SD–538.

Committee on Environment and Public Works: to hold over-
sight hearings to examine the Toxic Substances Control
Act and the chemicals management program at the Envi-
rmental Protection Agency, 9:30 a.m., SD–406.

Committee on Finance: to hold hearings to examine fake
IDs relating to border security, 10 a.m., SD–215.

Committee on Foreign Relations: to hold hearings to exam-
ine the nomination of John C. Rood, of Arizona, to be
an Assistant Secretary of State for International Security
and Non-Proliferation, 9:30 a.m., SD–419.

Committee on Health, Education, Labor, and Pensions: busi-
ness meeting to consider numerous pending Nominations;
Time to be announced, Room to be announced.

Committee on Homeland Security and Governmental Affairs:
to hold hearings to examine the status of Iraq reconstruc-
tion, focusing on contracting and procurement issues, 10
a.m., SD–342.

Committee on the Judiciary: to hold hearings to examine
the authority to prosecute terrorists under the war crime
provisions of Title 18, 9:30 a.m., SD–226.

Subcommittee on Constitution, Civil Rights and Property Rights, to hold hearings to examine creating a fair
standard for attorney’s fee awards in establishment clause
cases, 2:30 p.m., SD–226.

Select Committee on Intelligence: closed business meeting
to consider pending calendar business, 2:30 p.m.,
SH–219.

House

No committee meetings are scheduled.
Résumé of Congressional Activity

SECOND SESSION OF THE ONE HUNDRED NINTH CONGRESS

The first table gives a comprehensive résumé of all legislative business transacted by the Senate and House. The second table accounts for all nominations submitted to the Senate by the President for Senate confirmation.

### DATA ON LEGISLATIVE ACTIVITY

**January 3 through July 31, 2006**

<table>
<thead>
<tr>
<th></th>
<th>Senate</th>
<th>House</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days in session</td>
<td>103</td>
<td>77</td>
<td></td>
</tr>
<tr>
<td>Time in session</td>
<td>645 hrs., 60′</td>
<td>645 hrs., 60′</td>
<td></td>
</tr>
<tr>
<td>Congressional Record:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pages of proceedings</td>
<td>8,476</td>
<td>6,237</td>
<td></td>
</tr>
<tr>
<td>Extensions of Remarks</td>
<td>..</td>
<td>1,623</td>
<td>..</td>
</tr>
<tr>
<td>Public bills enacted into law</td>
<td>27</td>
<td>54</td>
<td>81</td>
</tr>
<tr>
<td>Private bills enacted into law</td>
<td>1</td>
<td>..</td>
<td>1</td>
</tr>
<tr>
<td>Bills in conference</td>
<td>1</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Measures passed, total</td>
<td>315</td>
<td>397</td>
<td>712</td>
</tr>
<tr>
<td>Senate bills</td>
<td>38</td>
<td>33</td>
<td>..</td>
</tr>
<tr>
<td>House bills</td>
<td>70</td>
<td>163</td>
<td>..</td>
</tr>
<tr>
<td>Senate joint resolutions</td>
<td>2</td>
<td>2</td>
<td>..</td>
</tr>
<tr>
<td>House joint resolutions</td>
<td>5</td>
<td>4</td>
<td>..</td>
</tr>
<tr>
<td>Senate concurrent resolutions</td>
<td>14</td>
<td>6</td>
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</tr>
<tr>
<td>House concurrent resolutions</td>
<td>24</td>
<td>53</td>
<td>..</td>
</tr>
<tr>
<td>Simple resolutions</td>
<td>142</td>
<td>156</td>
<td>..</td>
</tr>
<tr>
<td>Measures reported, total</td>
<td><em>161</em></td>
<td><em>257</em></td>
<td><em>398</em></td>
</tr>
</tbody>
</table>

### DISPOSITION OF EXECUTIVE NOMINATIONS

**January 3 through July 31, 2006**

<table>
<thead>
<tr>
<th></th>
<th>Civilian nominations, total 461 (including 148 nominations carried over from the First Session), disposed of as follows:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Confirmed</td>
<td>..........................................................................................................................................................</td>
<td>211</td>
</tr>
<tr>
<td>Unconfirmed</td>
<td>..........................................................................................................................................................</td>
<td>242</td>
</tr>
<tr>
<td>Withdrawn</td>
<td>..........................................................................................................................................................</td>
<td>8</td>
</tr>
</tbody>
</table>

Other Civilian nominations, totaling 2,356 (including 780 nominations carried over from the First Session), disposed of as follows:

|                        | Confirmed .......................................................................................................................................... | 1,740  |
| Unconfirmed            | .......................................................................................................................................................... | 615    |
| Withdrawn              | .......................................................................................................................................................... | 1      |

Air Force nominations, totaling 7,096 (including 100 nominations carried over from the First Session), disposed of as follows:

|                        | Confirmed .......................................................................................................................................... | 5,746  |
| Unconfirmed            | .......................................................................................................................................................... | 1,350  |

Army nominations, totaling 5,023 (including 608 nominations carried over from the First Session), disposed of as follows:

|                        | Confirmed .......................................................................................................................................... | 4,941  |
| Unconfirmed            | .......................................................................................................................................................... | 82     |

Navy nominations, totaling 4,046 (including 21 nominations carried over from the First Session), disposed of as follows:

|                        | Confirmed .......................................................................................................................................... | 3,569  |
| Unconfirmed            | .......................................................................................................................................................... | 477    |

Marine Corps nominations, totaling 1,291 (including 2 nominations carried over from the First Session), disposed of as follows:

|                        | Confirmed .......................................................................................................................................... | 1,284  |
| Unconfirmed            | .......................................................................................................................................................... | 7      |

**Summary**

|                        | Total nominations carried over from the First Session ........................................................................ | 1,659  |
|                       | Total nominations received this Session .......................................................................................... | 18,614 |
|                       | Total confirmed ................................................................................................................................... | 17,491 |
|                       | Total unconfirmed ............................................................................................................................ | 2,773  |
|                       | Total withdrawn ............................................................................................................................... | 9      |
|                       | Total returned to the White House .................................................................................................. | 0      |

* These figures include all measures reported, even if there was no accompanying report. A total of 104 reports have been filed in the Senate, a total of 250 reports have been filed in the House.