



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 110th CONGRESS, SECOND SESSION

Vol. 154

WASHINGTON, SATURDAY, JULY 26, 2008

No. 124

House of Representatives

The House was not in session today. Its next meeting will be held on Monday, July 28, 2008, at 11 a.m.

Senate

SATURDAY, JULY 26, 2008

The Senate met at 9 a.m. and was called to order by the Honorable JACK REED, a Senator from the State of Rhode Island.

PRAYER

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

Let us pray.

Almighty God, who has watched over us from generation to generation, in prosperity and adversity, in peace and in war, we commit this great land into Your sovereign hands. Unite the Members of this body in heart, mind, and soul, that they may exert their best efforts for America's common good. Keep them so dedicated to You that they will do justly, love mercy, and walk humbly with You all their days. Lord, give them the assurance of Your grace, comfort, and strength. Fill them with Your spirit so that their decisions will be controlled by You. Lord, bring peace to our world. Disarm weapons, silence guns, and put out ancient hate that smolders still.

We pray in the Name of Him whose rule is above all nations. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JACK REED led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication

to the Senate from the President pro tempore (Mr. BYRD).

The bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 26, 2008.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JACK REED, a Senator from the State of Rhode Island, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REED thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

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

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, following leader remarks, the time until 11 will be equally divided and controlled by the two leaders or their designees. At 11 a.m., the Senate will proceed to two stacked rollcall votes. The first vote will be on the motion to concur with respect to H.R. 3221, the housing reform legislation. The second vote will be on the motion to invoke cloture on the

motion to proceed to S. 3186, the Low-Income Home Energy Assistance Program, LIHEAP. The last 20 minutes prior to the 11 o'clock vote, it is my understanding, and I direct this to the Chair, has been reserved for Senator MCCONNELL and me. I have the last 10 minutes; is that right?

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

AMERICAN HOUSING RESCUE AND FORECLOSURE PREVENTION ACT OF 2008

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to concur with respect to H.R. 3221, which the clerk will report.

The bill clerk read as follows:

A message from the House of Representatives to accompany H.R. 3221, an act to provide needed housing reform, and for other purposes.

Pending:

Reid motion to concur in the amendment of the House of Representatives to the amendment of the Senate to the amendments of the House to the amendment of the Senate to the bill.

Reid motion to concur in the amendment of the House of Representatives to the amendment of the Senate to the amendments of the House to the amendment of the Senate to the bill, with amendment No. 5103, to establish the effective date.

Reid amendment No. 5104 (to amendment No. 5103), to change the enactment date.

The ACTING PRESIDENT pro tempore. Under the previous order, the

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



Printed on recycled paper.

S7487

time until 11 a.m. shall be equally divided between the two leaders or their designees.

RECOGNITION OF THE ACTING MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Mr. President, I will take the leader time, if Senator MCCONNELL is not here.

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

Mr. KYL. Further, that the remaining time on the Republican side be allocated as follows: Senator DEMINT, 20 minutes; Senator HUTCHISON, 5 minutes; Senator DOMENICI, 7 minutes; Senator SHELBY, 7 minutes.

Mr. REID. Mr. President, I have a question for the distinguished Republican whip.

You are going to take the minority leader's 10 minutes prior to the 11 o'clock vote?

Mr. KYL. No, Mr. President. I would take not to exceed 10 minutes right now.

Mr. REID. Mr. President, I am happy to ask consent that the Senator have that, but he is not entitled to leader time. If he wants an extra 10 minutes, that is fine with me.

Mr. KYL. I am not requesting an extra 10 minutes. Following my 10 minutes of remarks now, the other time is allocated to complete the total of the Republican time, the time allocated to our side.

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

ENERGY

Mr. KYL. Mr. President, we are engaged in a somewhat rare Saturday session this morning. One might ask, what is the purpose for this session? In addition to voting on important housing legislation, the other vote the Senate will cast today is a very important vote. It is whether we are going to end our discussion and our effort to deal with America's biggest challenge on the domestic front—namely, the high price of gasoline and high price of fuel, which drives prices of everything else—or whether we will move on to other matters, other matters that are, at least in the eyes of the American people, far less important than dealing with this important energy crisis. There is no question that the American people believe our biggest challenge right now, a challenge that should be faced up to by Congress, is dealing with high gas prices. The Democratic majority would like to move on.

The second vote we have this morning is to move on, to move off of the energy and gas price debate and to move on to another bill. If that is unsuccessful, then next week they intend to move on to something else. Republicans will say no. We need to stay here and complete our work on this important gas price reduction legislation, and we should not leave here until we act.

Yesterday, the Washington Post had a somewhat critical editorial of the

Democratic majority's position in the House and Senate. The title of it was "No Drilling, No Vote." It begins:

Why not have a vote on offshore drilling? There's a serious debate to be had over whether Congress should lift the ban on drilling in the Outer Continental Shelf that has been in place since 1981.

It concludes:

If drilling opponents really have the better of the argument, why are they so worried about letting it come to a vote?

That is our view. Why shouldn't we have a vote?

The Republican leader came to the floor earlier this week and asked unanimous consent that we consider six or seven amendments, the very first one of which was to enable us to drill offshore. The majority leader objected to that request. It is fairly obvious that the amendment or something like it would pass because there are Members on both sides of the aisle who appreciate the fact that the first thing we should do to resolve this crisis is to have more American production. Republicans don't believe this is the only solution. Nobody believes drilling solves the problem. But most experts would agree it is the biggest first step, the one thing we could do that would make the most difference. We believe it is important to produce more and use less, meaning, to produce more by offshore drilling in the deep waters off the Gulf of Mexico, to take advantage of oil shale we have available, the vast resources in Alaska, and other resources that are American resources that can solve this American problem and get us off dependence on foreign oil.

There are other sources for electricity. We support increased nuclear production, wind, solar, and coal gasification and liquefaction. We also support more conservation. That is the "use less" component, including being able to transport ourselves in automobiles that use battery technology. The Democratic bill, on the other hand, deals with one subject: it puts the blame on so-called speculators and says that is where we should solve the problem. Not one drop of oil would be produced, not one bit of natural gas would be produced by the Democratic legislation.

Republicans agree that the CFTC, the regulatory body, needs more resources. It demonstrated its ability to work by announcing this week that it is going after some people who are trying to manipulate the market. We agree that they need all of the funding and employees to do their job as possible, but clearly, it is not the answer to the problem.

Here is what is happening. The market looks out a few months and says: What will the supply be; what will demand be? What it has seen is that demand is increasing dramatically, and it sees supply either flat or declining. It sets the price accordingly. It sets the price going up. My colleague JOHN MCCAIN is right: When the market sees we are serious about increasing produc-

tion, market prices will go down accordingly.

We have American energy. We need to free it up for the American people. But the Democrats' game here is a very cynical one: Let's just have two amendments. Let's have a face-off between a Democratic proposal and a Republican proposal. It is the same old politics. Neither side wins, and that is the way it is set up. The American people lose.

Republicans have a better idea. Let's work on a bill one bite at a time. If it is too tough to do this in one giant swallow, then let's build consensus from the bottom up with people on both sides of the aisle agreeing to the components of the legislation. We can do this in a bipartisan way, and we can do it within a week. But until we get somewhere on gas prices, we shouldn't quit and move on to something less important in the eyes of the American people.

I ask unanimous consent that, at the conclusion of my remarks, a short statement be printed in the RECORD that deals with the contribution of a weak dollar to high oil prices.

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

(See exhibit 1.)

Mr. KYL. This makes the point that there is a direct connection between the weak dollar and the high oil prices Americans are having to pay at the pump. It makes the point that if the dollar were stronger, it would take fewer dollars to buy the same amount of gasoline. That is something additional we can do. That is primarily not a congressional matter but a matter for the Federal Reserve and the Department of the Treasury, primarily the Federal Reserve.

All of these are ways we can deal with the problem of the high cost at the pump. We need to address all of these issues. But until we have addressed them, we should not move off of the legislation and take up something that is less important. The only exception to that is the housing bill we will vote on next. We have complete agreement to do that. Then when that is concluded, we will move back to the energy debate we have been having, the debate on how we can reduce the cost of gasoline at the pump. The American people expect us to do that, and we should complete that work before we leave for our August recess.

EXHIBIT 1

S. 3268 "STOP OIL SPECULATION NOW" A WEAK DOLLAR CONTRIBUTES TO HIGH OIL PRICES

At \$124 a barrel, oil prices are still close to record highs, and the weakness of the American dollar has a lot to do with it.

Often the increase in oil prices can be attributed to political turmoil in the Middle East or a significant supply issue (as occurred after Hurricane Katrina). While these are factors today, there is another reason you could see an increase in the price at the pump.

Since January 2007, while oil prices have more than doubled, the American dollar's

value has decreased by approximately 13 percent. As the economy has slowed, the Federal Reserve has dropped the Federal Funds rate numerous times over the past year—a total reduction of 3.25 percentage points since January 2007. Dropping the interest rate is meant to stimulate the U.S. economy, but it also weakens the dollar.

The American dollar is the currency used by the Organization of the Petroleum Exporting Countries (OPEC), the conglomerate of oil producing nations that sets global oil prices. Thus, any fluctuations in the value of our dollar are reflected in the price of oil.

As our dollar falls in value relative to the euro, yen, or price of gold, the price of oil goes up. Since oil is priced using the American dollar, what Americans pay for oil will increase to compensate for this change.

At the same time, however, other nations are shielded from the same oil price increase because their own currencies are more valuable than the dollar. European and Asian countries (among others) are importing their oil for significantly less than what Americans are paying. Europeans pay just 79 euros for a barrel of oil while Americans pay more than \$124. Returning the U.S. to a “strong dollar policy” would greatly reduce the price U.S. consumers pay for oil.

Confidence in the value of the U.S. dollar is also vital to American financial competitiveness. A weak dollar makes investment in foreign markets more attractive, particularly for those who seek to diversify their portfolios as our economy slows. Further dollar weakness could precipitate a dramatic shift of money from domestic to foreign markets.

The key idea to understand here is that the value of our American dollar is an important consideration to the investor and consumer confidence. Without this confidence, our economy will have a difficult time avoiding recession.

So these are several reasons why it is in our nation's best interest to support a stronger U.S. dollar. Economist David Malpass wrote in a recent Wall Street Journal op-ed, “A strong, stable currency is itself one of a country's most valuable fundamentals, not a byproduct of other fundamentals. Our fundamentals haven't been nearly as bad as the dollar's seven year slide. More likely, the weak dollar trend is itself a bad economic fundamental, masking health elsewhere.”

THE FEDERAL RESERVE SHOULD FOCUS ON FIGHTING INFLATION

There are two things that can be done to better the dollar. First, the Federal Reserve should switch its focus from maintaining economic stability to fighting inflation. In periods of slower economic growth the Federal Reserve traditionally responds by reducing short-term interest rates, but that can exacerbate inflation, which has increased substantially—growing at 4.9 percent in June from the same time a year ago.

Note that while the dollar has fallen, the euro remains relatively strong because the European Central Bank (ECB) has not only refrained from lowering interest rates due to their concerns about global inflation but actually raised their target interest rate to 4.25 percent on July 3rd.

The Federal Reserve needs to follow the ECB's lead and resist the political pressure to cut interest rates in order to stabilize the value of the dollar.

The second thing would be for Congress to begin to make our current, relatively low, tax rates permanent.

Our currency is the foundation for our economy; without a strong dollar our economy will not be able to achieve the stability that is necessary to control oil prices or the economy.

The ACTING PRESIDENT pro temore. The Senator from Illinois.

Mr. DURBIN. Mr. President, at this moment in the U.S. Capitol, there are scores, if not hundreds, of employees at work. It is unusual for most of them to be here on a Saturday, but sometimes it is necessary. It is unusual for the Senate to be in session on a Saturday, but sometimes it is necessary. One can certainly argue that when the United States is facing a serious issue, we should be at work, whether it requires our being here on Saturday, Sunday, or all the days of the week. That is what we were elected to do.

Certainly, the housing bill, which is before us now, is a matter of grave concern to many of us who see across America foreclosures that are taking away the homes of many American families and affecting the value of millions of other homes. But this could have been done yesterday. In fact, it could have been done weeks ago.

Six different times, the Republicans initiated filibusters to stop this housing bill—six different times. They have set all the records in the Senate for filibusters, and they applied six of them to the housing bill.

To add insult to injury, they added a day of session, a totally unnecessary day of session for which we are meeting this morning. This could have been sent to the President yesterday. He could have signed it, bringing some assurance and confidence to consumers across America that maybe this housing crisis can be put behind us and this economy can move forward. But one Senator, the Senator from South Carolina, insisted that the Members of the Senate all stay here today.

It is the second time in 2 weeks he has taken away a day of our lives with our families. This time the Senator from South Carolina is going to be here for the vote he has asked for, and I think that is good. It certainly is his right to do that.

You say to yourself: There must be some matter of great moment that would have him keep the entire Senate here for an extra day, cause us to ask scores, if not hundreds, of people to come and work that extra day. Well, what is that issue? The issue is whether we are going to put some language in to limit or prohibit two Federal agencies—Fannie Mae and Freddie Mac—from having lobbyists on Capitol Hill. It is a good issue. I might even vote with him on this issue. But to think he would hold the Senate for another day, make us open this session and bring all those people to work for this amendment on a bill which we know must pass, which the President has urged us to pass, is hard to understand.

It is his right to do it. It is any Senator's right to do it. But there comes a point when you step back and say: We can fight this battle another day. This is not a life-or-death issue. This is not an issue that has to be decided on this Saturday or else.

But we are here. We are here to face this issue, deal with the housing bill, which I hope will pass. President Bush initially opposed this bill. The President said there were provisions in here he could not accept. But then there was a serious concern across America as to whether these critical agencies—Fannie Mae and Freddie Mac, which are involved in standing behind almost half the mortgages in America—were being threatened.

I got a personal call from Secretary Henry Paulson, our Secretary of the Treasury, at home last week. He said: We have to do something. This is an emergency. I said to Secretary Paulson: I think you are right. I may not agree exactly with your approach, but there comes a time when we have to rise together, on a bipartisan basis, and deal with a serious crisis. This could be a crisis if we do not act.

I said to him: Would you urge the Republican Members of the Senate to have the same sense of urgency in passing this housing bill that I hear in your voice? He said he would try. Well, he was not very successful. Six different times the Republicans have tried to stop this housing bill with a filibuster and now have dragged us into a Saturday session here to slow it down again.

But today, with any luck, it will pass, and finally we will send it to the President's desk. The President said he is prepared to sign it. This is too serious an issue for him to stand in the way. I am glad the President has made that decision. I do not think it is going to turn around the American economy, but we know the housing crisis certainly started us on the skids that are leading us toward a recession. There are much bigger issues in our economy that need to be resolved even beyond housing.

The simple fact is, the overwhelming majority of Americans are worried and angry—worried about their own financial situation. They have seen the values of their homes plummet. They have seen their retirement savings diminished by a stock market that is unpredictable. They know the cost of gasoline is taking more money out of their wallets and credit cards every single week. A trip to the food store is a little more expensive than it used to be. It costs more money to put those kids through school. And if you get stuck with medical bills now, it could break the bank and empty your savings account.

That is the reality of life in America today. The Bush economic policy has failed. This notion that we can somehow give tax breaks to the wealthiest people in America and prosper as a nation never did make sense and has resulted in the mess we have today. This notion that we can wage a war and spend \$12 billion to \$15 billion a month for almost 6 years now and not suffer some problems in America as a result never made sense. It does not make sense today. Each month the administration adds that money to the deficit,

piling up more debt on America's kids, debt that is currently financed by foreign governments that step in and buy America's mortgages. What a legacy: an economy that is so weak that people are worried and even angry; a prospect of more of the same, unless there is a real change in Washington; and when it comes to the Senate, a slowdown. Let's slow it down with six filibusters when it comes to a housing bill. Let's make the Senate meet on a Saturday. Let's keep them in. Let's try to slow this down even more. That is the Republican approach. It is not a good approach.

I think there are Republican Senators of good will who understand we can do better. Let me point out one: Senator RICHARD SHELBY of Alabama. He stepped up. As the ranking Republican on the Banking Committee, he and Senator CHRIS DODD, our Democratic chairman, worked together to get this bill done. I salute him and all who helped him bring this bill to the floor. That is the kind of bipartisan spirit we need: that sense of urgency, that sense of bringing the bill to the floor to do something for our Nation. I wish his voice had prevailed in the Republican conference and all those filibusters had not taken place and this unnecessary Saturday session had not taken place. But the decision was made by the leadership to allow this to go forward, and that is their decision.

ENERGY

Mr. President, I will say a word about what Senator KYL addressed on the energy package. It is hard for me to understand how my friend from Arizona—and he is my friend—could stand here and suggest we have stopped the Republicans from offering their solution to deal with America's energy crisis. We did not. Senator KYL knows we said to them: Put together your package and bring it to the floor. We will do the same. Let's have two competing ideas. Let's debate them. Let's give them the same vote. And then let's decide.

That is what we are supposed to do, isn't it? We are elected, on a bipartisan basis, to try to solve problems. With 51 Democrats and 49 Republicans, things have to be done on a bipartisan basis for most important issues. But Senator KYL and Senator MCCONNELL, on the Republican side, rejected that. They said: No, we want to start an amendment process. Let's see how this unfolds. Let's bring out seven amendments to start with and you can bring out whatever you want and let's talk it over and let's go through the debate. Unfortunately, that would have led to nothing because we have a deadline facing us. Coming in just a few days, we are going to break for our August recess. We could have been mired down in the debate with an endless number of amendments and nothing would have happened.

The American people want something to happen. They want us to deal with this energy crisis, and they understand

simply saying we are going to drill for more oil, on its face, does not make sense. The United States, in all of its oil reserves we can identify and think of, has about 3 percent of the world's supply of oil. But we are big oil consumers in this country. We consume 25 percent of the oil produced in the world each year. Mr. President, 3 percent available, 25 percent consumption.

As T. Boone Pickens, now the patriarch, I guess, of energy policy, said: We can't drill our way out of this problem. T. Boone Pickens is an oilman. He knows we need more. We need responsible exploration and production. We need to use the land we have already leased. We need to tell the oil and gas companies that are reporting record profits: Get to work, find those sources of oil that you already think are there in this leased Federal land, and go after them. Do it in a responsible way. Do not pollute our beaches and do not pollute our Nation. Do it in a sensible and responsible way. I think all of us would endorse that. I hope that is what the Republicans stand for too.

But it is not enough. We need conservation and fuel efficiency. We need cars and trucks that get much better miles per gallon. We need to be thinking about the buildings that are being constructed and the lives we lead and how, in small and large ways, we can change our energy consumption without compromising our economy. We need to be thinking about renewable, sustainable sources.

It breaks my heart that three different times we brought to the floor this energy tax extender, which would create tax incentives for more renewable, sustainable energy—wind power, solar power, the kinds of things that do not pollute, do not create global warming but do create electricity and energy for families and businesses in America's economy—and we lost it. We could not bring enough Republican votes forward to vote for it three different times.

A major company in my State came to visit me, a man from this company this week, who said: I am facing bankruptcy if you don't accept the responsibility of extending these tax credits. I believed you when the Congress said: We need a new American energy policy. I invested my hard-earned money in it. I am employing people around the country. We are building these wind turbines. Why don't you do your part and extend this tax credit?

But, unfortunately, we have not been able to rally the Republican votes that are necessary to do it. We will have another try at it this week. I hope they will reconsider their position and think—forward think—about the energy policy of this country. That is the reality. If we can start bringing down gas prices and stabilize them, if we can start looking ahead to new sources of energy, if we can start creating new companies, new technology, new jobs, new opportunities, then we clearly will have a better future in the 21st century.

I wish to help—and I am sure everyone in the Senate does—these families deal with the reality of energy costs. We can do it.

LIHEAP

Mr. President, we are going to have a LIHEAP bill later today. This is a bill for the poorest in our country, the elderly, the disabled, people who cannot afford to pay their utility bills in the summer and the winter, and we give them a helping hand. Let's extend that too.

For goodness sakes, these folks are barely getting by at the moment. We ought to give them that helping hand. Today, we will have a chance to vote on it.

Mr. President, I yield the floor.

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

Mr. DEMINT. Thank you, Mr. President. Good morning.

I have a parliamentary inquiry: Who in this Senate has the last word on when votes are scheduled?

The ACTING PRESIDENT pro tempore. The scheduling is done by the leadership, and typically it is done by unanimous consent involving both the majority leader and the minority leader.

Mr. DEMINT. But the majority leader has to agree. And further parliamentary inquiry: Is it not true that the majority leader scheduled two votes today by filing cloture earlier this week when these would ripen today?

The ACTING PRESIDENT pro tempore. Under the rules of the Senate, the cloture motions do ripen today.

Mr. DEMINT. Thank you, Mr. President.

Mr. DURBIN. Parliamentary inquiry, Mr. President.

The ACTING PRESIDENT pro tempore. Will the Senator yield for an inquiry?

Mr. DEMINT. I would like to proceed with my time, if I could. I thank you. Certainly, the majority whip will have his say again when we are through.

The Democratic majority leader announced to all of us about a month ago that we would be here this weekend because there were some bills he wanted to get through. And so those Americans looking in who are not that interested in all our procedures and carrying on here—the majority leader scheduled that there would be two final votes today, Saturday. He told us, as Republicans, we could have no amendments on these bills, and then he demanded that we give unanimous agreement that we move those votes he had scheduled back to Friday or even Thursday. Now, they are complaining about a Republican who has no authority when we schedule votes, complaining that somehow I scheduled these votes today. I guess a lot of Members are naive and believe that. But I do not think Americans buy it.

I know a number of folks are disappointed we are here on Saturday and not somewhere else. But I am not worried about how disappointed Members

of Congress are. I know Americans are very disappointed, not that we are here on Saturday but that we are not working every day of the week, 24 hours a day, to address the major issues in this country.

They are disappointed, and we know they are. In fact, Americans think less of this Democratic Congress than Americans ever have of any Congress in history. And it is not just the Democrats. I am very disappointed myself. I came here—I came to the House 10 years ago—with great hopes that I could be a part of addressing major issues facing our country and create a generation of opportunity by helping Americans and helping freedom work for everyone.

I have been disappointed that it has been increasingly obvious that the Democrats are so controlled by a few interest groups—the union bosses, the plaintiffs' lawyers, environmental extremists—that they are afraid to allow their Members to take votes that would tell Americans where they stand because they do not want to offend these interest groups.

Now, I am equally critical of Republicans because I have been disappointed in them as well because many of them have lost sight of what we believe, what we came here for, and have lost the courage to fight for it. So many times the scenario of bills that are coming through here is: In order to check the box, Republicans agree to add Democratic policy that continues to expand Government.

The Senator from Illinois has complained about these filibusters. Again, it is these mysterious procedures that we have in the Senate that he remarkably calls filibusters: when they put a bill on the floor and then they file a motion to cut off debate; and when we do not agree to cut off debate, they call that a filibuster.

Americans should know, in this Congress, 855 bills have passed in secret—no vote, no amendment, no floor debate. Ninety-four percent of everything we have passed in the Senate has gone by what they call unanimous consent. Now, some of these are legitimate unanimous consent bills—naming a post office and other things.

Americans should also know this housing bill has major implications not only for spending but for government taking control of private sector businesses, taking ownership of private property, putting the taxpayer on the line for billions and possibly more. They wanted this bill passed in secret, by unanimous consent, without anyone knowing what is in it. I want to talk about what is in it.

Last week, we had a \$50 billion foreign aid bill that they wanted passed by unanimous consent, in secret. When some of us step up and say: No, this is too important; we need to bring it to the floor and maybe have an open debate and allow a few amendments, that is what the Senator from Illinois calls a filibuster. This is no way to do busi-

ness, but it is the way this Congress has gotten America in so much trouble today.

As I speak about a few issues, I wish to keep one issue in front of everyone, because as bills come through here, there is always justification: It is a farm bill; we have to vote with the farmers. It is a veterans bill; we have to vote for veterans. It is a housing bill; we have to vote for homeowners and homebuilders and realtors. We should consider what our own Congressional Budget Office and the administration is projecting. Beginning right now, in 2008, the expansion of debt in America is going to do more to hurt our economy and hurt everyday Americans than anything we are doing here. Yet we never even talk about things we could cut, wasteful programs we could fix. What we talk about is basically appealing to interest groups by passing one thing after another that is designed to attract constituencies and votes and campaign contributions from different groups.

Yes, I am disappointed, and I know Americans are too.

As we talk about the energy debate—and again, I will criticize Republicans and Democrats, but when it comes to this one, there is no issue clearer in terms of who has restricted the supply of American energy over the last 20 years. This has clearly been a partisan issue: the Democrats responding to extreme environmentalists, going back to President Carter's years when he cut off the development of nuclear energy, the recycling of nuclear waste. President Clinton vetoed, a little over 10 years ago, the development of oil reserves in Alaska. Democrats voted almost unanimously to stop us from developing our oil and natural gas reserves in this country. Like the old Steve Erkle of "Family Matters," now they are standing here and saying: Did I do that? They are trying to blame big oil and speculators and George Bush and everyone but themselves, but on this issue there is probably nothing clearer of how this Congress has caused America a huge problem, and now they are saying we are going to save America.

The Democrats will not allow an open debate and open amendments, as is the tradition of this Senate. They will not allow their Members to take votes on drilling and deep sea exploration in America or a separate vote on developing the oil shale in this country or expediting the development of our nuclear capabilities. They won't allow these amendments to come to the floor for the reasons I have already mentioned. They don't want Americans to know where they stand, and they want to appease the extreme environmentalists. They are trying to have it both ways. That is why we are stuck in doing nothing here, because instead of doing what the Senate has done for literally centuries, we are here trying to protect Democrat Members so they don't have to take the tough votes.

I wish to use one quote from my distinguished colleague from Illinois, because he is suggesting that he wants an open debate when, in fact, we are not allowed to pick our own amendments. Please be clear. The Democrats are not allowing Republicans to offer our own amendments. They want to select one amendment for us and say that is our bill, and now that we want a full debate, they are saying we won't take their generous offer.

The Senator from Illinois said in March:

My good friend, the late Congressman from Oklahoma, Mike Synar, used to say: If you don't want to fight fires, don't be a firefighter. If you don't want to stop crime, don't be a policeman, and if you don't want to vote on tough issues, don't run for Congress.

I agree with him.

States Senator DURBIN.

I don't like facing tough votes, but it is a part of the job. You ought to at least have enough confidence in your beliefs to cast that vote and go home and explain it.

The Senator has even indicated that the one vote I would like on my amendment to this housing bill he might support. Yet he won't allow me a vote—not this week, not next week, not in September. I offered to allow the majority to schedule this vote any time, not attach it to the Housing bill, not slow it up 1 minute. The housing bill could have gone to the President on Thursday, but they are so afraid of voting on an amendment that would cut off campaign contributions to Democratic colleagues and cut off the lobbying of the organization we are talking about bailing out that they will not allow a straight-up vote so America can see where they stand.

This Congress is the Steve Erkle Congress. If you go back during the Congress and see what we have done even before—well, think of the big amnesty bill that was pushed through here. Only a few of us looked at the bill. We discovered that how it was promoted was not true. It would not control our borders. It would not create a workable immigration system. Basically all it did is reward people who came here illegally. But by letting the American people know what was in the bill—putting it on the Internet, talking to bloggers, radio talk shows and holding the bill through a debate period—Americans rose up and said: No. We figured you out, Congress, and we are not going to do it. Millions of Americans stopped this Congress from passing that amnesty bill.

Millions of Americans are standing up as we make them more aware of the thousands of earmarks to special interests and friends back home that this Congress spends most of the year doing instead of addressing priorities. Americans are standing up. They are on to Congress, and we are going to keep pushing the Democratic majority to do something about this wasteful spending.

In a few years, the same people who had voted time after time to spend the

Social Security surplus on other things—and believe me, it has been 100 percent on the Democratic side. I have offered an amendment to stop the raid on Social Security and the Democrats have stood up every time and voted it down, so there is not one dime of money saved for Social Security because of Democratic spending. In a few years, those Democrats are going to be standing up blaming someone else. This time it might not be big oil or the speculators, but they will be calling for an investigation, because in less than 10 years, the money coming in for Social Security is not going to be enough to pay the benefits. My Democratic colleagues will be calling for an investigation: Who stole the money from the trust fund? They will be hoping the American people forget how they voted.

We see the same thing on health care every day. They complain about the uninsured Americans, but when I put a bill on the floor that would allow individual Americans to at least do what businesses do and deduct the cost of their health insurance as we allow businesses to do, every Democrat voted against that, because they don't want Americans to own health insurance. They want the Government to take over health care. So at every point we try to expand health insurance, they try to kill it.

I could go on and on about this dysfunctional, disappointing Congress, but I guess I should move to housing and talk a little bit about the bill that is on the floor today.

Could I inquire how much time I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from South Carolina has 5½ minutes remaining.

Mr. DEMINT. Well, I better move quickly here. Again, this is a bill they want to pass in secret with very little debate. I have asked for one amendment—one amendment to stop the lobbying.

This is not a good chart, but hopefully I can make the point. This is the taxpayer at the top. This is Congress. This is Fannie Mae and Freddie Mac. Years ago, Congress created Fannie Mae and Freddie Mac as private sector organizations that were supposed to help the mortgage industry and help people buy homes. Certainly it did, but Congress was supposed to watch them because we gave them monopoly status. They received huge tax breaks so no one in the private sector could compete with them, so they grew and grew. The idea was that this Congress would pass the reforms and provide the oversight so that Fannie Mae and Freddie Mac would not get out of control, because effectively when we formed them, we told the markets and the American people the taxpayer was going to guarantee they would not lose money.

What happened is they stopped these reforms of Fannie Mae and Freddie Mac and over the last 10 years they

spent nearly \$200 million in political contributions to Senators and Congressmen, spreading money all around Washington. A lot of think tanks that are supposed to be watchdogs are not watchdogs to Fannie Mae and Freddie Mac because they have spread so much money around.

Now as we ask the American people to come in and put their money into the pot to hold up Fannie Mae and Freddie Mac, the one gesture of good faith as a Congress we could ask is: Hey, that is a conflict of interest. We can't have the people who are supposed to watch over these organizations getting money from these organizations. At least if we are going to ask the American taxpayer to be on the hook for billions, possibly trillions of dollars, let's stop this. So I said that is all I want, one amendment, 15 minutes of debate, and then you can have your housing bill, even though it is a terrible bill. They said no. They said no. We are going to keep Members here Saturday to keep you from having your amendment.

There are a lot of problems with this bill, but it doesn't matter. Here it is. It is almost 700 pages. Not one Senator has read it. There are lots of little goodies stuck in there. There is one we found, an earmark on page 616 that overturns an IRS ruling where low-income housing—which is supposed to be for the general public and not discriminate—that they can discriminate for social organizations such as art colonies. Then we find an organization, Artspace, that develops low-income housing and gives it to these artistic colonies, one of their board members happens to be the executive director of the Fannie Mae foundation.

Folks, this bill needs to be aired out for weeks, if not months. They want to rush it through. We kept them here on Saturday so the American people could find out a little bit more about what is in it. But no matter what is wrong with it, most of the Members of this Senate are going to come in and vote for it and check the box and go home and say they did something about housing. I am afraid they may compromise the future of America as they do it.

I am sure I am about to run out of time. I know this is a lost cause and I am not going to stop this bill, but I am disappointed, the American people are disappointed, and what we have done by keeping the Democrats and the Republicans here today is maybe give Americans a little more time to see what this Congress is doing to their future.

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

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

Mr. DURBIN. Mr. President, after hearing the Senator from South Carolina, it is time we initiate an investigation. I think we ought to call the Sergeant at Arms Office. Something ter-

rible has happened here. Apparently, the pages on the Republican side of the aisle are not distributing the CONGRESSIONAL RECORD to the Republican Members. The Senator from South Carolina says we are about to vote on a secret bill that no one has seen. Clearly, the pages have failed to put the CONGRESSIONAL RECORD of July 23 at the desk of the Senator from South Carolina, because if they did, the Senator would find the bill in its entirety printed in the CONGRESSIONAL RECORD.

I am sure the Senator knows this is no new bill. This bill has been around since April. The Senator has had ample opportunity to read his so-called secret bill.

This is terrible that they aren't distributing the CONGRESSIONAL RECORD on the Republican side of the aisle. We have to look into this, as the Senator says he has evidence of 855 secret bills—again, a failure to deliver the CONGRESSIONAL RECORD to the Senator from South Carolina. Every single one of those bills, I say to my colleague, is printed in the CONGRESSIONAL RECORD for him to take home and to read—to read on the plane back and forth to South Carolina. It is all there.

I am sure the Senator from South Carolina has been overlooked because we have something called hotline. Under the hotline, every Senate office is called before every bill is brought to the floor, and any Senator can stop the bill, put a hold on it. Every Senate office is called. For some reason, on the Republican side, the cloakroom is obviously not calling the Senator from South Carolina.

They are trying to get something past him, secret bills. It is a shame. It should be looked into. The Senator is not getting the CONGRESSIONAL RECORDS, the hotline calls, and is being overlooked by his Republican conference. That isn't fair. We need to look into this. For the rest of the Senate—99 other Senators—this is on our desk every day, the CONGRESSIONAL RECORD, printing out every bill in its entirety for us to read, if we want to, or ask our staff to. A hotline call is made over and over every day to let you know a bill might come to the floor. It is not a secret process. The CONGRESSIONAL RECORD is not classified. It is open to the public. It is published so everybody can read it. It is available on the Internet.

So I say to the Senator from South Carolina, let's lift the veil of secrecy and let's start delivering the CONGRESSIONAL RECORD to his desk every day so he can keep up with the Senate and know what is going to be debated and voted on. The Senator has kind of avoided the obvious. The reason we are here today—and we could have been with our families—is because the Senator from South Carolina insisted on it. We tried to get our work done in a way so Members could get back to their families. We could have done it yesterday. The Senator from South Carolina objected. He has a right to do

that. That is why we are here today. Let's not beat around the bush about that.

In terms of quoting former Congressman Mike Synar, I stand by that. We didn't tell the Republicans what they had to offer on the Energy bill. We said put in your package what you want to put in your package. Bring your drilling amendment, your oil shale amendment, your amendment for nuclear power, and all of that was refused. That was refused. We weren't writing a single word of any Republican amendment. That was your right as a Member of the Republican conference to do that. I certainly hope that, incidentally, the Senator from South Carolina, who talked about his amendment on lobbying, would share a copy with us. Right now, it is a secret amendment. The Senator has not shared it with us. We asked for copies of it. I hope maybe he will share that with us.

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

Mr. DEMINT. Mr. President, I advise the Senator from Illinois that I have been to the floor asking unanimous consent to offer this amendment, which has been available all week. It is in the cloakroom. The amendment is simple and available. I remind the Senator that when bills appear in the CONGRESSIONAL RECORD, it is after they have passed. As far as the hotlines that come through late at night, I get many calls at the airport from my staff, when we are leaving at the end of the week. That is when these bills go through, and they want to pass them by unanimous consent. Often a copy is only available in the cloakroom. Members have not read them. We are all used to doing business that way, and it is a problem when we start talking about major policies and billions of dollars of money that is spent—certainly on a bill such as this. We may make it available for a few days, so it is not to say it wasn't available, but I know not one Member of the Senate has read it all and seen the special provisions that have been stuck in it.

I ask unanimous consent—to clear up what the Senator from Illinois has said—that next week, when we come back, we have a free and open debate and that the Republicans and all Members be allowed to offer their amendments, without restriction from the Democratic side.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DURBIN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. DEMINT. That is what I thought. There is so much doublespeak here. They are saying one thing to the cameras and to America and another thing here. We are not allowed to offer our amendments.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, parliamentary inquiry: What is the order

on the floor? Have we agreed on time? And I think there is some order for speeches.

The ACTING PRESIDENT pro tempore. The Republican time has been divided. The Senator from New Mexico will be granted 7 minutes. The majority time has not been divided, and there are 32 minutes remaining on the majority side.

Mr. DOMENICI. Who is to speak next on the rotation?

The ACTING PRESIDENT pro tempore. There is no specific order. It is an allocation of time to individual Senators.

Mr. DOMENICI. Would the Senator from Maryland wish to speak now?

Mr. CARDIN. I plan to speak for about 10 minutes.

Mr. DOMENICI. Then I will take our 7 minutes now.

Mrs. HUTCHISON. Mr. President, I also have 5 minutes under the previous order, is that correct?

The ACTING PRESIDENT pro tempore. Yes, the Senator has 5 minutes.

Mrs. HUTCHISON. I ask unanimous consent that I be allowed to follow Senator DOMENICI on our side.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I have some remarks I think are very pertinent to what is going on in the Senate regarding energy for the American people. I wish to have answered a couple of the statements the Democratic whip stated regarding these amendments. I don't have time now, but I will soon.

Suffice it to say we don't have a chance to offer amendments. Anybody who says the Republicans are free and open and have an opportunity to offer amendments is not reading the RECORD. The majority leader has fixed it so we can't. I rise to speak about a great amendment for the American people that will be pushed aside because the majority leader has short-circuited the so-called Energy bill. This amendment gets at the heart of what we have been saying we need to do: Find more, use less.

Republicans believe we have a supply-and-demand imbalance, and the amendment I speak about this morning attacks the core of the problem. Republicans want to act on the No. 1 issue facing the American people. We want to act now. We have a great quantity of American resources on the Atlantic and Pacific offshore coasts, and so the first part of the Coleman-Domenici amendment—which we would have sent to the desk, and it could have been pending and we could vote on it, but it is out of order because the majority leader has seen to it that it is out of order. This Coleman-Domenici amendment would have allowed coastal States in those areas to open the waters within their offshore boundaries for leasing 50 miles out. Fifty miles out could not do damage to the sea, the

shores, or to the coastal areas the people want to use for their daily lives. You could not even see the activity 50 miles out.

The States would receive 37.5 percent of the revenues from this production, which could mean literally billions of dollars. When we passed the Gulf of Mexico Security Act of 2006, we opened deep sea areas containing more than 1.25 billion barrels of oil and nearly 6 trillion cubic feet of natural gas. This will provide domestic energy for millions of Americans, and it is roughly estimated to provide up to \$400 million for the Gulf Coast States over the next 10 years, and tens of billions of dollars over the coming decade. When the Atlantic and Pacific States see this money rolling into these coastal States, they will be clamoring for more energy, more revenues, and for the good-paying jobs this great energy enterprise will bring.

Our amendment is clearly a positive on several fronts. The American resources on the Atlantic and Pacific coasts contain 14 billion barrels, at a minimum. I say "a minimum" because we have not been prudent enough, I say to fellow Senators, to spend money to inventory it in an appropriate way—the coastal planes areas—to see how much is there. We know there is a lot. But the estimates are old estimates and, in every case, these old estimates have been very many times wrong. We have had much more in resources than the old estimate would indicate. Now, the 14 billion barrels is more than we have imported from the Persian Gulf over the last 15 years. If people wonder if there is any oil, it is 15 years of importation from the Persian Gulf will be found in these offshore waters. That is a minimum. That is the old estimate, which was done decades ago under old technology.

That is why I have also filed an amendment that provides \$500 million in funding to pay for a real inventory of our national resources offshore. The American people could hardly believe that we are in 2008 with modern technology and we don't know how much oil and natural gas is ours, belongs to our people, which we could use. We don't even know; we haven't bothered to find out.

A few months ago, the people of Brazil set out to explore and develop their own coastal resources. Like us, they knew they had oil offshore. Like us, they didn't know exactly how much. Well, in April, one company started drilling from exploratory wells in a deep water area off of the coast of Rio de Janeiro. To their surprise, they found as much as 33 billion barrels of potentially recoverable oil. Just like that, overnight, Brazil took control of its energy dependence by finding 33 billion barrels of oil. In the words of one of the great energy experts, Daniel Yergin, who I am proud to say is a friend:

Five or six years ago, nobody really thought there was a huge supply off of

Brazil. Now people are saying this could be as big as the North Sea.

To put that quotation into perspective, the North Sea has provided as much as 6 million barrels per day at its peak. Perhaps our amendment could do the same for our people. But we may never know because the majority leader refuses to address the most important issue in America in a serious way. For some reason I can't understand, there remain a number of Democrats—

The ACTING PRESIDENT pro tempore. The Senator used 7 minutes.

Mr. DOMENICI. I ask unanimous consent for 1 more minute to finish.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CARDIN. Mr. President, is there equal distribution of time to be added to the majority?

Mr. DOMENICI. Surely.

The ACTING PRESIDENT pro tempore. Yes.

Mr. DOMENICI. Mr. President, the second part of the amendment addresses the issue of using less. We have all heard about electric cars, and we know if we can get these batteries up to where they will do 100 miles before they need to be recharged, we will have electric batteries sprouting up all over America. That will save crude oil. Without a doubt, we will have established an excellent approach to America's energy future.

All we need is for our majority leader—he belongs to the Senate—to be fair and let the Republicans have a vote on behalf of America. Why do they fear votes in this regard?

I yield the floor and thank the Senate.

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

HOUSING

Mrs. HUTCHISON. Mr. President, I rise today to speak about the housing bill that's before the Senate.

Like all of my colleagues, I am concerned about the current housing crisis.

The American people are anxious that the equity they have paid into their homes may not provide the financial security that home ownership once guaranteed.

Worst of all, many homeowners across the Nation, struggling with higher energy and food costs, are at risk of losing their homes through foreclosure.

The legislation before us has positive aspects—including modernizing the Federal Housing Administration to provide better, fixed rate lending options to those who previously resorted to risky subprime loans.

This will expand homeownership.

I am pleased that the bill also includes assistance for first-time homebuyers and property tax relief for current homeowners.

The standard deduction for property taxes, included in this bill, would be \$500 for single filers and \$1,000 for joint filers and that is important.

I am also pleased that the bill before us provides some reforms for Fannie Mae and Freddie Mac.

With a new, independent regulator, I hope we can prevent some of the irresponsible behavior these enterprises have engaged in over the last few years.

But, it is how we are responding to that irresponsible behavior that will ultimately lead me to vote in opposition to this bill.

I am troubled by the inclusion of an unlimited U.S. Treasury credit line for Fannie Mae and Freddie Mac, including the authority for the U.S. Government to purchase stock in these private companies without the necessary intervention in their governance.

With our anticipated action today, Fannie Mae and Freddie Mac will have the full faith and credit of the United States.

However, they have demonstrated spending habits that should not be underwritten by American taxpayers.

Furthermore, I am concerned that with this new authority we will set a dangerous precedent and provide incentives for other private financial institutions to ignore risks in the future.

Privatize profits for socialized risk to a slippery slope.

This addition to the previous bill we passed will increase the statutory limit of the current national debt to \$10.6 trillion, an \$800 billion increase.

We could improve this bill substantially if individual Senators were allowed to offer amendments on which the Senate could vote.

But we are being prevented from doing that.

Senator DEMINT has introduced a commonsense amendment to prevent Fannie Mae and Freddie Mac from lobbying Congress or making political contributions.

According to The Politico:

Over the past decade, Fannie Mae and Freddie Mac spent nearly \$200 million on lobbying and campaign contributions.

These activities shouldn't be allowed to continue.

I would support the DeMint amendment.

I also believe that we need checks on executive compensation and perks at Fannie Mae and Freddie Mac, with this kind of infusion of taxpayer backing.

In 2003, the CEO of Fannie Mae, who left during an investigation of accounting irregularities, was paid \$20 million.

In 2007, the current Chairman of Freddie Mac pocketed nearly \$19.8 million.

Considering that this bill permits the Federal Government to become a shareholder in Fannie Mae or Freddie Mac—and thus, operated with U.S. tax dollars—that level of pay is simply unacceptable.

The U.S. Senate can, and should, spend time debating these issues and improving the bill instead of rubberstamping additions that pose a taxpayer liability of billions, and maybe trillions.

But instead, the bill is being rushed through the Senate without the careful consideration and deliberation it deserves.

This is irresponsible.

While I think it is important to restore confidence in Fannie Mae and Freddie Mac, and alleviate the housing crisis in our country, I think we should do better. I cannot support the housing bill in its current form.

I have supported this bill twice before when it came through the Senate without the keys to the Treasury being handed to Freddie and Fannie.

With this addition and without adequate reforms to protect taxpayers, it is a step too far.

This bill may ultimately create more problems than it solves.

Newspapers across the political spectrum, from the Wall Street Journal to the Washington Post, have questioned the desirability of a GSE bailout.

The Washington Post editorialized that the bill would “potentially increase the very risks [the] plan is intended to mitigate,” and asked “wouldn't it be wiser to revamp the whole GSE structure, rather than construct an increasingly elaborate apparatus to address—or conceal—the fact that it no longer works very well?”

There are potentially 800 billion reasons why we ought to take our time to consider this bill.

I think we should help alleviate the housing crisis, but the American taxpayers have the right to expect a serious, long-term solution rather than a quick fix that puts them on the hook today and keeps them there tomorrow.

Although I support many of the provisions in this bill, and supported previous versions the Senate considered, I will vote against this bill due in large part to these enormous taxpayer liabilities that this institution will not have the ability to amend.

If this bill does become law, we should not abandon our oversight responsibility to ensure that any actions taken by the Treasury will be fair and responsible to America's taxpayers, homeowners, and financial institutions.

We owe the taxpayers our vigilance.

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

Mrs. HUTCHISON. Mr. President, I ask unanimous consent for 1 more minute for both sides.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CARDIN. Reserving the right to object, if the time comes out of what is allocated to the Republicans, I have no objection. There is additional time to the Republicans already allocated.

Mrs. HUTCHISON. Mr. President, I will not take from my colleagues' time, but I would like to offer that there be an additional minute for the Democratic side as well.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CARDIN. Mr. President, as long as it comes out of the Republican time, there is no objection.

The ACTING PRESIDENT pro tempore. That is not what the request is. The Senator from Texas is requesting additional time for herself and for the Democratic side.

Mr. CARDIN. I think people are expecting a vote at 11. There is time on the Republican side, so I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that 1 minute be taken from leader time on the Republican side.

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

Mrs. HUTCHISON. Mr. President, newspapers across the political spectrum, from the Wall Street Journal to the Washington Post, have questioned the desirability of a GSE bailout. The Washington Post editorialized that the bill would "potentially increase the very risks the plan is intended to mitigate" and asked: "Wouldn't it be wiser to revamp the whole GSE structure, rather than construct an increasingly elaborate apparatus to address—or conceal—the fact that it no longer works very well?"

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the Wall Street Journal editorial of July 24.

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

[From the Wall Street Journal, July 24, 2008]

HOUSING BILL HAMMERS TAXPAYERS

Combine a housing meltdown with election-year politics and the results were not going to be pretty. Add a crisis in confidence in Washington's favorite quasipublic companies and what we're getting is a rout for taxpayers, especially those who kept their heads during the housing mania.

The House yesterday passed a housing bailout by 272-152. The White House has thrown its reservations overboard and is begging to sign this boondoggle, despite the less-than-veto-proof majority. A few brave souls in the Senate are threatening a filibuster, which is where the last hope lies for stripping the most egregious and expensive provisions from this monster.

Even conservative estimates by the Congressional Budget Office say the cost for this bailout will run to \$41.7 billion, with \$16.8 billion offset by higher taxes. No one has any idea of the real cost. The most expensive provision gives the Treasury temporary authority to pour money into Fannie Mae and Freddie Mac. The CBO says this could cost \$100 billion, or it could cost "nothing." So it threw a dart at the wall and assigned a \$25 billion price tag to the Fan and Fred bailout.

Likewise, the bill's \$300 billion to refinance and insure distressed loans through the Federal Housing Administration will supposedly cost just a few billion dollars. That assumes few homeowners and lenders will sign up for the program because lenders will have to take a 10% haircut to be eligible. If no one needs this program, why is it there? If lenders do take advantage, they're bound to dump their worst loans on the feds. So as with the Fan and Fred bailout, the FHA guarantee will be either superfluous or much more expensive than we're led to believe.

Alongside these big-ticket items, we suppose the \$4 billion tax credit for first-time

home buyers, or the \$4 billion in "community development" pork grants, or the \$180 million for housing counseling are merely routine outrages.

On the other hand, the kid-glove treatment of Fannie Mae and Freddie Mac is very much worth worrying about. On the floor of the House yesterday, Democrats argued that this bill was the least Congress could do "for the people," given the way the government had "helped" Bear Stearns. The cost borne by Bear Stearns was having its shareholders all but wiped out and half its employees pink-slipped. Countrywide was likewise sold at a fire sale price. Not so these two government-chartered giants.

Fannie and Freddie may well be too big to fail, as Treasury Secretary Hank Paulson keeps reminding us. That is true in large part because they were allowed—no, encouraged—to grow like Topsy while Congress shielded them from oversight. At a minimum, the cost of a lifeline ought to include some accountability and assurance they cannot get into such a fix again. Instead what we have is a promise that Fannie and Freddie will pay us Tuesday for an explicit taxpayer guarantee today. The Treasury will get unlimited authority to recapitalize the mortgage giants, effective immediately, while a new regulator will have to run a gauntlet of confirmation and Congressional hazing over the companies' portfolios of mortgage securities the way a Supreme Court nominee has to handle *Roe v. Wade*.

This delay will give Fan and Fred time to consolidate their political position and fend off attempts to shrink them to a less risky size. At the same time, the \$600 million "affordable housing" fund that the bill would skin off the hide of the two firms gives Washington a permanent stake in preserving their dominant market position. If Fannie and Freddie can't be brought to heel politically now, when weeks ago their very survival was in doubt, not even a newly empowered regulator will have any hope of reducing their claims on the public fisc once the dust settles.

Mr. Paulson might have kept an eye on the taxpayer's interest here by insisting that any money put into the companies come with some upside, as the Chrysler bailout in 1979 did. Instead we are left to trust that Mr. Paulson or his successor will have the political nerve to resist the companies and their friends on Capitol Hill. Any money given to Fannie and Freddie should have been conditioned on receivership, including clearing out the management and boards that made this mess.

Mr. Paulson argues that the new regulator will have the Federal Reserve's clout behind it, adding firepower to its ability to rein in the not-so-dynamic duo. But the Fed is also subject to Congressional sway, and no Fed Chairman is going to risk losing his running room on monetary policy to corral Fan and Fred.

For proof of how powerful they remain, even in their straitened circumstances, look no further than Majority Leader Harry Reid's refusal even to allow a vote on an amendment proposed by South Carolina Republican Jim DeMint to bar the two from lobbying in the future. Senator DeMint has threatened to filibuster if his amendment isn't aired. By itself, the antilobbying provision won't save the taxpayer from Fan and Fred, but it's a start.

Democrats are rushing this bill through because of the favors for Fan and Fred and new spending for left-wing activists like Acorn. But the reluctance of many Republicans to look out for taxpayers is harder to comprehend. They'll get little credit this year for letting the majority Democrats say they did something for "housing," and GOP

voters will blame them for rescuing the irresponsible.

Meantime, the White House and Treasury are betting that this bill will put a floor under the housing market and buoy bank stocks, and thus avoid a deeper financial downturn. The rescue will only delay a housing market bottom, and it may or may not help bank stocks. The one certainty is that taxpayers are assuming a huge new risk.

Mrs. HUTCHISON. Mr. President, there are 800 billion reasons why we ought to take our time to consider this bill. I think we should help alleviate the housing crisis, and I think most of this bill is good and solid, but it adds to the regulatory burden.

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

Mrs. HUTCHISON. Mr. President, I hope we will take time to consider it better.

I thank the Chair, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

Mr. CARDIN. Mr. President, I know it is unusual that the Senate would be here on a Saturday, in a voting session, but I am pleased that we are here because at last we are going to have a chance to vote on final passage of H.R. 3221, the housing legislation that is so important to the people of this country.

I first wish to thank Senators DODD and SHELBY for the manner in which they have handled this legislation. It has been handled in a bipartisan manner, the way it should be. They have been extremely patient.

This bill has been on the floor on numerous occasions. There have been many opportunities for all of us to offer our suggestions on this legislation. It has been one of the most open bills we have had.

I know there are some on the other side of the aisle—my colleague from South Carolina—who raise certain objections. There are some who would like to see this matter further delayed. I understand that. In the other body, Republicans have decided to vote against this legislation by a 3-1 margin. That is their prerogative. And there are some in this body who believe the status quo is acceptable. They do not believe we should be aggressively trying to help the people of our communities in the housing crisis. Well, I disagree with that, and I think the majority of this body disagrees, and it is important for us to provide the tools necessary to deal with the housing crisis in this country. Every day that we wait, 8,500 more foreclosures are here in America—8,500 people are in danger of losing their houses every single day. So, Mr. President, I am sorry we didn't get this legislation done earlier, but I am pleased we are here today to complete this legislation and to send it to the President for his signature.

We all know the current status of our economy. We know that people around this Nation are having a difficult time dealing with their everyday costs—dealing with energy costs, dealing with

health care costs, and, yes, dealing with their housing expenses. We know that the trigger to the current downturn in our economy was caused by the housing market. So it is important for us to pay special attention to the housing market as we try not only to help families who are struggling to keep their homes and keep communities strong but also to help our economy.

This is true in each one of our States. In Maryland, in the second quarter of 2008, we saw a 130-percent increase in foreclosures. In my own State, 1 out of every 243 households is in some stage of foreclosure. This is a crisis affecting millions of people in our Nation. Maryland now ranks 16th in the Nation on foreclosures. The problem is continuing. There are subprime mortgages that are out there with adjustable rate mortgages that will be coming due during 2008 and 2009, and we will see more and more foreclosures. So we need to act to try to prevent those foreclosures.

I know there have been some who have said: Well, look, this was a free market and people made their own decisions. But I can tell you of communities in my own State where homeowners were steered into subprime mortgages—homeowners who could have qualified for standard mortgages, but because of the way the fees were arranged, they were steered into these subprime products and are now in danger of losing their homes. So we need to do something.

I want to first acknowledge that there have been many groups that have stepped forward. Nonprofits in my State and around the Nation have tried to do what they can, and I applaud them for their actions. A lot of the people involved in the nonprofit housing sector have tried to help through counseling and other means, and that is laudable. In my own State, I applaud the efforts of our Chief Judge Bell, who has called upon the lawyers of Maryland to attend training sessions to offer pro bono services to help homeowners who are in danger of losing their homes. I think that is what the bar should be doing, what lawyers should be doing, and they are stepping up to try to help. We also see State and local governments doing what they can to try to help in the housing market, and even private companies have stepped up to try to restructure loans so that people can stay in their homes. All of that is what should be happening, and I applaud the efforts of the private sector and local governments. But the Federal Government should be a full partner in this effort, and I think H.R. 3221 moves us in a direction toward accepting that responsibility.

The bill helps current homeowners on the brink of foreclosure. It will provide \$180 million for financial and legal assistance to homeowners who are in danger of losing their homes, which I think is very important. The legislation provides for counseling services to help counselors deal with individuals

who are in danger of going into foreclosure on their properties. It also helps with refinancing. It is estimated that 400,000 people in this country will benefit from the provisions of this legislation that allow for refinancing of their loans.

Some have said this is bailout. It is not a bailout. The loans are going to be bought at market value. Investors are going to lose part of their investment on these refinancings, as they should. It is not a bailout. And the homeowners who take advantage of it, it is to help them stay in their homes. If they sell their homes, part of the profits need to be returned. So it is a fair way to keep people in their homes, recognizing the fact that it is not only the individual homeowner who loses but the entire community loses when a house is foreclosed upon.

I am particularly pleased with the provision in this legislation dealing with first-time homeowners. Several months ago, I talked to Senator BAUCUS about a housing credit for first-time home buyers to help more people become engaged in buying and selling homes. We know that 40 percent of home buyers are first-time home buyers, and by helping first-time home buyers, we help the housing market and we help the economy. I think the provision in this bill that will provide a \$7,500 credit or an interest-free loan will help. It is targeted to moderate-income families, and it is temporary. It needs to be used in the next year. It is reasonable from the point of view of helping people get back into the housing market, and I thank the committee for including that provision.

This legislation also deals with the credit crunch—the availability of mortgage money for those who need to buy homes. The FHA modernization will help, and the reverse-mortgage provisions that seniors use. Seniors who have lived in their home for many years have a lot of equity in their home. They need the cash out of their house in order to stay there, and reverse mortgages help them obtain the resources they need to deal with their health care and to deal with quality-of-life issues. This bill modernizes the reverse-mortgage provisions, providing strong consumer protection provisions for our seniors.

We all know about Fannie Mae and Freddie Mac provisions and how we have tried to strengthen the regulatory system. I think that is what we should be doing. We are giving the Secretary of the Treasury the flexibility and authority that he needs in order to make sure we don't have a crisis in this country by Freddie Mac and Fannie Mae not being able to carry out their stated mission.

I am also pleased that the \$11 billion for local mortgage bonding authority remains in this bill to help local governments deal with the availability of low-income housing.

The legislation also includes improvements to the CDBG funds by \$4

billion, of which \$89 million will be available to the people of Maryland. These are for the communities that are directly affected and have large numbers of foreclosed properties. This provision will allow the local governments to be able to buy foreclosed properties and turn them back and make them available for moderate-income families through home ownership and rental.

There is a provision in the bill that deals with veterans, through our VA home loan program, to prevent foreclosure and increase home ownership.

Lastly, there are provisions in this bill to help us in the future with better mortgage disclosure rules and nationwide loan originator licensing and registration.

The bottom line is, it increases the tools available in our toolbox to deal with vulnerable families who are in danger of losing their homes, it provides the financial wherewithal so that we can keep credit available for people to buy and sell homes, and it is a message and action to help our economy in these very difficult times. I am pleased we are able, at last, to vote on this legislation, and I urge my colleagues to support this very important bill.

Mr. President, I yield the floor.

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

Mr. SESSIONS. I ask unanimous consent to use 5 minutes of the time allotted to the Republican leader.

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

Mr. SESSIONS. Mr. President, first, I appreciate particularly the work of my colleague, the senior Senator from Alabama, Mr. SHELBY, who has, for quite a number of years, fought to improve oversight of the GSE, the Fannie and Freddie agencies that are so dominant in our loan market.

I am pleased, finally, now that we are in a crisis and the warnings he has raised for years, along with Senator SUNUNU, Senator ALLARD, and some others, that they now are willing to accept some significant oversight over these tremendously large institutions while, unfortunately, placing the taxpayers at risk.

So I think, all in all, with the crisis we are facing, I am inclined to support this legislation; although I am not, in general, happy we are in this circumstance.

LIHEAP

I would like now to direct my remarks to the LIHEAP legislation. I think it is a curious thing. I know a lot of Members on our side, who are so frustrated about the inability to have a real debate about energy, will vote against the LIHEAP bill and going forward to it because they want to stay on energy legislation, in general.

I would suggest, however, the legislation that has been offered by my colleague from Vermont is bad policy. It is not good. We ought not to support it. Fundamentally, it does this: It subsidizes the burning of more fossil fuel.

That is an invariable law of economics, that which you subsidize you get more of. We are told, particularly by our green members—so many of them do come from the Northeast—that we ought to reduce fossil fuels. Yet we have a piece of legislation that subsidizes, to a dramatic degree, fossil fuel use.

We had a little debate during the Presidential dustup in which we discussed cutting taxes on gasoline because the price of gasoline had doubled. People agreed that was bad public policy. This is worse. This is collecting tax money from various Americans and is giving it to others so they can buy more fossil fuels. I do not think that is good policy.

Second, it is the second LIHEAP bill we have had. The first one was \$2.5 billion. We have done that one. Now we want to do another \$2.5 billion that is unpaid for. It is a \$2.5 billion direct increase to the debt of the United States of America. We are spending like drunken sailors, and that is unkind to drunken sailors.

We have already passed a \$150 billion stimulus package to help people with higher costs and difficulties, and we sent out checks for that. We passed a \$60 billion GI bill expansion. We passed a \$50 billion foreign aid package for disease in Africa. We have added \$14 billion to the Medicare fix. We are heading to this bill, this housing bill, that is going to cost and others.

We are going to more than double the deficit this year. We have to learn to say no. We cannot do everything we would like to do. The deficit last year was \$177 billion. It is going to be \$450 to \$500 billion this year. That's unbelievable. We have to get serious about spending in general.

Also, the argument has always been this is for high heating oil prices. Well, I would suggest there is probably no more polluting, no more CO₂-creating fuel than fuel oil. It is a low-grade fuel. It is not the best kind of thing. Maybe we ought to be talking to our friends and colleagues who oppose so much drilling and production of oil and gas, perhaps we should begin to talk about how solar or wind could deal with their problems.

But I suspect, when it comes to their own neighborhood, they know solar and wind are not so easily done and would actually be more expensive than heating oil.

The ACTING PRESIDENT pro tempore. The Senator has used 5 minutes.

Mr. SESSIONS. I thank the Chair. I ask unanimous consent for 1 additional minute. I do not see another colleague here.

I would note that for these reasons, I think it is bad public policy. I ask my colleagues to vote against it on the merits and also because we need to continue to talk about producing more energy for America; keeping American wealth at home and not continue to transmit \$700 billion a year of our wealth to nations around the world,

often who are hostile to our national security interests.

I reserve the remainder of our time on this side.

The ACTING PRESIDENT pro tempore. Who seeks recognition? The Senator from Vermont.

Mr. SANDERS. How much time remains on our side?

The PRESIDING OFFICER. There is 22 minutes.

Mr. SANDERS. Mr. President, I ask unanimous consent to speak for 7 minutes and that the remaining 15 minutes be reserved for Senator DODD.

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

Mr. SANDERS. Mr. President, the Senator from Alabama said that what the LIHEAP legislation is about is subsidizing fossil fuels. No, that is not accurate. What the LIHEAP legislation is about is keeping people alive in Alabama, in Arizona, in Texas, in Vermont, in Maine, and all over this country. The Senator from Alabama should know that people are dying this summer, when the heat gets to 110 degrees and when electric rates are soaring and they do not have the money to pay those electric bills.

The Senator from Alabama and others should know the CDC, the Centers for Disease Control, have made it very clear that more people die from extreme heat exposure and exposure to the cold than all other natural disasters combined.

Let's be clear what we are voting on this morning. When the Senator from Alabama and others say: Well, we are spending money trying to keep the elderly and the sick and children alive when the weather gets 20 below zero, we are. I will vote for those proposals, rather than hundreds of billions of dollars in tax breaks for the wealthiest 1 percent.

I will vote to make sure people in Vermont do not freeze in the winter, while we give tax breaks to ExxonMobil that enjoys record-breaking profits. That is what we are talking about, priorities. Do we keep the old and the sick and kids alive when the weather gets cold or when the weather gets very hot or do we spend money on people who make huge campaign contributions? That is part of what this debate is about.

Mr. SESSIONS. Will the Senator yield?

Mr. SANDERS. I have the floor. I will not yield.

Some other people are saying what we should be talking about is energy policy. Well, of course, we should. The energy policy of this country is way out of whack. We are spending \$700 billion a year importing foreign oil. We need to move to sustainable energy. We have not moved to energy efficiency. There is an honest debate about where and how much drilling should take place. But that is not what this debate is about.

Since 1981, we have had LIHEAP. It has been supported in a bipartisan

manner from everybody from President Bush on down. It is a program that has worked. What everybody in this Chamber understands is the price of home heating oil is soaring, the price of electricity is soaring, and the people will become sick and die and be forced to leave their homes if we do not significantly expand LIHEAP funding in order to make sure they can pay their bills.

Let me reiterate to my friend from Alabama or anybody else: This is not a cold-weather State bill. Am I worried about what is going to happen in Vermont this winter? You can bet on it.

Mr. SESSIONS. Who gets the benefit?

Mr. SANDERS. I believe I have the floor.

The ACTING PRESIDENT pro tempore. The Senator from Vermont has the floor.

Mr. SANDERS. In Philadelphia, PA, in June, 17 people died from heat exhaustion. In Arizona, over the years, hundreds of people have died because they lack the ability to stay cool in the summer.

This legislation is supported by the AARP because they understand, the largest senior group in America, what will happen to older Americans if it is not passed.

This legislation is supported by the National Governors Association because they know the financial problems facing States and the need for the Federal Government to act. This legislation is supported by the Southern Governors Association because they know what hot weather does to people's health, especially the old and the sick when they cannot stay cool.

What we are dealing with is literally a life-and-death situation. People in the hot-weather States will die when temperatures get to be 115 degrees, and they cannot afford the electricity to stay cool with air-conditioning.

People will die in the Northern tier when the weather gets 20 below zero, and they cannot afford the high cost of home heating oil or gas.

The American people are sick and tired of all the partisanship which is going on. Every Member of the Senate can write a press release telling their constituents why they voted no. But you know what, I do not think the people are going to believe you. If we have enough money for tax breaks for ExxonMobil, we have enough money in this country to make sure people do not freeze to death and that people do not die of heat exhaustion.

I hope we can come together while we disagree about other aspects of energy policy. I hope we can finally come together and go back home, whether it is to the South or the North, and tell the American people, we understand what high energy prices are doing to them. We are going to stay with you. We are not going to let the most fragile people in our country, the most vulnerable people in our country, suffer unnecessarily when we know how to help them.

I yield the floor.

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

Mr. DODD. Mr. President, before he leaves the floor, let me commend our colleague from Vermont for his eloquence and his passion this morning on a subject that, as he says, ought to unite all of us, regardless of geography or political party.

I would be remiss if I did not recognize, as well, that the Presiding Officer today has been a champion of this issue during his tenure in the Senate. I thank the Senator from Rhode Island for his passion about this issue as well.

In the quarter of a century that I been here, as the Senator from Vermont has pointed out, this issue has been an issue that has not divided us along these lines. There have been those who, from time to time, have opposed low-income energy assistance but, by and large, this is a matter that has enjoyed broad bipartisan support.

While we are in the depths of the summer today, and there are those who are wondering what we are talking about, we talk about home heating oil and gas for the winter, we are only days away from those temperature changes.

Of course, for those who live in our southern States, the issue of heat exhaustion is something they live with all the time. And low-income energy assistance, as the Senator from Vermont points out, cuts across all geographical lines. It is the basic necessity. You cannot survive without it. Over the years, we have been able to do something to support it.

So I urge our colleagues, when the vote occurs later this morning on this issue, that we join on this matter and support the effort to provide for that low-income energy assistance.

I commend my colleague from Vermont, who has been patient about this issue over the last number of weeks. My hope is it will be supported. I hope we do on low-income energy assistance what we have done on housing.

I note the presence of my colleague from Alabama, Senator SHELBY. I wish to begin my remarks by thanking my friend from Alabama. I thank him and our colleagues, Democrats and Republicans, on the Banking Committee.

The Presiding Officer and others, by a vote of 19 to 2, we came out of our committee back in March on a housing proposal. We have worked closely together over these last number of weeks in order to bring us to this moment, which I wondered if it would ever occur, given the number of times we have voted on this matter since March.

But in about 30 minutes, we are going to have a chance to finally decide whether this Congress is going to do something about the growing economic problems, basically founded and anchored in the foreclosure crisis of our Nation, that has now spread far beyond residential mortgages.

It is long overdue that this Congress respond. We are about to do so in a bi-

partisan fashion. Given the vote yesterday of 80 to 13, it is an indication of this what this body can do when we are determined to work together to make a difference.

So I wish to thank—I see my colleague from Georgia—Senator ISAKSON and others who have done a terrific job in packaging this proposal. If each one of us could write this alone, it would be different. We serve in a body of 100 Members. We need to work together to develop final products. This is an example of what can happen when that occurs.

I am pleased we are finally ready to pass the Housing and Economic Recovery Act of 2008 and send it to the President's desk for his signature. This has been a long and arduous process. It started when Leader REID, who has been remarkable and marvelous in this process, Leader MCCONNELL, Senator SHELBY and I, announced on March 31 that we were going to put together a bipartisan housing stimulus bill that would address the growing housing crisis. Not much more than 24 hours later, Senator SHELBY and I, along with Senators BAUCUS and GRASSLEY, brought the first version of the Housing and Economic Recovery Act to the floor where it received an overwhelming vote of 84 to 12. We continued to work over subsequent months to expand and improve the legislation so it would more thoroughly address the growing foreclosure and financial crisis. This is the product we present to our colleagues this morning.

This action is coming none too soon. Earlier this week data was released showing that home sales hit a 10-year low, falling 2.6 percent, over twice as much as what had been expected. Home prices continue to fall. The Census Bureau reported that foreclosures contributed to a record number of vacant homes in the second quarter. Merrill Lynch reports that June numbers show we now have 11 months of inventory of single-family homes. That is a 23-year high.

RealtyTrac reported yesterday that forecloses in the second quarter more than doubled from a year earlier and jumped nearly 14 percent from the previous 3 months. As you have heard me say over and over, every day between 8,000 and 9,000 of our fellow Americans are put into foreclosure. There have been a record number of bank seizures as well. This is happening in the United States. It simply ought to be unacceptable to every single one of us.

Bill Gross, the CIO of PIMCO, one of our largest investment funds, estimates our economy will face nearly \$1 trillion in mortgage losses when it is all said and done. Martin Feldstein, who served President Reagan as chief economist, wrote in the Wall Street Journal in March:

The 10 percent decline in house prices has cut household wealth by more than \$2 trillion, reducing consumer spending and increasing the risk of a deep recession.

This is a staggering loss of wealth we are seeing, coming at the very same

time, as the Senator from Vermont has pointed out, that food prices, gas prices, health care, and education costs are rising. We are experiencing the worst of all possible worlds. Wealth is declining, the source of wealth creation, and costs are rising simultaneously. Moreover, when we consider the role that home equity has played in supporting consumer spending, we see the danger a vicious downward cycle could create, an economic disaster for our country.

Don't let yourselves be dulled by nameless and faceless statistics either. Behind each one of these numbers I have recited, there is a family—a mother, a father, children trying to grow up, facing unemployment, losing their homes, wondering what the future holds. So when we talk about the numbers, about how important this data is, pause for a minute, when deciding whether to support this bill, and remember: Behind every one of those numbers there is an American family who this morning is wondering whether their Congress can do anything at all about the problems they face.

In about 30 minutes, we will have an answer for that, I believe, an overwhelming one, that says: We are on your side. We want to make a difference to keep you in your homes and get back on your feet again. That is what this is all about—not the numbers but the faces. Those families are counting on us. In the face of these daunting challenges, I believe we all have a responsibility to act. That is what we are going to do this morning by passing this bill.

Let me quote again Mr. Gross of PIMCO, who wrote this past Thursday:

... the omnibus housing/GSE bill now placed before the Congress and the President is the best way to begin the long journey back to normalcy [in this country].

I believe that to be the case. Treasury Secretary Paulson said the passing of this legislation is the most important action we can take to address the housing crisis.

This legislation will not perform miracles. I want the American people to have a realistic expectation as to what we are about to do. But as others have said, it is a step—I hope and expect an important step—toward putting our Nation on the road to economic recovery. Let me sum up the legislation very quickly before turning to my colleague from Alabama.

The bill establishes the HOPE for Homeowners Act to help at least 400,000 to 500,000 families stay in their homes. It does so after asking both lenders and borrowers to make financial sacrifices, and it does so at absolutely no cost to the American taxpayer.

The bill creates a new world-class regulator for Fannie Mae and Freddie Mac and the Federal Home Loan Banks. Recent news makes it clear these entities need a stronger regulator to ensure they are viable and healthy institutions, able to provide credit in times of stress such as we are experiencing today. It also raises loan limits

from \$417,000 to a high of \$625,000 so the government-sponsored enterprises can play an even more active role in stabilizing the housing market.

At the request of Secretary Paulson, the legislation includes standby authority for the Secretary of the Treasury to purchase the stock or debt of the housing GSEs only if he finds such action is necessary to keep the financial markets stable and mortgage credit flowing. It is our strong expectation that creating this authority will make it unlikely that it will ever be needed. As I have said, the GSEs have significantly more capital than is required by law. They continue to have open access to the debt markets, and their holdings consist primarily of 30-year fixed rate mortgages.

The bill modernizes the Federal Housing Administration program, raising the loan limits from \$362,000 to \$625,000 so that 98 percent of the counties in the United States and 85 percent of the population will have access to this important program. FHA has proved its value in the current crisis, as it has continued to provide a stable source of mortgage credit even while many other lenders have failed.

The bill includes a permanent, affordable housing fund financed by Fannie Mae and Freddie Mac that will provide tens of thousands of affordable housing units. I tip my hat to the Presiding Officer, who has been a tireless champion on behalf of affordable housing. With the work of Senators SHELBY and REED, we have a permanent, affordable housing program, the first time ever in our history. The bill includes new protections for elderly homeowners taking out FHA-insured reverse mortgages so they are not deceived, as many have been, into using the proceeds from these loans to buy expensive and needless insurance products. These provisions were incorporated from a bill introduced by our colleague from Missouri, Senator McCASKILL.

The bill includes a new mortgage broker and lender licensing requirement added by Senator MARTINEZ, with strong support from Senator FEINSTEIN, that will begin to address the many abuses of the mortgage process perpetrated by brokers. In addition, it includes improved disclosure requirements added by Senators REED and BOND. Because of the efforts of Senators KERRY, COLEMAN, AKAKA, CORNYN, and SANDERS, the bill expands the availability of the VA housing program and includes a number of provisions to help returning veterans save their homes from foreclosure, and provides new housing benefits to disabled veterans. The legislation includes \$3.9 billion in emergency Community Development Block Grant funds for areas hard hit by foreclosures, to help them purchase and rehabilitate these homes and put them into productive use. As the Boston Globe wrote in an editorial earlier this month:

The major beneficiaries [of this provision] would be the urban homeowners to pay their

mortgages diligently yet face declining property values, crime, and blight associated with a rash of foreclosures near their homes.

This body has repeatedly provided emergency funds to communities ravaged by floods, hurricanes, and natural disasters. The foreclosure crisis is every bit as much of a disaster. This is an emergency equally deserving of these funds.

Finally, the bill includes \$150 million in new counseling money. Housing counselors have been our troops on the frontline, working with troubled borrowers and lenders. These funds, which were included at the request of Senator MURRAY, along with Senator SCHUMER, will result in tens of thousands of American families being able to keep their homes.

Let me close by saying again this legislation is the product of tireless collaboration in the Senate and the other body, the House of Representatives, with the work of BARNEY FRANK and his colleagues on the Financial Services Committee and, of course, the administration, particularly Secretary Paulson and his staff, to help develop solutions that will strengthen our economy, restore confidence in our financial markets, and provide urgently needed relief to American families struggling to make ends meet. Such an outcome could not be possible without the full support and leadership of my colleague and ranking member, Senator SHELBY. Every vote we have taken on this bill, from the 19-to-2 vote in committee to yesterday's 80-to-13 vote on cloture, has been strongly bipartisan. The American people can take some pride in this institution for our willingness to work together through these difficult issues to get such a good outcome.

Finally, legislation of this magnitude takes hours and hours of staff time to work out. There is never going to be an adequate expression for Senator SHELBY and me to thank our staffs on the Banking, Housing and Urban Affairs Committee. They have been remarkable, beginning with the Senate staff director, Shawn Maher of my office, along with Jonathan Miller, Amy Friend, Roger Hollingsworth, Aaron Klein, Julie Chon, Jenn Fogel-Bublick, Sarah Kline, Kate Szostak, and Drew Colbert; legislative counsel Laura Ayoud and Rob Grant; Senator SHELBY's staff—Bill Duhnke, Mark Oesterle, Peggy Kuhn, Jim Johnson—and from Senator REED's staff, Kara Stein.

I thank Senator HARRY REID lastly, our majority leader, for his diligence, patience, and determination. We have been through six cloture motions, delay after delay after delay by a handful of Senators who were determined to do everything they could procedurally to stop us from getting to this moment. I thank immensely the majority leader, and his staff as well, for their tireless support of this effort.

Again to my colleague from Alabama, I tip my hat. He is a good man to work with, and I thank Senator SHELBY.

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise to speak in support of the final passage of H.R. 3221, the legislation before us Senator DODD and others have been talking about. This legislation contains numerous provisions that address a wide variety of issues associated with the housing crisis. Many of them, in fact, were previously considered and passed by the Senate in earlier versions of this bill right here on the floor. I wish to highlight a few of these important provisions now.

As the Presiding Officer well knows, because he is an important player in this and a very important member of the Banking Committee, this final package contains the same mortgage refinance program included in the earlier bills. This is a temporary, voluntary program within the Federal Housing Administration to back FHA-insured mortgages to distressed borrowers. It requires both mortgage lenders and borrowers to give up some of their financial interest in order to participate. The mortgage lender must agree to reduce the principal balance of the loan, which we also call a "haircut." The loan refinancing arrangement must also bring the loan-to-value, LTV, ratio on the new loan to no greater than 90 percent of the property's current appraised value. Borrowers must accept an equity-sharing requirement and forgo a percentage of any future profits on the sale of their homes.

While I would prefer a completely free market solution, at least this program is designed to keep the taxpayer from bearing the cost, something I fought hard for in the Banking Committee. We have included a separate funding stream that carries on in perpetuity to cover any costs that may arise.

This package also includes measures which modernize the FHA program. But by streamlining and expanding it, we hope the program can make safe, fixed-rate mortgages more readily available to home buyers in the United States.

The legislation also includes a first-time home buyer tax credit of \$7,500. I believe this should serve as an additional incentive to potential first-time buyers who may be waiting to purchase a home. The tax credit, combined with the greater availability of sustainable mortgages, should encourage buyers and help invigorate the housing market.

While I support this bill, there are a number of provisions in it with which I am very concerned. If it had been my decision alone, I would not have included them. While crafting legislation requires a great deal of give and take, one thing we should not compromise is our obligation to conduct continuing oversight of the programs we enact. Our responsibility to the taxpayers requires that we continue to closely track the funds we are providing. We

should not tolerate the waste or misuse of a single tax dollar. It is my hope that my friends who demanded additional spending are as enthusiastic about accounting for tax dollars as they are about spending them.

The bill coming back to us from the House does contain a set of entirely new and significant provisions. These provisions were added at the request of Treasury Secretary Paulson, who determined that such measures were needed immediately as a result of the rapidly deteriorating financial condition of Fannie Mae and Freddie Mac.

The legislation provides, as the Presiding Officer knows, the Secretary with temporary authority to purchase debt or equity of the GSEs when he, the Secretary, determines that such action is required to stabilize the financial system, protect taxpayers, and prevent disruptions to the mortgage markets.

I recognize the unprecedented nature of the authority this legislation provides to the Secretary of the Treasury. It is not something I agreed to without a great deal of consideration. In my estimation, however, the risks of not providing the authority ultimately outweigh the risks of extending it. I said recently I feared we were sitting on a financial powder keg. I think a lot of people realize that.

Fannie Mae and Freddie Mac, independently and together, represent considerable risks to the financial system. They each hold portfolios in excess of \$700 billion. They each guarantee more than \$2.5 trillion in mortgages. Their debt is held as regulatory capital by hundreds, if not thousands, of American financial institutions. They serve as counterparties on derivatives contracts with hundreds of firms, located domestically and abroad, in amounts in the trillions of dollars.

For years, I have argued on the Banking Committee that these entities, due to their size and their reach in the financial markets, pose a risk to the global financial system. I have also argued that such systemic risk requires the appropriate regulatory framework to prevent total financial calamity should one of the firms face a crisis.

Unfortunately, over the years, my calls for regulatory change were not only unheeded but were rebuffed. Consequently, we were denied the chance to put a strong regulator in place when it could have made a difference. But we are where we are today.

What has happened in the meantime seems to be the inevitable result of our failure to act. Indeed, when it became clear that both of the GSEs were on dangerous financial ground, it was no surprise to me that the Secretary asked for such a substantial grant of power and authority. Entities of such size and risk can only be helped by the commitment of a massive amount of resources.

Upon the passage of this bill, such resources will be available, if necessary. I hope they will not be necessary.

It is unfortunate it took the near collapse of Fannie Mae and Freddie Mac to convince a number of my colleagues that these entities do indeed pose a systemic risk to the U.S. and global economies. Nevertheless, I am pleased this legislation now acknowledges and addresses that reality in statute by giving the Federal Reserve a role in advising the new regulator on risks to our financial system.

Although the Fed's role, as the Presiding Officer knows, is temporary, it is now well established that the systemic risks the GSEs pose are permanent. That debate is basically over. The only question now is to whom the Congress assigns that responsibility in 18 months.

Since beginning the process of developing this legislation, I have believed the most important aspect of the bill is that it establishes a strong independent regulator for the GSEs. Intervening events have further confirmed my belief.

We have provided this new regulator with enhanced powers and additional authority so it has the tools necessary to ensure the GSEs are properly regulated. In doing so, I believe we are taking a very important step to prevent a repeat of the crises that enveloped Fannie Mae and Freddie Mac.

We find ourselves at the end of a long legislative road. The time for the debate has ended, and it is now time to vote.

• **Mr. INHOFE.** Mr. President, the Senate has been in session all week and held one vote Tuesday and two votes this morning—all procedural votes. We have considered a bill this week concerning the number one issue in America today—the price of energy. Instead of allowing a full debate on the bill and, most importantly, a full opportunity to allow amendments to actually open up supplies and provide Americans with options, the Democratic majority has closed debate and prohibited any opportunity to amend the bill.

Now, the Senate Democratic Majority, after wasting an entire week, is engaged in a stunt to keep the Senate in session this weekend in some false demonstration they are serious about now addressing the issues that concern Americans.

Tomorrow, the Senate is expected to vote on a massive housing package that continues to grow as it has been amended going back and forth between the House and Senate. At this point, this bill proposes raising the national debt limit to \$10.6 trillion, an \$800 billion increase. The bill continues to contain \$3.8 billion in community development block grants to allow government entities to purchase foreclosed houses and creates an affordable housing fund which simply funnels funds to groups like La Raza and ACORN. The legislation allows the FHA to take on up to \$300 billion in troubled mortgages into the taxpayer-backed program. In the bill, the value

of an eligible loan under the FHA bailout is \$550,000. The nationwide average value of a home is roughly \$200,000. Someone with a \$550,000 mortgage pays approximately \$3,300 a month on housing alone, assuming a 30-year fixed-rate mortgage at a 6.35 percent interest rate. That comes to \$39,600 per year in mortgage payments alone. According to the Bureau of Economic Analysis, average per capita income in the U.S. for 2007 was \$38,600. Therefore, someone with a \$550,000 mortgage will be spending around \$1,000 more on their house alone than an average American makes in an entire year.

The Congressional Budget Office warned that 35 percent of the loans refinanced through the program will eventually default anyway. It is simply bad policy to put taxpayers on the hook for borrowers who took on more than they could afford and lenders who made bad loans to begin with. It's entirely unacceptable to have the government put taxpayers on the hook for someone who qualified for a loan more than two or three times what the average American can afford. The American taxpayer, and taxpayers in Oklahoma, should not be put in the position where they are ultimately responsible for the irresponsible decisions of others, and they certainly should not be put on the hook for relatively well-off individuals not to mention large companies who made poor financial decisions.

I have previously opposed holding American taxpayers responsible for the decisions of others, and will not attend the vote tomorrow since I would vote "no" and request this statement appear in the RECORD prior to the vote tomorrow morning on the housing message from the House of Representatives. •

Mr. GRASSLEY. Mr. President, I would like to take a few minutes to highlight the tax piece of the housing bill that is before the Senate today. From the beginning, Chairman BAUCUS and I had a goal. We wanted to develop a bipartisan tax package that responded to the needs of Americans facing difficulty in the housing market. Up until the last stage of this journey, in terms of the process, we met that goal. Unfortunately, at the last stage of the process, when the last House amendment was developed, a bipartisan process became a Democrats-only process. That is unfortunate. It is not the way we have done business in the past. Hopefully, it won't become a pattern.

Mr. President, this bill, with one exception, complies with the Senate Republican conference principles on use of revenue raising offsets. This bill contains new tax policy. The new tax policy is offset with revenue raisers that a bipartisan majority in the Senate consider improved tax policy. The main one would put in place a reporting regime on credit card payments to merchants. It is a Treasury tax gap proposal. The other significant revenue

raiser would clarify the home sale exclusion rules where second homes, usually vacation residences, are involved.

The one exception deals with a reversal of a sound international tax policy reform. Back in 2004, Congress passed and President Bush signed a major bipartisan business tax reform bill. The centerpiece proposal in the international tax reform area was a restoration of the Finance Committee position from the 1986 Tax Reform Act on the treatment of interest for the purposes of the foreign tax credit. It took us 18 years to get back to the proper treatment of interest. This reform was due to take effect a few months from now.

The proposal in the bill before us delays this important reform by 2 years. It also cleverly haircuts the reform by 70 percent in the year the reform would become effective. The House has offered this offset for several bills. It is currently in play on the House extenders bill. It is also in play on the House trade adjustment assistance, TAA, proposal. In the prior stages of this legislation, it is the only offset on which I have expressed opposition. I offered up other offsets which, in my view, represented good tax policy. They were rejected by either the House or the Senate. I respected the reservations of the House and Senate Democrats on revenue raisers they could not accept. My reservations with this policy were discarded at the final stage in the Democrats-only negotiation.

The revenue grab trumps policy in this instance. The tax increase/spending increase pay-go imperative is more important than getting the tax policy right. The revenue raised is used mostly for new spending on community block grants. So here we go again. Propose suspect tax policy to feed the insatiable appetite for new social spending.

Now, why am I so opposed to the worldwide interest revenue raiser? My opposition rests in the bad tax policy this proposal represents.

Starting in 2009, the interest allocation reform will lower the chance of double tax that arises under current law from the artificial allocation of interest expense to foreign income, even when the debt is incurred to fund domestic investment. The current rules actually penalize domestic manufacturers that compete in global markets by making it more likely they will be double-taxed on their foreign income.

Several companies have spoken to my staff about the negative ramifications this delay will have on them. These companies are just starting to grow their businesses beyond the U.S. borders. The delay of this important international reform will make it more costly for these companies to expand into these markets. If these companies cannot grow beyond the domestic economy, they will be unable to compete in the global marketplace.

It is long been said that the American dream is to own your home. Un-

fortunately, the subprime crisis has turned that dream into a nightmare for many Americans. The tax relief in this bill aims to restore the American dream. This package goes some distance to restore that dream, but in the journey this legislation took a wrong turn. The bill goes backward on a bipartisan international tax reform. That is a sorry development. It does not bode well for future efforts at international tax reform. How reliable are proposals from the other side if they are reversed a couple of years later when the pay-go beast growls for more revenue for more spending?

Mr President, there are a lot of good proposals in the tax policy portion of the bill. Unfortunately, in the late stages of its development, it took on a more partisan character.

Mr. BAUCUS. Mr. President, T.S. Eliot wrote: "Home is where one starts from."

And that is true of the tax provisions of this housing bill, the Housing Assistance Tax Act. They start with home. They start with trying to help hard-working American families to stay in their homes. That's where we start.

The tax provisions in this bill provide housing relief to homeowners and stability to the housing market at a critical time.

For most Americans, their home is their biggest asset. Homes represent about a third of household net worth.

But housing is losing its role as a source of family wealth creation. Nationally, since April of last year, home prices have fallen by more than 15 percent. This decline in home values is the largest that America has seen in 20 years.

In addition to declining home values, homes sales have slowed, as foreclosures have risen. As of May 2008, sales of new single-family houses were about 40 percent below where they were a year before.

Foreclosures are at their highest rate in at last three decades. In June, 1 in every 501 households was at some stage in the foreclosure process. Since January 2005, bank seizures have risen 171 percent. The Congressional Budget Office estimates that 2.8 million foreclosure proceedings could be initiated in the next 4 years. About 1.1 million of these homeowners will ultimately lose their homes through foreclosure.

Behind every foreclosed property, there is a family. There is a family losing its home and there is a community left behind.

Another part of our housing story is the crisis in the housing finance system. The Federal National Mortgage Association, commonly known as Fannie Mae, and the Federal Home Loan Mortgage Corporation, known as Freddie Mac, are government sponsored enterprises, or GSEs. These GSEs provide critical financial support to the housing market.

These GSEs are market-makers in America's secondary mortgage market. They help to replenish the money sup-

ply for mortgages. They help to make money available for housing purchases. Fannie Mae and Freddie Mac own or guarantee about half of America's \$12 trillion mortgage market. They support about 70 percent of new mortgages.

The subprime mortgage crisis and ensuing home value declines have hit these GSEs particularly hard. Freddie Mac lost 73 percent of its value in New York trading this year. Fannie Mae lost 66 percent. Combined losses at the companies could run into the billions of dollars. These financial troubles have eroded confidence in the housing finance system. This threatens to destabilize the mortgage market vital to ordinary homebuyers.

These are only some of the housing challenges facing American families today. Congress and the Senate Finance Committee, which I chair, recognize the importance of these matters. That is why we have taken action to alleviate the negative consequences of the housing crisis.

In the bill before us, we curb the rising costs of owning a home by creating a nonitemizer property tax deduction for tax year 2008. Currently, homeowners are allowed to deduct local real estate property taxes from their Federal tax returns only if they itemize. According to the Joint Committee on Taxation, more than 28 million taxpayers pay property taxes, but do not itemize. This bill would provide millions of home owners who claim the standard deduction with an additional standard deduction for state and local real property taxes. The maximum amount that may be claimed under this provision is \$500 for an individual, or \$1,000 for joint filers.

The nonitemizer deduction would benefit people with low incomes. It would benefit those who have already paid off their mortgages and thus do not have a reason to itemize. It would benefit young families just starting out. And it would benefit senior citizens. The Congressional Research Service estimates that about 130,000 property-tax payers could benefit in my home State of Montana alone.

This bill would help to reduce the excess supply in the housing market due to declining home values and rising foreclosures. It would do so with a refundable first-time home buyer credit. The bill would give first-time home buyers a refundable tax credit equivalent to an interest free loan of 10 percent of the purchase price of a home, up to \$7,500.

The provision applies to homes purchased between April 9, 2008, and July 1, 2009. Taxpayers receiving this tax credit would need to repay to the government any amount received under this provision. They could pay it back in equal installments over 15 years. The credit begins to phase out for taxpayers with adjusted gross income in excess of \$75,000, or \$150,000 in the case of a joint return.

This first-time home buyer credit will provide significant, immediate

stimulus to get potential homebuyers into the market and into homes. And it will help to get homebuilders, and the housing industry, back on track. The short-term nature of this credit is also critical because it would avoid oversubsidizing the housing industry in the long run.

This bill would help current homeowners to avoid foreclosures with a temporary increase in mortgage revenue bonds. Under current law, there is a national limit on the annual amount of tax-exempt housing bonds that each state may issue. Many States have reached their limit. This bill would increase this national limit in 2008 to allow for the issuance of an additional \$11 billion of tax-exempt bonds to provide loans to first-time home buyers and to finance the construction of low-income rental housing.

The bill would also temporarily allow qualified mortgage revenue bonds to be used to refinance certain subprime loans. Mortgage revenue bonds are a form of tax-exempt bond issued by States to help provide financing to first-time home buyers. These bonds would result in mortgages with lower interest rates than conventional loans, making them more affordable for lower income borrowers.

This bill would encourage the rebuilding of the low-income housing industry with a temporary increase in low-income housing tax credits. The low-income housing tax credit program helps finance the development of affordable rental housing for low-income families. The credit is the largest source of Federal funding for the construction and rehabilitation of affordable rental housing.

Under current law, there is a State-by-State limit on the annual amount of Federal low-income housing tax credits. This limitation is currently set at \$2 for each person living in the State. States with small populations are provided with a special set-aside. Our proposal would increase this limitation in 2008 and 2009 by an additional 20 cents for each person residing in the State. And it would increase the small State set-aside by 10 percent.

This low-income housing tax credit enhancement could help to meet the needs of low-income families who have been displaced from their homes by foreclosure. More generally, the credit can assist low-income neighborhoods that have shortages of moderately priced rental housing. It could provide a boost to some distressed communities.

This bill also includes reforms to real estate investment trust, or REITs. REITs can be corporations, trusts, or associations. They invest in real estate. And they elect to be taxed under a special tax regime, instead of under the tax rules for corporations.

REITs are subject to complex rules that can limit the ability of these businesses to adjust to changing market conditions and to manage risk. The bill would liberalize these rules by clarifying that REITs can earn foreign cur-

rency income associated with real estate activities. The bill would increase the permissible size of REIT investments in taxable REIT subsidiaries. The bill would modify the REIT safe harbor for dealer sales. And the bill would extend the special rules for lodging facilities to health care facilities.

My colleagues and I have worked long and hard to craft this response to our nation's pressing housing woes in a fiscally responsible way. This bill has achieved bipartisan and administration support. I believe that this bill will strengthen homes at a time when help is needed. The tax provisions work to bring stability to the housing marketplace for every homeowner. I am proud to be a part of this effort.

This bill starts with the American home. It starts with trying to help hardworking American families to stay in their homes. Let's finish this bill and start helping to protect those homes today.

Finally, Ways and Means Committee Chairman RANGEL and I have asked the nonpartisan Joint Committee on Taxation to make available to the public a technical explanation of the bill. The technical explanation expresses the committee's understanding and legislative intent behind this important legislation. It is available on the joint committee's Web site at www.jct.gov.

Mr. AKAKA. Mr. President, the Housing and Economic Recovery Act of 2008 will meaningfully address the housing crisis in our country. I appreciate the leadership of my friends, Banking Committee Chairman DODD, and Ranking Member SHELBY, in developing this vital legislation. Too many families are losing their homes. Not enough working families have access to affordable housing options or are able to secure credit. This legislation protects homeowners across the country, prevents foreclosures, increases the supply of affordable housing, and assists our Nation's veterans.

This act will modernize and improve the Federal Housing Administration, FHA, to provide homeowners with additional access to fixed rate mortgages. Additional resources will be provided by this legislation for housing counseling to assist homeowners in finding solutions to their difficult situations. Mortgage disclosures will be made more meaningful to consumers by this act.

My home State of Hawaii has a severe shortage of affordable housing. Hawaii ranks as the most expensive housing jurisdiction in the country according to the National Low Income Housing Coalition's 2007-2008 Out of Reach report. This bill creates an affordable housing trust fund and a capital magnet fund to increase access to affordable housing. These additional resources help build and preserve affordable housing units for working families.

I also appreciate the inclusion of provisions that would assist veterans and

servicemembers during this housing crisis. I especially appreciate the inclusion of a provision that is derived from my legislation, S. 2768. This corrects an oversight in the Economic Stimulus Act of 2008 and extends the temporary home loan guaranty increase to veterans so that more of them can realize the dream of home ownership.

The VA Home Loan Guaranty was part of the original G.I. bill in 1944. It provided veterans with a federally guaranteed home loan with no down payment. This landmark legislation made the dream of home ownership a reality for millions of returning veterans. The amount of the home loan guaranty was last adjusted by the Veterans Benefits Improvement Act of 2004. The maximum guaranty amount was increased to 25 percent of the Freddie Mac conforming loan limit determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a single family residence, as adjusted for the year involved. Using that formula, because the Freddie Mac conforming loan limit for a single family residence in 2008 is \$417,000, VA will guarantee a veteran's loan up to \$104,250. This guaranty exempts homeowners from having to make a down payment or secure private mortgage insurance.

The newly enacted Economic Stimulus Act of 2008, however, temporarily reset the Fannie Mae, Freddie Mac, and FHA home loan guarantee limits to 125 percent of metropolitan-area median home prices, without reference to the VA home loan program. This had the effect of raising the Fannie Mae and Freddie Mac limits to nearly \$730,000, in the highest cost areas, while leaving the VA limit of \$417,000 in place. This important group of Americans may benefit from an increased home loan guaranty in this time of economic uncertainty. I am hopeful that this increased guaranty limit will assist those veterans and servicemembers who are struggling to purchase a home during this time.

The bill also authorizes a financial education and prospective homeowner counseling demonstration program, which I helped develop with my colleagues Senators MENENDEZ, CARPER, and DODD. This program will help working families prepare for purchasing a home. We must provide greater financial literacy opportunities to empower families to make better informed financial decisions. I will work with my colleagues to secure the necessary funding so that the Department of the Treasury can effectively implement and evaluate this demonstration program.

Mr. President, this essential legislation helps families remain in their homes, expands access to credit, creates more affordable housing opportunities, provides much needed improvements to veterans' housing benefits, and authorizes a prospective home ownership counseling financial literacy demonstration program.

Mr. WHITEHOUSE. Mr. President, I rise today with good news and bad news for the American people. The good news is that the Senate is poised to pass legislation providing badly needed relief for millions of American families in their darkest days: families who stand on the verge of losing their homes. The bad news is that this critical assistance will come only after long, needless delay due to obstruction and political gamesmanship by some members of the Republican minority in this body.

For too many people in this country, times are as tough as they have ever been. With millions of Americans mired in the subprime loan crisis, families across the nation stand just one lost job, one medical expense, one credit card penalty fee, or one car accident away from losing the roof over their heads. Last month, over a quarter of a million homes received a foreclosure notice—that's up over 50 percent from the same period last year. In my State of Rhode Island alone, a State with a population of around 1 million people, over 3,800 homes were in foreclosure in the first quarter of this year alone.

The collapse of the subprime mortgage market has left financial institutions in ruins, left families struggling, and left our economy vulnerable to even more widespread damage, especially as the cost of energy rises. For the first time in generations, Americans now face the prospect of leaving to their children a life with fewer opportunities and greater uncertainty than we inherited from our parents. Our children deserve better.

Democrats in the Senate and the House of Representatives have worked with Republicans to craft a bipartisan measure that will offer the assistance millions of families need to weather the housing crisis today and the reforms necessary to prevent a future housing market implosion. This legislation would authorize the Federal Housing Administration to provide up to \$300 billion in mortgages to distressed homeowners. This program will help over a million homeowners replace their subprime high-rate, low-quality mortgages with quality loans at reasonable rates. In addition, our housing rescue measure would modernize the FHA to permit it to insure a greater number of quality mortgages. For many homeowners and homebuyers, FHA-backed mortgages are the only alternative to the subprime market.

The housing rescue package also includes \$150 million for foreclosure prevention counseling and \$4 billion for communities to buy and restore foreclosed and abandoned properties. Moreover, the bill mandates new disclosure requirements to ensure that future homebuyers are not tricked into mortgages with rates that can change unexpectedly.

This disclosure provision, like so many other elements of this landmark housing bill, was authored by my sen-

ior Senator from Rhode Island, Mr. JACK REED. Senator REED, who serves on the Banking, Housing, and Urban Affairs Committee, has been among the leading voices in the Senate on this issue, working to combat predatory lending and other tactics that disadvantage consumers. Senator REED also fought to ensure that this housing bill includes an affordable housing trust fund that will produce and rehabilitate homes for low-income families, many of whom have been priced out of the housing market. It will literally bring thousands of families out from the cold, and I congratulate Senator REED for his tireless efforts to see this important assistance written into the law of the land.

I am gratified that we are able to finally pass this critical legislation, and that President Bush has finally come to his senses and dropped his longstanding veto threat. This bill represents long-needed and long-awaited relief for American homeowners, and I urge President Bush to sign this legislation without delay as soon as it reaches his desk.

Mr. FEINGOLD. Mr. President, I will vote for this final version of the housing package, but I do so with significant concerns about the new provisions added to the housing bill which bail out the mortgage giants Fannie Mae and Freddie Mac. I certainly agree that these two private corporations play a critical role in the housing market. Indeed, there are powerful arguments that they are too important to let fail, but I regret that the proposed bailout failed to include provisions to more adequately protect taxpayers and to better ensure the behavior of Fannie and Freddie will not be repeated.

Let's not fool ourselves. Fannie and Freddie are not innocent victims in this financial crisis. They were key actors in creating the mess we have been asked to clean up. Instead of bringing their considerable housing expertise to bear by reining in inappropriate home loans, as economist Dean Baker has noted Fannie and Freddie "continued to make loans in bubble-inflated markets, thereby supporting purchases at bubble-inflated prices."

Well the bubble has burst and Congress has been handed the mop. Certainly there will be imperfections in any package we enact to address the collapse in the housing market. In attempting to help those who truly were innocent victims we are likely to benefit some who we would otherwise prefer to be fully subject to the discipline of the marketplace. That may be unavoidable. But this new Fannie Mae and Freddie Mac bailout provision isn't an example of providing unintended benefits through secondhand financial effects; this is a direct bailout of bad actors. The companies' shareholders and the highly paid executives they employ are being held harmless for their ruinously damaging decisions.

The administration and other proponents of these new authorities have

insisted that they may not have to be used. I very much hope that will be the case, and that taxpayers will not end up having to bail out these two private corporations.

This legislation does create a new, independent regulator for Fannie Mae and Freddie Mac. This regulator will be authorized to exercise more oversight of Fannie and Freddie, modify Fannie and Freddie's capital standards, and take other actions to ensure the safety and soundness of Fannie and Freddie. I hope this new regulator will ensure additional reforms of Fannie and Freddie in order to better protect American homeowners and taxpayers in the future.

There are provisions of this bill I strongly support and I am pleased that these provisions will be signed into law shortly. This legislation creates a national housing trust fund which will provide funding to produce, preserve, and rehabilitate affordable housing throughout the country. I have heard from housing advocates throughout my State of Wisconsin about the need to create such a housing trust fund and in response to that feedback, I introduced the Affordable Housing Expansion and Public Safety Act of 2007. My legislation called on Congress to create a national affordable housing trust fund and the bill we are about to pass takes the first steps toward creating such a trust fund. Hundreds of housing trust funds have been created around the country at the State and local level, including recently in the city of Milwaukee. The enactment of this national housing trust fund will help to support the important work of providing affordable housing to American families in Wisconsin and throughout the country. Safe and secure affordable housing is becoming harder to obtain for our most vulnerable families and this housing trust fund takes a significant step toward making such affordable housing easier to obtain.

I also support the provision of almost \$4 billion in emergency CDBG funding to states and local governments to help purchase abandoned or foreclosed upon homes in our Nation's local communities. This funding, which is offset, will help local communities improve the quality of neighborhoods that have been hard hit by foreclosures. I have heard from local government officials in communities like Milwaukee, West Allis, and Madison about the importance of addressing the increased number of foreclosed upon homes in Wisconsin's communities. While Wisconsin has not been as hard hit as other States, foreclosures are on the rise in the State and in some parts of Wisconsin they are concentrated into certain census tracts. One foreclosure in a neighborhood is bad enough, but when you start to have four or five foreclosures in one neighborhood, this can lead to other negative consequences like increased crime, vandalism, and theft. Providing States and local governments with the resources to buy

and rehabilitate these properties will go a long way to improving our Nation's neighborhoods and the livelihood of hard working families.

This legislation is far from perfect, but in the end I will support this measure despite this new bailout provision. The potential collapse of these two mortgage giants poses too great a risk to the housing market, and with it to millions of families whose home value represents a significant portion of their life savings. But I regret the authors of this provision—both in the administration and here in Congress—did not also include provisions to better protect taxpayers and to ensure Fannie Mae and Freddie Mac do not repeat their disastrous mistakes of the past few years. I very much hope such reforms will be a high priority for a new Congress and a new President next year.

Mr. ENZI. Mr. President, today, the Senate will pass the now-infamous housing package for the last time. Each time this legislation has come before the Senate, it has been loaded with more taxes, more spending, and more liability for American taxpayers. As much as I oppose this legislation, I am relieved it is not headed back to the House so Members could add even more tax-and-spend provisions. This bill is a perfect example of how Congress can take a problem and make it worse. If it is worth reacting to, it is worth overreacting to in the Senate. Unfortunately, Americans will be paying for this particular overreaction for years to come, and the bill's implications will be much larger than we can even imagine now.

The first way Americans will be on the hook is through the HOPE for Homeowners Act contained in this bill. This program will create a \$300 billion Federal loan guarantee program to bail out bad real estate investments and banks that made interest-only, no documentation loans. How will they do this? By shifting 100 percent of the liability of foreclosure onto the American taxpayer. Taxpayers could be paying for this provision for the next 30 years.

The Congressional Budget Office, CBO, estimates that this \$300 billion program will only cost \$68 billion. The CBO claims that few banks will use the program because it requires them to take a 10-percent cut in the mortgage principal. But to quote a Wall Street Journal article from July 24, 2008:

If no one needs the program, then why is it there? If lenders do take advantage, they are bound to dump their worst loans on the feds . . . the FHA guarantee will either be superfluous or more expensive than we are led to believe.

I would like to submit the full article for the RECORD.

Second, this legislation taxes the government-sponsored enterprises nearly \$1 billion per year over the next 10 years to cover initial losses stemming from this bailout, and in later years, to fund liberal activist groups posing as affordable housing advocates.

This tax will be levied on companies struggling to stay solvent and keep our markets operational. Such a theory could only fly in Washington: tax a company in order to save it.

While Congress is taxing these companies into insolvency, it is their investors who are paying the price. Over the past month, concerns about passing this bloated bailout and tax bill have contributed to a drop of 80 percent in the stock price of Freddie Mac and Fannie Mae. Americans' pension funds, 401(k) accounts, and other investments have taken a huge hit because Congress wants to micromanage the housing market. To date, Congress's action has only led to more market volatility and stock selloffs as investors wait to hear the next bad idea devised by Congress to fix our Nation's housing market.

I, along with several other Senators, have sent a letter to Securities and Exchange Commission Chairman Cox asking him to comment on the impact this proposal will have on investors. As the agency charged with the mission of investor protection, I am very interested to hear the Chairman's opinion about this special tax Congress will levy on Freddie Mac and Fannie Mae. Investors should not have to calculate the risks of Congress taxing their investments to death.

Finally, as if American taxpayers weren't squeezed enough, a recent proposal by Treasury Secretary Henry Paulson would allow the Federal Government to use taxpayer money to purchase Freddie Mac and Fannie Mae stock. This is potentially the biggest threat to taxpayers in the entire legislation because no one knows how much this will cost. I listened as Secretary Paulson urged the Senate Banking Committee to provide his agency with an unlimited authorization to buy stock. This is a blank check to the Federal Government, written against the taxpayer's account. Shockingly, the House voted for this proposal on July 23, 2008, and the Senate voted for it today.

The same Wall Street Journal article published on July 24 noted that the Paulson proposal:

could cost \$100 billion, or it could cost nothing. So the CBO threw a dart at the wall and assigned a \$25 billion price tag to the Freddie and Fannie bailout.

It is astounding how easily some Members of Congress can vote to give away taxpayer's money by the billions, especially when we do not even know how many billions of dollars we are giving away.

I continue to urge, in the strongest sense, for Members to vote against this legislation. Congress had the opportunity to pass sensible reform for the government-sponsored enterprises years ago that would have avoided this mess. Unfortunately, some Members have decided instead to fund mortgage bank bailouts, allow taxpayer money giveaways, and erode the public's confidence in our markets even more than it already has. A vote against this leg-

islation is a vote to protect American taxpayers and to prevent a further erosion of confidence in the American marketplace.

Mr. LEAHY. Mr. President, the sluggish national economy and the rising cost of housing is a one-two punch that is keeping affordable housing out of the reach of too many Vermont families. It is important that during these times of economic hardship we do more—not less—to help struggling families make ends meet. I am pleased that today, after months of delay, the Senate is set to act on final passage of the Housing and Economic Recovery Act, H.R. 3221, a responsible bill to strengthen our economy, restore confidence in our financial markets, and provide urgently needed relief to American families who are struggling to make ends meet.

Under the Bush administration's watch, unregulated mortgage originators were given financial incentives to sell risky, unaffordable, subprime mortgages to vulnerable borrowers. As these adjustable rate mortgages reset to higher rates, the number of families unable to afford their payments and threatened with foreclosure is skyrocketing.

Foreclosures have climbed in my home State of Vermont and, while subprime mortgages are not the largest driver, the mortgage foreclosure crisis will still have severe costs for homeowners, not only in direct costs but in its effect on home values and declining property taxes. According to the State of Vermont Department of Banking, Insurance, Securities and Health Care Administration, for the first quarter of 2008, well over 400 new foreclosures have been filed in Vermont, which is a 30-percent increase over those filed in last year's first quarter. If the current trend holds, Vermont is facing about 1600 this year.

Several urgent housing-related issues have become prominent already this year. The most visible issue is the prevalence of subprime loans and growing mortgage default and foreclosure rates, affecting an estimated 2 million homeowners. Congress has responded with a reform package to change the way in which the lending and homebuying industry is regulated and to assist borrowers who are facing default and foreclosure. These proposals address several of the problems spawned by a housing foreclosure crisis that has threatened America's hard-working families, their communities, and our local and national economies.

I recognize that this bill is not a perfect solution. However, I also believe the housing crisis and market instability demand action. Ending the foreclosure crisis is vital to the American economic recovery. This package will help prevent another crisis of this magnitude, stop foreclosures before they begin, and preserve for future generations the American dream of home ownership.

Homes that have been foreclosed upon and are sitting unoccupied lead to

declines in neighboring house values, increased crime, and significant disinvestment. To ensure that communities can mitigate these harmful effects of foreclosures, the package provides \$3.92 billion to communities hit hard by foreclosures and delinquencies. These supplemental community development block grant, or CDBG, funds will be used to purchase foreclosed homes, at a discount, and rehabilitate or redevelop the homes to stabilize neighborhoods and stem the significant losses in house values of neighboring homes.

It has always been a priority of mine to help make housing more affordable, and I have worked over the years—as I will do in years to come—to bring the resources into Vermont to make that happen. That is why I worked with Senators SANDERS, BAUCUS, SNOWE, THUNE, and WHITEHOUSE to successfully include a provision that applies an all-State minimum of 0.50 percent to the supplemental CDBG funds provided to States to buy up and rehabilitate foreclosed properties to ensure smaller States like Vermont receive a portion of the help. This will result in roughly \$20 million coming to Vermont to help with foreclosures in our communities.

Now that the President has lifted his veto threat and after months of delay tactics by the minority, the Senate is ready to pass a responsible bill to address the worsening foreclosure crisis, which is the root of the broader economic crisis. By helping Americans keep their homes and their home equity, we are restoring stability to the housing market and helping businesses and communities hurt by this crisis not only recover, but also create new jobs. The Housing and Economic Recovery Act will help prevent another crisis of this magnitude, stop foreclosures before they begin, and preserve home ownership for future generations.

Each day this bill has been stalled, nearly 8,500 new families filed for foreclosure—on top of already accelerating foreclosure filings that were 53 percent higher in June than in the same month last year. The time for delay has passed. It is about time that we send this bill to the President for his signature into law so we may begin to deliver solutions that are in the best interest of the American taxpayer and the U.S. economy.

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

Mr. REID. Mr. President, it is my understanding that the minority has 2 minutes left; is that right?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. REID. Mr. President, I say to my friend, do you intend to use that?

Mr. SHELBY. Mr. President, I will yield it back.

Mr. REID. Mr. President, on our side, it is my understanding we have 1 minute, plus my time; is that right?

The ACTING PRESIDENT pro tempore. Fifty-four seconds, plus the leader's time.

Mr. REID. Mr. President, I would yield 3 minutes to the Senator from New York, Mr. SCHUMER. No, he doesn't want it. OK. That is unusual.

I wish I had the words to express adequately my appreciation for the work done by the chairman of the committee and the ranking member of the committee. Senator DODD and Senator SHELBY have done a remarkable job under tremendously difficult circumstances to get where we are today. They were for this piece of legislation before Fannie and Freddie got into big trouble because they knew and they could see the problems with the housing industry. The fact that Fannie and Freddie got into trouble only made it more imperative that these two managers of this legislation move forward more rapidly. They have overcome tremendous obstacles.

We have had seven cloture votes on this housing bill. I do not know if in the history of this country we have ever had a single piece of legislation with that many cloture votes, but we had them on this bill. These two very fine legislators—one from the State of Connecticut, with a totally different economy, different political base than that of the State of Alabama—worked together for the good of the American people. I so admire and appreciate the work they have done under, I repeat, very difficult circumstances.

For most Americans, yesterday, Friday, was an ordinary summer Friday. But for about 8,500 families, it was a terrible day because, when they got their mail, there was a foreclosure notice or, when they opened their door, they found on their door a notice of foreclosure or, when they opened the door on Friday, there was someone at the door serving papers on them, moving the legal process forward—foreclosure notices. But they joined, yesterday, 8,500 who received their notice the day before and the day before that and the day before that and the day before that.

During the process of this legislation moving forward, that we should have passed fairly quickly—within, at the most, a week—hundreds of thousands of people received foreclosure notices. Well, 8,500 families will not receive their foreclosure notices today or tomorrow but only because the court-houses are closed for the weekend. On Monday, the drumbeat of foreclosure will continue.

In Nevada, 1 out of every 43 families who have a home now have their home in foreclosure. It is almost the same in Arizona and almost the same in California and almost the same in Florida. There are only two States in the country that do not have the problem, one of which is the State of Alabama.

But for families who face each day with trepidation because of a foreclosure concern they have, hoping a notice has not arrived, in some fashion—

but knowing it may soon—a foreclosure notice is something that is a terrible day in their lives. But today, this Senate will deliver some rare and much-needed good news for people who own homes throughout America. Not only will it help those people who own homes but neighborhoods, communities, States, local governments and servicers and lenders.

We are on the verge of passing a bipartisan housing bill that will help rebuild communities, safeguard future housing meltdowns, and, most importantly, help at-risk families keep their homes. Because of the work in this legislation dealing with Fannie and Freddie, the financial community in America will be stabilized.

It has taken far too long to reach this point where we are today. We have talked about that. The housing bill was introduced in February and work began in the fall of last year.

Now, I have already talked about Senators DODD and SHELBY. During the process of working to get legislation that they thought was appropriate to bring before this body, they both received pressure from their respective caucuses, from editorials: Why aren't they doing something more rapidly? They wanted to bring something to the Senate that would pass. They wanted to work with the House on something that would pass both bodies and be signed by the President. So, again, I underscore the great legislative work these two gentlemen did.

Not only have we had seven cloture votes but we have had Presidential veto threats. Thank goodness those threats have been withdrawn.

As some Republicans have continued to stall, families have continued to lose their homes. And note I said "some" Republicans, not all Republicans in the Senate. But today, at long last, a ray of hope—a chance to turn the page on the housing crisis and begin a new chapter that gives more families a chance at the American dream of responsible home ownership.

Now, we are going to move—after we complete legislation on this housing bill—to LIHEAP. We would not have the opportunity to vote on this most important measure, this energy legislation, but for one Senator, a Senator from the sparsely populated State of Vermont, Mr. BERNARD SANDERS. It is because of his advocacy for months and months that we are going to have an opportunity to vote on this. He has worked on legislation. We have Republicans who support and have agreed to support his legislation. We are going to move to proceed to that.

Now, my friends on the other side of the aisle have expended countless hours of floor time and many barrels of ink talking about the need to do something about energy prices. While they have endlessly talked, the Democrats have been proposing comprehensive solutions.

Yesterday, Republicans refused to join us in a bill to stem the excessive

speculation by Wall Street traders who artificially bid up the price of oil for their own profit. That was a plan Republicans had claimed to support previously. It was part of their legislation. When it came time to take action, the monied interests of this country backed the Republicans down from doing the right thing.

When we offered the Republicans a vote on the very thing they claim to want more than anything—offshore drilling—they passed on that. They said no.

Now, Democrats are proposing improvements to the LIHEAP program. This is yet another bipartisan opportunity to help Americans cope with our energy crisis.

This is something that is a crisis that has been here for a while. Listen to what George Bush, the President of the United States, said. This is a quote:

First and foremost, we've got to make sure we fully fund LIHEAP, which is a way to help low-income folks, particularly here in the East, pay for their high—high—fuel bills.

A direct quote from President Bush.

This legislation assists senior citizens, low-income families, and those who are disabled to afford to heat their homes in winter and cool them during excessive periods of heat in summer.

There are not many States like Nevada. In the southern part of the State, in Laughlin, NV, it is not unusual for the temperature to hit 120 degrees. In the northern part of the State, in places such as Owyhee, it is the coldest place in the Nation on many occasions. It is not unusual at all for it to be 20 degrees below zero. These ranges in temperature indicate that if you are old, if you are disabled, if you are poor, you have trouble paying for the fuel costs to cool your home to survive or to heat your home to survive. People who have temperatures above 100 degrees know how important it is to keep their home cool, and people who are freezing know how important it is to keep their house warm.

Since 2001, Americans are paying three times as much for heating oil and twice as much for propane. As these energy costs have skyrocketed, these LIHEAP proposals we have talked about have been hamstrung. These programs are not there to provide the necessary assistance. As the winter months are growing near, this problem will exacerbate. It will grow worse.

This legislation has rightly earned bipartisan support, as I have talked about, with at least a dozen Republican cosponsors of the Senator's legislation. It is regrettable Republicans could force us to waste valuable hours on a cloture vote on proceeding to this legislation—even allowing us to debate the matter. It is unimaginable Republicans might choose to block us from passing this worthy legislation for which President Bush said: "First and foremost, we've got to make sure we fully fund LIHEAP, which is a way to help low-income folks, particularly here in the East, pay for their high—high—fuel [costs]."

Well, it is not only folks in the East. It is folks in the West and Midwest and all over this country. I hope they will not stall this. They say they want to legislate on energy. They had the chance yesterday. They did not take that. They have a chance again today. We will soon see what they choose to do.

If Republicans choose to join us in passing LIHEAP, we will welcome their votes, certainly, with open arms. But if they choose to block this legislation, they will have to shoulder the burden of millions of low-income families, senior citizens, and those with disabilities who are struggling and suffering to pay their ever-rising energy bills.

Mr. REID. Mr. President, I ask that the vote now occur that is scheduled for 11 o'clock.

The ACTING PRESIDENT pro tempore. Under the previous order, the question is on agreeing to the motion to concur in the amendment of the House to the Senate amendment to the House amendments to the Senate amendment to the bill H.R. 3221.

Mr. REID. I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The clerk will call the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. CARPER), the Senator from Iowa (Mr. HARKIN), the Senator from Hawaii (Mr. INOUE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mrs. MURRAY), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. CARPER) would vote "yea."

Mr. KYL. The following Senators are necessarily absent: the Senator from Colorado (Mr. ALLARD), the Senator from Missouri (Mr. BOND), the Senator from Kentucky (Mr. BUNNING), the Senator from North Carolina (Mr. BURR), the Senator from North Carolina (Mrs. DOLE), the Senator from South Carolina (Mr. GRAHAM), the Senator from Oklahoma (Mr. INHOFE), the Senator from Arizona (Mr. MCCAIN), and the Senator from Virginia (Mr. WARNER).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "nay."

The PRESIDING OFFICER (Mr. CASEY). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 72, nays 13, as follows:

[Rollcall Vote No. 186 Leg.]

YEAS—72

Akaka	Cantwell	Dodd
Alexander	Cardin	Domenici
Baucus	Casey	Dorgan
Bayh	Chambliss	Durbin
Bennett	Clinton	Feingold
Biden	Cochran	Feinstein
Bingaman	Coleman	Gregg
Boxer	Collins	Hagel
Brown	Conrad	Isakson
Brownback	Craig	Johnson
Byrd	Crapo	Kerry

Klobuchar	Mikulski	Shelby
Kohl	Murkowski	Smith
Landrieu	Nelson (FL)	Snowe
Lautenberg	Nelson (NE)	Specter
Leahy	Pryor	Stabenow
Levin	Reed	Stevens
Lieberman	Reid	Sununu
Lincoln	Roberts	Tester
Lugar	Rockefeller	Voinovich
Martinez	Salazar	Webb
McCaskill	Sanders	Whitehouse
McConnell	Schumer	Wicker
Menendez	Sessions	Wyden

NAYS—13

Barrasso	Ensign	Kyl
Coburn	Enzi	Thune
Corker	Grassley	Vitter
Cornyn	Hatch	
DeMint	Hutchison	

NOT VOTING—15

Allard	Dole	Kennedy
Bond	Graham	McCain
Bunning	Harkin	Murray
Burr	Inhofe	Obama
Carper	Inouye	Warner

The motion was agreed to.

The PRESIDING OFFICER. Under the previous order, the motion to concur having been agreed to, the motion to reconsider is considered made and laid on the table. The motion to concur with an amendment is withdrawn.

The majority leader is recognized.

Mr. REID. Mr. President, I know everybody is concerned about what is going to happen tomorrow and Monday. We won't know until after the next vote is cast. Within an hour or so after the final vote, all of the offices will know what will happen either tomorrow and/or Monday. We will have more definite information after the next vote.

WARM IN WINTER AND COOL IN SUMMER ACT

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture—

The Republican leader is recognized.

Mr. MCCONNELL. Mr. President, I know everybody is anxious to leave. Very briefly, voting for cloture on this bill will take us off of the single most important issue in America.

The American people are clamoring for legislation that brings down gas prices, and our leadership friends on the other side want to dismiss this issue instead of taking it head on with bold action.

We want to address the issue of gas prices, and the important thing is to stay on the subject. I strongly urge a "no" vote on this motion.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, the Republicans had every opportunity, for more than a month now, to talk about energy and to vote on energy. They turned that down. On speculation, they had an opportunity to do that. Even though it was part of their proposal, they dropped it. They had an opportunity to vote on drilling. They dropped that. They had an opportunity to vote on oil shale exploration. They would not do that. They said nuclear power was an immediate need of the