

volunteered, risked his life, and received awards from this country for his heroism.

This is an outrageous campaign tactic by the Bush-Cheney campaign. The Republican attack machine on JOHN KERRY has, frankly, criticized him for his two tours of duty in Vietnam. Apparently, that was not enough. The fact that JOHN KERRY earned a Silver Star, a Bronze Star, and three Purple Hearts wasn't good enough for these Bush-Cheney campaign operatives who never miss a chance to attack JOHN KERRY for his military record.

Thank goodness, Senators of the stature of JOHN MCCAIN have stood up to defend his fellow Vietnam veteran, JOHN KERRY. They have said that JOHN'S service is clear and unequivocal. He risked his life for America. I have met men who were in his crew, those who travel with him in his campaign, his so-called "band of brothers." They are in their late fifties and early sixties. They give up what they are doing to join JOHN MCCAIN on the campaign trail. They tell the story. They tell the story of a young Navy lieutenant volunteering to serve this country, literally risking his life for those in his crew. They join him on the campaign trail, saying they are prepared to follow him into battle again.

But listen to what is coming from the other side. To think that those who did not serve in the military are now criticizing JOHN KERRY for his war record is reprehensible. It is time to put the cards on the table. JOHN KERRY not only has nothing to apologize for when it comes to his military record, he can be very proud of that. For those who say when he came back after the war and was critical of our Vietnam policy, somehow that was wrong, once again, listen to Senator JOHN MCCAIN, a man who not only served in the U.S. Navy as well but was a prisoner of war. JOHN MCCAIN came forward and said JOHN KERRY had every right to make the statements after the war about his disagreement with our foreign policy.

What we face today is incredible—that the Bush-Cheney campaign is going to attack a decorated Vietnam war veteran, raise questions as to whether he was deserving of a Purple Heart. How could they stoop so low? How could they do this when so many other men and women who have served our country, who have been wounded in battle and received Purple Hearts, have given all we could ever ask of an American citizen? And now to disparage JOHN KERRY and say that perhaps he doesn't deserve all of the recognition he has been given for his service in Vietnam is about as low as it gets.

I have listened to these comments, and I am particularly disturbed that Vice President DICK CHENEY has been the author of so many of these comments as well. Yesterday he was at Westminster College in Fulton, MO. He was supposed to give a speech on the foreign policy of the United States. Vice President CHENEY was supposed to

speak at Westminster College about foreign policy issues in Iraq. Instead, he went on the attack on JOHN KERRY and his patriotism and defense of America. It was such an embarrassing moment that, when he left, the president of Westminster College e-mailed the students, staff, and faculty basically apologizing for what Vice President CHENEY had said there.

Vice President CHENEY should know better. He should know that JOHN KERRY served our country and served it with distinction and honor. While Vice President CHENEY did not serve in the military, JOHN KERRY did. It is time to end this shameful Bush-Cheney campaign tactic and to recognize the obvious: JOHN KERRY led men into battle. He defended America. As President of the United States, he will do exactly the same.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Oregon is recognized for 10 minutes.

#### OIL COMPANY INCENTIVES

Mr. WYDEN. Mr. President, most American companies make their profit by selling the best product at the best price. But too often in the oil industry it just doesn't seem to work that way. For example, oil companies can even get a subsidy from the Federal taxpayers for shutting down a profitable oil refinery by deducting the cost of that shutdown from their taxes.

I come to the floor today because I hope Congress will put a stop to the perverse incentives that reward oil companies when they reduce the supply of gasoline and gouge our consumers at the pump. In my view, the Tax Code simply should not reward companies that shut down a refinery to reduce the supply and drive up the price of gasoline. My own view is that Congress ought to be providing incentives to oil companies that increase their production, as long as they comply with the applicable environmental law.

I think we are all pleased when we see corporate profits go up, and we are all pleased when the stocks of those companies go up as well. But what I am troubled about with respect to what is going on in the oil industry—and we are going to see profits up again this week, and I gather some have already been announced—is that too often our consumers are getting hosed.

I have been traveling about Oregon over the last few weeks. I have watched as gasoline prices hit over \$2 per gallon in some towns. In Eugene, Springfield, Medford, and Ashland—a number of our communities—the average price has been \$2.06 per gallon. Each penny of that cost is coming out of the pockets of working Oregonians. It is, of course, helping to increase oil company profits. What I am troubled about is that the taxpayers at the same time are subsidizing practices that are detrimental to their interests.

There has clearly been a pattern of extraordinary profits in the oil indus-

try. A prime example was ExxonMobil, which last year announced an all-time record earnings of \$21.5 billion. That is not just the highest earnings ever recorded by an oil company; that is the highest by any company in history.

Again, I want it understood that I like to see our companies make profits. I like it when their stock prices are high. What I don't like is when the consumer has to subsidize anti-competitive practices that are detrimental to their interests. That has certainly been the case with respect to refineries, when an oil company gets an actual subsidy from the Federal taxpayers for shutting down a profitable refinery by deducting the cost of the shutdown from their taxes.

This matter has special implications out in the West. I see my friend from Nevada on the floor. He made an excellent presentation with respect to how his State is affected by gasoline prices. All of us in the West are going to be hit, and hit very hard, by Shell's decision to close its Bakersfield refinery. In that instance, there seems to be no evidence that Shell has gone out and aggressively tried to find a buyer.

Independent analysts have made it clear there is a substantial amount of oil in the area. I will tell you, for those of us in the West, looking at that refinery closure in Bakersfield, that deal smells. It just doesn't add up to have a profitable refinery going down at a time when the company doesn't look as if it is moving aggressively to find a buyer. There is oil in the area and, as I have pointed out, the taxpayer subsidizes the closures of these profitable refineries. Yet the Federal Trade Commission has refused to act.

I hope to be on the floor very shortly with a bipartisan effort to address the anti-consumer practices. At a minimum, let us not have the taxpayers of America subsidizing anti-competitive practices in the oil industry, such as the shutdown of profitable refineries.

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

Mr. WYDEN. I will be happy to yield.

Mr. REID. Last week, I gave a speech about what is going on in Nevada. In Nevada, we have gas prices now approaching \$2.50 a gallon. If someone wants to put 4 gallons of gas in a vehicle, they have to bring a \$10 bill with them to do that.

I ask my friend his comments on this: Senator ENSIGN and I asked the Federal Trade Commission to take a look at what was going on in Nevada. They took a look and came back and said: We can't tell you why the price is that high. It is unusual, is what they said. It is unusual and they could not determine why gas prices were that high.

Does the Senator agree, with the prices going haywire as they are, and the consumer being hit very hard, especially in the western part of the United States, that the Federal Trade Commission should do something more aggressively than what they have done?

Mr. WYDEN. The Senator from Nevada is correct. The fact is the Federal Trade Commission is AWOL on this issue. It has sent letters to all of us in the West saying they are concerned about the issue, but they have not been aggressive in standing up for the consumer.

I pointed out today that the oil companies ought to be rewarded financially when they take actions that benefit the consumer, not when they gouge the consumer. The consumers today are, in effect, getting fleeced from this unfair subsidy that is in the Tax Code when a profitable refinery goes down.

The Senator from Nevada is absolutely correct. The Federal Trade Commission, in my view, is just going through the motions. I think they hope somehow this issue is going to pass. All of us in the West—a part of the country where there is a very tight supply situation—understand this problem is not going away. I intend to join with the Senator from Nevada in trying to put the heat on the Federal Trade Commission.

Mr. REID. Mr. President, I would like to ask the Senator one more question. The Senator heard the remarks of the Senator from California saying that the Bush administration was actually doing nothing to look at the prices. In fact, the administration is in the Supreme Court today trying to keep secret its dealings with big oil.

The Senator would acknowledge that this administration, the President, and Vice President made their living—certainly part of their wealth they have accumulated—dealing with oil companies.

Does the Senator from Oregon acknowledge that the President has the bully pulpit and can certainly ask our so-called friends, Saudi Arabia and other countries, to stop cutting back the supply of oil but increase the supply of oil? Would that not also help, I repeat, the President putting whatever pressure he has—and that is significant—to tell the Saudis to start giving us more oil?

Mr. WYDEN. I agree fully with the Senator from Nevada. In fact, I submitted a resolution urging the President do that. In fact, my resolution mirrors the resolution that was drafted by our former colleagues, Spence Abraham and John Ashcroft, that passed in 2000 when President Clinton was faced with the same kind of situation.

I am very hopeful that the Senate will take up that resolution and do exactly as the Senator from Nevada has said.

I also point out that it was very striking, even before this debate about Mr. Woodward's book, that the Saudi Foreign Minister said recently when they cut production—and he was quoted on the news services saying that he was not even contacted by the Bush administration. He heard that the Bush administration was disappointed from the press, but he was not even contacted by the Bush administration.

If ever there were an administration that had earned some chips with the Saudis, given all that our country has done, this is an administration that has done so. I think the points made by the Senator from Nevada are extremely important.

Mr. President, I believe my time has expired. I yield the floor.

The ACTING PRESIDENT pro tempore. The Democratic leader.

Mr. DASCHLE. Mr. President, I will use my leader time.

#### NO CHILD LEFT BEHIND

Mr. DASCHLE. Mr. President, I wish to talk this morning about the ambitious education reforms the President signed into law just 2 years ago. We all recall 2 years ago when President Bush signed the No Child Left Behind Act. We also know it requires States to set high standards for all students and place a well-qualified teacher in every classroom and holds schools responsible for results. In exchange, it promises schools they will have the resources to meet the new standards and to make the law work.

When the President signed it, No Child Left Behind enjoyed overwhelming bipartisan support in Congress. It also had strong public support. Unfortunately, when implementing the law, the administration has often acted in a heavy-handed manner, and it has failed to provide schools the resources they need to make sure every child is given the opportunity to learn. As a result, there is now a growing backlash against No Child Left Behind.

This is not a partisan issue. A good deal of criticism is coming from Republican lawmakers. In Utah, the Republican-controlled House of Representatives voted 64 to 8 not to comply with any requirements in the No Child Left Behind Act that are not paid for by the Federal Government. In Virginia, the Republican-controlled House of Delegates voted 98 to 1 to ask Congress to exempt it from the new law. According to the National Conference of State Legislatures, 23 States have now lodged formal complaints against No Child Left Behind.

One reason for the erosion of support is the initial difficulty many school districts had getting answers from the Department of Education on how the law would work. It took the Department a long time to issue its regulations, and when the rules were finally announced, many educators considered them overly rigid.

Fortunately, the administration has begun to address some of these concerns. In recent months, the Department of Education has announced changes in the testing requirements for students with serious disabilities and for children who speak English as a second language. It has announced it is giving schools more leeway to meet the requirement that 95 percent of all students be tested.

Last month, the Department announced it is giving States more flexi-

bility to determine when a teacher is highly qualified. In addition, it announced it is giving teachers in rural school districts an extra year, until 2007, to show they are qualified in all of their subjects.

These are all important changes. The extra year for teachers in rural districts to meet the new standards is especially important to rural States such as mine which have a harder time attracting and keeping good teachers. I commend the administration for its newfound willingness to try to address some of the real problems.

None of us who voted for No Child Left Behind ever intended for the Federal Government to dictate to local communities exactly what they should teach their children and how they should test them. It was never the intention of Congress to strangle local decisionmaking and creativity with Federal redtape.

It is important the Department of Education continue to listen. It is counterproductive when the education Secretary labels as "terrorists" people who raise questions about the way the law is being implemented.

It may be, and certainly in this case if it is going to be successful, that No Child Left Behind requires something we have not seen enough of: a committed partnership. It is the most comprehensive overhaul of our Nation's education laws in a generation. Making adjustments is not admitting defeat; it is a necessary part of making this ambitious law work. But some of the most serious concerns being expressed about No Child Left Behind cannot be fixed simply by rewriting legislation or the regulations.

Since he signed No Child Left Behind into law, President Bush sent Congress three proposed budgets. When you add all three of his budget proposals together, the President has recommended underfunding No Child Left Behind by a staggering \$26.5 billion.

The President's proposed budget for next year contains \$9.4 billion less for the act than the law promises. More than \$7 billion of that shortfall is in title I, the very program that is most critical to closing the achievement gap for minority students, poor children, and children who do not speak English. The President's education budget does not leave no child behind; it leaves 4.6 million children behind. The alternative budget proposed by our Republican colleagues in the Senate is much better. It underfunds No Child Left Behind by \$8.6 billion.

The reason we are underfunding education is clear: The administration and congressional leadership would rather take more of these resources for tax breaks to the very wealthy than keep the promise we made when we passed No Child Left Behind.

The repeated refusal to adequately fund education is hurting schools and not just in big cities.

In my State, schools in small towns and rural communities are stretched