That's surely what opponents would like you to think. But, there's a dirty little secret involved here. Or, at least it's a secret vis a vis the public.

The fact is, the tobacco companies are divided on whether there should be FDA regulation. In fact, the largest tobacco company actually supports FDA regulation, and has been lobbying heavily and pouring money into the effort to get it.

Why? Well, for one thing, a great deal of its business is overseas, and it will therefore be immune from FDA regulation. This will give it a competitive edge against its competitors. So, the tobacco companies, or at least the biggest one, is much more in favor of FDA regulation than against it.

Therefore, anybody trying to frame this as tobacco vesus kids, or tobacco versus health groups, is just flatly misleading the public.

But, even for those of us who pushed for FDA oversight, our legs were cut right out from under us during the negotiations. And guess who cut the legs right out from under us? The leadership of the Democratic party cut the legs right out from under us. That's who.

The leader of the Democratic party, Senator KERRY, went down to North Carolina to talk to tobacco farmers. Guess what he said? He said he'd support a tobacco buyout with or without FDA regulation.

So, it looks to me like the senior Senator from Massachusetts didn't communicate very well with the junior Senator from Massachusetts—or viceversa.

Moreover, we had the democratic Senate campaign chairman saying the same thing last week. He said he didn't need FDA regulation with a tobacco buyout.

And, he even had his candidate for the North Carolina Senate seat up here lobbying right over in the conference committee room to get this buyout through, with or without FDA. Can you believe that?

And, to add insult to injury to the Democratic Senators from Massachusetts, and Iowa, the Senate Democratic leader even signed the conference report.

So, obviously, when the House leadership knew the votes were there in the Senate for a buyout without FDA, they weren't about to agree to it in conference, and there's no way we could have successfully pushed it.

Now, what more does it take from their own leaders to undermine what the Democratic Senators from Iowa and Massachusetts wanted to do? Seems to me the need to get their own house in order before criticizing others.

The PRESIDING OFFICER. The Democratic whip.

Mr. REID. Mr. President, we still have a number of speakers. Under the order which we had set up, in which we would go back and forth with the majority and minority, it is now the majority's turn.

It is my understanding Senator STEVENS, the chairman of the Appropriations Committee, is on his way here to give a very short statement. I am wondering if that is, in fact, the case.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I will change places with you so you can make the unanimous consent request.

As I understand it, Senator STEVENS has asked for 5 minutes to make a speech before I make mine.

Mr. REID. It is my understanding we are also ready to move to the Defense Authorization conference report.

Mr. HATCH. Then, as I also understand it, the order should be Senator WARNER to make his unanimous consent request, Senator STEVENS for 5 minutes, then I for whatever time I need, and then Senator LANDRIEU for whatever time she wanted.

Mr. REID. I thought it was going to be Senator WARNER for 5 minutes, Senator STEVENS for 5 minutes, and then Senator LANDRIEU for an hour and half.

Mr. HATCH. If we can do it the way I suggested, it would be very acceptable.

I ask unanimous consent that be the order.

Mr. REID. The order has already been established. As soon as we finish with Senator WARNER and Senator STEVENS, Senator HATCH will take the floor.

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

Mr. REID. I thank the Chair.

The PRESIDING OFFICER (Mr. HATCH). The Senator from Virginia.

RONALD W. REAGAN NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005—CONFERENCE REPORT

Mr. WARNER. Mr. President, I submit a report of the committee of conference on the bill (H.R. 4200) and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4200), to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, have agreed that the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, and the Senate agree to the same, signed by a majority of the conferees on the part of both Houses.

The PRESIDING OFFICER. The Senate will proceed to the consideration of the conference report.

(The conference report is printed in the proceedings of the House in the RECORD for Friday, October 8, 2004.)

Mr. WARNER. Mr. President, on behalf of the distinguished ranking member, Mr. LEVIN, and myself, I now ask unanimous consent that the conference report be adopted and the motion to reconsider be laid on the table, all with no intervening action or debate.

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

The conference report was agreed to.

Mr. WARNER. Mr. President, this conference report represents the hard work of many, many individuals. I first thank my distinguished ranking member, Mr. LEVIN of Michigan, together with our subcommittee chairmen and all members of the committee. This was truly a bipartisan effort from start to finish. We achieved an extraordinary piece of legislation. I am proud to say, at the request of the chairman, myself, the bill is named the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005.

We do that in honor of our late President's extraordinary contributions to the men and women of the Armed Forces in his capacity as President and in his role as Commander in Chief at that time.

This conference report provides $420.6 billion for defense, an increase of $19.3 billion above the amount authorized by Congress last year. The report also authorizes an additional $25 billion for war-related costs in Iraq and Afghanistan.

I am proud to bring the conference report for the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 before the Senate for final passage. I thank my ranking member and partner for these 26 years, the senior Senator from Michigan, CARL LEVIN, for his consistently constructive help and leadership in bringing this important legislation to the floor. I would also like to thank our subcommittee chairman and ranking members, and all committee members for their hard work on this conference report. I am pleased that this legislation report has the unanimous support of the members of the committee.

I also want to thank Chairman DUNCAN HUNTER and Congressman SKELTON for their leadership and teamwork in producing this conference agreement.

No committee succeeds without a dedicated, professional staff, and I believe our committee has one of the finest on Capitol Hill. I particularly want to recognize the efforts of the Committee Staff Director, Judy Ansley and the Democratic Staff Director, Rick DeBobes in bringing this process to a successful conclusion. They have led a great staff, all of whom deserve great credit and recognition. This dedicated professional staff worked very long hours and helped the members reach the agreements that are contained in the conference report before us. I ask that the names of all members of the committee staff be printed in the record following my remarks.

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

(See exhibit 1.)

Mr. Warner. As we consider this conference report, we remain a nation at

war against terrorism around the world. There is no doubt that we will win this war because of the extraordinary Americans who volunteer to serve the cause of peace and freedom. All Americans are in their debt, and they and their families deserve our unwavering support. The legacy of President Ronald W. Reagan, to whom we and the Nation paid our last respects a few short months ago, is memorialized in this legislation. I can think of no better way to honor the service and sacrifice of the men and women of our Armed Forces and their families, than to provide them with the pay and benefits they so richly deserve, and to give them the equipment they need to carry out their critical missions on behalf of our Nation, as President Reagan fought so hard to do when he was President and their Commander-in-Chief.

This bill provides much needed benefits to those now serving in the Armed Forces—Reserve and Active Duty—as well as addressing long-standing needs of military retirees and veterans, and their families who served this Nation so well. There were many contentious issues to resolve—BRAC, Buy America, Tanker replacement, housing privatization and TRICARE for Reservists, among others. We did resolve them, however, and I am proud we have achieved our goal of concluding a conference which sends a strong message of support to our men and women in uniform.

As we stand here today hundreds of thousands of soldiers, sailors, airmen, and Marines, Active and Reserve, and countless civilians who support them, are serving bravely around the world from the Persian Gulf region and Afghanistan to Europe and North Korea. All Americans are justifiably proud of what the U.S. Armed Forces and their coalition partners have accomplished in the global war on terrorism. We are ever mindful that the defense of our homeland begins on the distant battlefields of the world.

We must pause and remember that military success is not achieved without significant sacrifice. No matter how well conducted, military victory does not come without sacrifice and loss. We extend our heartfelt sympathies to the families and loved ones of those who have lost their lives in these operations and in other military operations to make America and the world safer. We mourn their loss and resolve to forever remember their service. We give thanks to those who serve and have served their Nation with distinction throughout our history. We are blessed to have this new generation of great Americans, so committed to American traditions, values and ideals, carrying on the traditions of those who preceded them with such dedication and valor.

Without a doubt, the U.S. military is the most capable military force in the world today, a model of excellence, and the standard by which others are measured. The provisions in this conference report sustain and improve on that excellence.

This conference report continues the momentum of recent years in making real increases in defense spending—a 3.4 percent increase—to sustain readiness, enhance the quality of life of our military personnel and their families, modernize and transform the U.S. Armed Forces to meet current and future threats, and take care of our retirees and veterans. The conference report before us provides $420.6 billion for defense, an increase of $19.3 billion above the amount authorized by Congress last year. The conference report also authorizes an additional $25. billion for war-related costs in Afghanistan and Iraq.

There are many things contained in this conference report that are important and of which I am very proud, but I want to highlight just a few. First and foremost is the 3.5 percent pay raise for our men and women in uniform, and a new healthcare benefit for reservists who serve on extended active duty. Second, we have reached agreement on how to proceed in procuring new aerial refueling aircraft in a prudent manner, consistent with existing laws and regulations. Third, we have preserved the 2005 BRAC round—a much needed review of our basing infrastructure. This is critical for the efficiency and smart posturing of our Armed Forces to meet future challenges.

There are many other important initiatives, such as housing privatization, improved survivor benefits, funding for missile defense and other weapons systems. These important initiatives and authorities are contained in the conference report before you.

This conference report sends a clear signal to our citizens, and to nations around the world, that the United States is committed to a strong national defense. More important, this conference report sends a clear signal to our men and women in uniform, from the newest private to the most senior flag and general officer, that they have the support of the American people.

I thank my colleagues for their support of this conference report.

EXHIBIT 1

COMMITTEE STAFF OF THE COMMITTEE ON ARMED SERVICES

Judith A. Ansley, Staff Director
Richard D. DeBobes, Democratic Staff Director
Charles W. Alsup, Professional Staff Member
June M. Borawski, Printing and Documents Clerk
Leah C. Brewer, Nominations and Hearings Clerk
Alison E. Brill, Staff Assistant
Jennifer D. Cave, Special Assistant
L. David Cherington, Counsel
Christine E. Cowart, Administrative Assistant to the Minority
Daniel J. Cox, Jr., Professional Staff Member
Madelyn R. Creedon, Minority Counsel
Kenneth M. Crosswait, Professional Staff Member
Marie Fabrizio Dickinson, Chief Clerk
Regina A. Dubey, Research Assistant
Gabriella Eisen, Research Assistant
Evelyn N. Farkas, Professional Staff Member
Richard W. Fieldhouse, Professional Staff Member
Andrew W. Florell, Staff Assistant
Brian R. Green, Professional Staff Member
Creighton Greene, Professional Staff Member
William C. Greenwalt, Professional Staff Member
Bridget W. Higgins, Research Assistant
Ambrose R. Hock, Professional Staff Member
Gary J. Howard, Systems Administrator
Jennifer Key, Security Clerk
Gregory T. Kiley, Professional Staff Member
Michael J. Kuiken, Professional Staff Member
Maren R. Leed, Professional Staff Member
Gerald J. Leeling, Minority Counsel
Peter K. Levine, Minority Counsel
Thomas L. MacKenzie, Professional Staff Member
Michael J. McCord, Professional Staff Member
Elaine A. McCusker, Professional Staff Member
William G. P. Monahan, Minority Counsel
Lucian L. Niemeyer, Professional Staff Member
Stanley R. O'Connor, Jr., Professional Staff Member
Cindy Pearson, Assistant Chief Clerk and Security Manager
Paula J. Philbin, Professional Staff Member
Benjamin L. Rubin, Receptionist
Lynn F. Rusten, Professional Staff Member
Catherine E. Sendak, Staff Assistant
Arun A. Seraphin, Professional Staff Member
Joseph T. Sixeas, Professional Staff Member
Robert M. Soofer, Professional Staff Member
Scott W. Stucky, General Counsel
Diana G. Tabler, Professional Staff Member
Richard F. Walsh, Counsel
Bridget E. Ward, Staff Assistant
Nicholas W. West, Staff Assistant
Pendred K. Wilson, Staff Assistant

Mr. LEVIN. Mr. President, I am pleased to join the Chairman of the Senate Armed Services Committee and my good friend, Senator WARNER, in urging the adoption of the conference report on H.R. 4200, the National Defense Authorization Act for Fiscal Year 2005. We began work on this bill with our mark-up in early May. Since that time, we have spent 5 weeks on the Senate floor and nearly 4 months in conference. This conference agreement would not have been possible without the strength and perseverance of Senator WARNER.

This conference report will promote the national defense, improve the quality of life of our men and women in uniform, and make the investments we need to meet the challenges of the 21st century. First and foremost, the bill before us continues the increases in compensation and quality of life that our service men and women and their families deserve as they face the hardships imposed by continuing military operations around the world.

Mr. President, we all know that our Armed Forces today are deployed in harms' way around the world. As we stand on the Senate floor today, more than 130,000 soldiers, sailors, airmen and marines are engaged in taking on an aggressive insurgency and winning the peace in Iraq, with tens of thousands more supporting the war effort

from outside the country. At the same time, our military continues to bear the brunt of the continuing effort to stabilize and rebuild Afghanistan, keep the peace in Bosnia, Kosovo, and the Sinai, and contain the threat of North Korea—while also preparing to execute other missions in support of the national military strategy.

It has been clear to many of us for some time now that the Army and Marine Corps are simply stretched too thin, and that additional troops are badly needed to meet our worldwide commitments. I am pleased that this bill takes an important step toward that objective by increasing the active duty end strength of the Army by 20,000 and the active duty end strength of the Marine Corps by 3,000.

I am also pleased that the bill before us contains much of the amendment offered on the Senate floor by Senator DASCHLE and Senator GRAHAM to provide expanded TRICARE benefits for the National Guard and Reserve members who have made so many sacrifices and contributed so much to our nation over the last three years. In particular, the conference report would:

Make permanent the temporary authority for free TRICARE health care coverage for National Guard and Reserve members and their families up to 90 days before a mobilized service member reports for active duty and for 180 days after release from active duty; and

Authorize a new TRICARE benefit for Guard and Reserve members and their families when the member is not on active duty.

Under this provision, National Guard and Reserve members who are mobilized would be authorized, upon release from active duty, to enroll in TRICARE Prime for 1 year for every 90 days spent on active duty. This is the least that we can do for these brave men and women.

The bill would take a number of other important steps to improve the lives of our men and women in uniform. For example, the bill would:

Authorize a 3.5 percent across-the-board pay raise for military personnel;

Authorize a permanent increase in the rate of special pay for duty subject to hostile fire or imminent danger;

Authorize a permanent increase in the rate of the family separation allowance;

Improve the Survivor Benefit Plan by eliminating the reduction in SBP benefits for surviving spouses over age 62, phased in over 3½ years;

Ensure fair treatment of our disabled veterans by repealing the phase-in of concurrent receipt of retired pay and VA disability pay to military retirees with service-connected disabilities rated as 100 percent; and

Authorized a new program of educational assistance to members of the Selective Reserve, based on the GI Bill.

The bill would also directly address a number of specific problems and issues that have arisen in the course of our continuing operations in Iraq and Afghanistan.

First, the bill would provide our Armed Forces new flexibility to respond to changing circumstances on the ground by authorizing the use of up to $300 million for the Commanders' Emergency Response Program in Iraq and Afghanistan, under which commanders may use funds for small humanitarian and reconstruction projects; authorizing the use of up to $500 million for assistance to Iraq and Afghanistan military or security forces to enhance their ability to combat terrorism and support U.S. or coalition military operations in Iraq and Afghanistan; and authorizing the Special Operations Command to expend up to $25 million of existing funds to provide support to foreign forces, irregular forces, groups, or individuals, engaged in supporting or facilitating ongoing military operations by the United States special operations forces to combat terrorism; establishing a new rapid acquisition program to enable the Department of Defense to quickly acquire equipment needed by a combatant commander to eliminate deficiencies in equipment that have resulted in combat fatalities; and raising the thresholds for the use of streamlined acquisition procedures outside the United States in support of contingency operations.

Second, the bill contains important language from amendments offered by Senators DURBIN and LEAHY on the Senate floor, reaffirming the prohibition against subjecting any person in the custody or under the physical control of the United States to ''torture or cruel, inhuman, or degrading treatment or punishment that is prohibited by the Constitution, laws, or treaties of the United States.'' These provisions send an important message to the world that the United States will not permit, condone, tolerate, or encourage the kind of behavior so graphically depicted in the photographs from Abu Ghraib prison in Iraq. We all know that the abuses that occurred at Abu Ghraib and elsewhere have undermined the hard work and sacrifices of our military and tarnished the image of our armed forces. The provisions included in the conference report reaffirm that we are a Nation of laws and send the message that Congress will not accept mixed messages or ambiguous statements on the fundamental issue of human rights and dignity.

The bill contains several other important provisions addressing ongoing operations in Iraq and Afghanistan. These include:

A provision originally written by Senator DODD, which authorizes reimbursement of service members and their families for purchases of body armor and other protective equipment at a time when the Department of Defense did not have sufficient protective gear in Iraq to protect our men and women in uniform; a provision addressing deficiencies in the oversight and management of contractors on the ground in Iraq, and requiring the issuance of specific guidance and regulations to enhance the safety of contractor employees and improve coordination between our armed forces and the contractors who are there to support their rebuilding efforts; and a provision reauthorizing and extending the CPA Inspector General to ensure that we have continuing oversight over fraud, waste and abuse in the expenditure of funds for the rebuilding of Iraq.

The conference report also includes a number of provisions that will help improve the management of the Department of Defense and other federal agencies. These include: the Collins-Levin amendment permitting federal employees to be heard, for the first time, in bid protests appealing the results of public-private competitions; a provision that would extend the authority for energy savings performance contracts for an additional 2 years, enabling federal agencies to save hundreds of millions of dollars through improved energy efficiency; a provision that should help resolve the controversy over the Air Force's proposed lease of tanker aircraft by prohibiting the Air Force from entering a lease and instead requiring the use of a traditional multi-year contract; a provision that would require the Department of Defense to develop and implement a business enterprise architecture to gain better control over its finances; and a provision directing the Secretary of Defense to develop policies and regulations to discourage other countries from imposing ''offset agreements'' in defense trade, and thereby undermining our defense industrial base.

Finally, I am pleased that the conference report contains a series of provisions that will establish a workers' compensation-like program for nuclear workers who have cancers and other occupational-related injuries. The program will be administered by the Department of Labor and establishes a compensation scheme for both employees and survivors. Covered employees would receive the compensation benefits, as well as medical benefits under the provisions. The total amount of compensation under the provision would be capped at $250,000. Also included are provisions that would extend to uranium miners the opportunity to seek this workers' compensation-like benefit. Employees can elect to apply for this benefit or they may choose to remain in their individual state's workers' compensation system.

Mr. President, this is a good conference report, but no conference report is perfect.

I strongly disagree with a provision in the bill that would attempt to transfer from the Department of Defense to the Treasury the responsibility to provide the funding for military health care. Programs do not become ''free'' just because they are moved outside the Defense budget. That is why this provision was strongly opposed by the

chairman and ranking member of the Senate Budget Committee.

I am deeply disappointed that the House conferees refused to accept important Senate provisions addressing hate crimes. Acts of violence and bigotry based on factors like race, religion, national origin, gender, sexual orientation, or disability can undermine our nation's fabric by placing in question our continuing commitment to acceptance and diversity. The Kennedy-Smith hate crimes bill would address this problem head-on. The Senate has now passed the hate crimes bill on two separate occasions, and each time, the House has refused even to consider the provision on the merits.

I am equally disappointed that the House refused to include the Boxer amendment on abortion. Under the law as it stands today, Medicare funds may be used for abortions in cases of rape or incest, but Department of Defense funds may not. This kind of discrimination against women who put their lives on the line for their country is incomprehensible to me.

I am disappointed that, faced with a veto threat, we were able to get less than half of the provisions that we wanted to codify sound practices in public-private competition of work currently performed by government employees.

Finally, I am disappointed that this conference report includes a House provision reducing the authority of the base closure commission to address bases not recommended for closure or realignment by the Secretary of Defense.

Despite my concerns about these issues, I will vote for this bill because it contains so many other provisions that are so important for our national defense and for our men and women and uniform. At a time when our armed forces are under hostile fire in Iraq and Afghanistan, it is vitally important that we enact a defense authorization bill that provides the training and equipment that our military needs and the compensation and benefits that they deserve.

I would like to thank the chairman of the Armed Services Committee, Senator WARNER, once again for the effective leadership that he provided in bringing this bill through conference and back to the Senate floor. Senator WARNER's inclusiveness and openness in the way he manages the Committee and the conference have resulted in a far better bill than we would otherwise have had.

I would also like to thank the minority members of our Committee for the able work that they have done in support of this bill throughout the past year, starting with hearings in the Spring, and continuing through markup, floor deliberation, and conference. We have a truly talented group of members, whose dedication to the national defense shows in their work.

I would be remiss if I did not also mention the work of our dedicated committee staff, on both sides of the aisle. It is the hard work of this staff—under the able leadership of Judy Ansley and Rick DeBobes—that has made this bill possible. Rick and Judy and the staff have been working literally around the clock for the last month to put this conference report, and I think that the Senate owes a debt of gratitude to every one of them.

On the Majority staff Judy Ansley, Chuck Alsup, June Borawski, Leah Brewer, Alison Brill, Jennifer Cave, David Cherington, Marie Dickenson, Regine Dubey, Andy Florell, Brian Green, Bill Greenwalt, Bruce Hock, Gary Howard, Jennifer Key, Greg Kiley, Tom MacKenzie, Elaine McCusker, Lucian Niemeyer, Stan O'Connor, Cindy Pearson, Paula Philbin, Ben Rubin, Lynn Rusten, Katie Sendak, Joe Sixeas, Rob Soofer, Diana Tabler, Dick Walsh, Bridget Ward, Nick West, and Kelley Wilson.

On the Minority staff Rick DeBobes, Chris Cowart, Dan Cox, Madelyn Creedon, Mitch Crosswait, Brie Eisen, Evelyn Farkas, Richard Fieldhouse, Creighton Greene, Bridget Higgins, Mike Kuiken, Maren Leed, Gary Leeling, Peter Levine, Mike McCord, Bill Monahan, and Arun Seraphin.

Mr. President, I urge my colleagues to join me in supporting this bill.

Mr. LUGAR. Mr. President, while I support Senate passage of H.R. 4200, the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005, and will not object to its passage, I am nevertheless concerned with language appearing in section 1225, ''Bilateral Exchanges and Trade in Defense Articles and Defense Services Between the United States and the United Kingdom and Australia.'' My concerns are shared by the ranking Democratic member of the Foreign Relations Committee, Senator BIDEN.

We maintain an amicable and beneficial working relationship between the Foreign Relations and Armed Services Committees. In many years past, we opposed efforts by the Armed Services Committee to legislate on matters under our Committee's unique jurisdiction. Last June, we offered an amendment to the defense authorization bill because we understood that our own authorization bill would not proceed, and that the Senate Armed Services Committee supported all of the provisions we offered. We also sought to provide a response to certain provisions in the House defense authorization bill.

The Chairman of the Armed Services Committee, Senator WARNER, introduced Senate Amendment 3429 to S. 2400, the Senate version of the defense authorization bill, on June 7, 2004. This amendment was identical to language in our committee's bill that provided exceptions to the requirements in subsection (j) of section 38 of the Arms Export Control Act regarding the content of any bilateral agreement that would waive International Traffic in Arms Regulations—the ITAR, 22 CFR 120–130—export license requirements for transfers of defense items or defense services to the United Kingdom and Australia. This legislation would have, in the case of the agreement with the Government of Australia, excepted the agreement from section 38(j)(2)(A) and, in the case of the agreement with the Government of the United Kingdom, excepted that agreement from the requirements of section 38 (j)(1)(A)(ii), (2)(A)(i), and (2)(A)(ii). The administration supported that language, and so did Senator WARNER when he offered our language on his bill.

The issue of the ITAR exemption agreements is a complex and important topic and, unfortunately, has become a major irritant in our special relationship with the United Kingdom. Perhaps more unfortunately, the bill the Senate will pass today will include not our language but rather language that may be prejudicial to U.S. interests on several grounds.

First, the bill no longer provides the exceptions we sought. Enactment of this provision may therefore make any future efforts to obtain such statutory exceptions for these most important allies all the more difficult. The Senate will now have effectively endorsed the House position. This may well harm our bilateral relationship with the United Kingdom.

Second, the language of section 1225(b) states: ''The Secretary of State shall ensure that any license application submitted for the export of defense articles or defense services to Australia or the United Kingdom is expeditiously processed by the Department of State, in consultation with the Department of Defense, without referral to any other Federal department or agency, except where the item is classified or exceptional circumstances apply.'' This language could do great harm to our government's ability to provide necessary and complete interagency review of munitions license applications. The phrase ''without referral to any other Federal department or agency'' is new law, and it far exceeds what wisdom would dictate. Under this language, the Departments of Justice and Homeland Security would not be allowed to review any case not involving classified defense items, unless it met an ''exceptional circumstances'' standard. The vast majority of defense exports to the United Kingdom and Australia that are governed under the ITAR are not classified items, and while the Foreign Relations Committee supports expeditious consideration of munitions license applications for these allies, we are concerned by provisions that could deny our government the ability to effectively staff and review license applications.

This concern is heightened by the fact that the provisions of section 1225 apply to all arms exports to the United Kingdom and Australia, irrespective of end-user. The bilateral agreements negotiated with the United Kingdom and Australia take a different approach. They afford relief from export license

requirements for certain unclassified exports, rather than merely expedited processing, but they also are limited in their application of a waiver to a finite group of U.S.-approved end-users. That limit is a sensible accommodation of U.S. national security concerns, and it is difficult to understand why the National Defense Authorization Act conferees decided to ignore it.

I fully expect that the Foreign Relations Committee and the House International Relations Committee will revisit this issue next year in an effort to correct the failings of the measure that is now before us.

SECTION 133

Mr. MCCAIN. Mr. President, I would like to review with my colleague Section 133 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005. Under the leadership of Senate Armed Services Committee Chairman WARNER and Ranking Member LEVIN, Congress has agreed to amend Section 135 of the National Defense Authorization Act for fiscal year 2004 by expressly prohibiting the Air Force from using previously granted authority to acquire, through a lease or purchase, Boeing 767 aircraft for use as aerial refueling tankers.

This provision succeeds in accomplishing Chairman WARNER's primary objective, as he stated in this chamber on October 23, 2003, to put the tanker replacement program back into a traditional budget, procurement, and authorization track. In other words, the Air Force's program to modernize its tanker fleet must be subject to the aerial refueling analysis of alternatives, the aerial refueling portion of the Mobility Capabilities Study, a new aerial refueling validated capabilities document and operational requirements document in accordance with all applicable Chairman of the Joint Chiefs of Staff Instructions, and the express approval of a Defense Acquisition Board in full accordance with Department of Defense regulations.

Mr. WARNER. The Senator from Arizona is correct. Section 133 specifically revokes the authority previously granted under Section 8159 of the Department of Defense Appropriations Act for Fiscal Year 2002, to the Air Force to lease aircraft for use as tankers. The conferees expressed their intent very strongly on this issue in eliminating all references to leasing aircraft throughout Section 135.

Mr. MCCAIN. I thank the Chairman for clarifying the intent of the legislation with respect to the prohibition on leasing tanker aircraft. Now, let's turn to what authority Section 133 grants with respect to purchase of tanker aircraft.

Mr. WARNER. Section 133 bars the Air Force from executing a contract for the multiyear purchase of aircraft specified under Section 8159, that is, general purpose Boeing 767 aircraft that would be modified as an aerial refueling aircraft. Section 8159 would have precluded full and open competition.

Mr. MCCAIN. The Chairman is correct. This means that, under Section 133, the Air Force may not acquire, either by lease or purchase, Boeing 767s without full and open competition. In other words, any program to acquire tankers must start from the beginning, as the Senator properly stated last year, on a traditional budget, procurement, and authorization track.

Mr. WARNER. The Senator from Arizona is correct. I thank him for that clarification.

Mr. MCCAIN. One last question. Have we obtained an opinion from the Congressional Budget Office as to how it would score the acquisition of tankers under Section 133?

Mr. WARNER. Yes, we have. The Congressional Budget Office would score this provision as a traditional procurement program which would expressly require the Air Force to pay for each tanker in the year it is purchased.

Mr. MCCAIN. I thank the Senator. I am grateful to the gentleman from Virginia for his leadership in this 3-year odyssey. I remind my colleagues that three out of the four defense committees that were required to approve the original proposal to lease 100 tankers, did so without so much as reading the contract for that $30 billion procurement proposal. It was the Senate Armed Services Committee that put the brakes on that costly and misguided misadventure. That having been said, the final chapter on the tanker lease program cannot be closed until those among Air Force leadership who engaged in misconduct are held accountable.

Mr. WARNER. I thank the Senator from Arizona for his steadfast leadership and vigilance on this critical issue. There could be no doubt as to the gentleman's sincerity in always protecting the interests of taxpayers and the warfighter.

Mr. KENNEDY. Mr. President, it is reprehensible that the GOP House leadership demanded the removal of the hate crimes provision from the Defense Authorization Act.

The provision had solid support in both the Senate and the House. Under the leadership of Senator WARNER and Senator GORDON SMITH, the Senate approved it as an amendment to the Defense Authorization bill in July by the nearly 2–to–1 bipartisan majority of 65 to 33. Eighteen Republicans joined all the Democrats in approving this measure. Last week, by a vote of 213 to 186, the House instructed its conferees to support this provision in the conference report on the bill.

The hate crimes provision is an essential response to a serious problem which continues to plague the nation. Since the September 11 attacks, we've had a shameful increase in the number of hate crimes committed in our country against Arabs and Muslims—murders, beatings, arson, attacks on mosques, shootings, and other assaults. In 2001, anti-Muslim incidents were the second highest-reported hate crimes based on religion—second only to anti-Jewish hate crimes.

Nevertheless, under current law, the Justice Department has to fight these vicious crimes with one hand tied behind its back. Outdated pre-9/11 restrictions limit Federal jurisdiction in hate crimes based on religion. Hate crimes based on sexual orientation are not even covered by the law. How can House Republican leaders say they're fighting a war on terrorism, when they're not prepared to fight it here at home?

Clearly, President Bush is worried about his right-wing base in the coming election, and the implication is obvious that the White House sent word to its Republican allies in the House—block the hate crimes provision, even if blocking it denies the clear will of the majority.

The carefully selected White House candidate for the Senate in Florida used the hate crimes issue to smear his opponent in the Republican primary in August. Former Congressman Bill McCollum, a respected law-and-order Republican, was smeared as ''anti-family'' and ''the new darling of the homosexual extremists'' and lost the primary—because he supported the hate crimes legislation. There is nothing ''anti-family'' or divisive about the hate crimes bill. It protects all victims of hate-motivated violence: citizens of all races, all religions, all sexual orientations. No one is left out.

Sadly, the despicable smear against Congressman McCollum in Florida is only one example of the vicious campaign tactics used by Republicans this year. In West Virginia and Arkansas, the Republican National Committee has sent out flyers suggesting that ''liberals'' want to ban the Bible. My colleague Senator ROBERT BYRD aptly described it as a ''desperation tactic'' and ''an insult to the intelligence of voters'' in his State.

In Oklahoma, the National Republican Senate Campaign is running a race-baiting advertisement on television attacking Democratic Senate candidate Brad Carson's record on immigration by showing images of Hispanic farm workers and African Americans receiving welfare dollars. We've seen such campaign appeals to racism and bigotry before in this country. Most of us hoped we would never see them again.

When President Bush condones outrageous tactics like these, how can he claim with a straight face that he's lived up to his campaign promise to be a uniter, not a divider?

The administration is wrong to have ordered its allies in the House to block our bipartisan hate crimes provision. However, this is not the end of our battle. We will be back again and again, and we will continue to bring this legislation up every opportunity we can until it is signed into law. It's heartening to know that we may soon have a President who will sign it—a President who is honestly committed to uniting, not dividing, the country.

Mr. BINGAMAN. Mr. President, I would like to congratulate the conferees on the National Defense Authorization Act for Fiscal Year 2005, for reforming the Energy Employee's Occupational Illness Act, EEOICPA, and ensuring that the Radiation Exposure Compensation Program, RECA, receives additional mandatory funding to pay the workers whose claims were originally subject to additional appropriations.

I view the reform of EEOICPA's subtitle D as particularly significant. From November 2003 through March 2004, the Energy and Natural Resources Committee held three hearings on this program. These hearings determined that the current program's subtitle D was not paying injured atomic workers. Subtitle D relied on the DOE to determine causation with a subsequent referral to State compensation systems. Typically these State compensations not only add add additional delay to the process but they are adversarial in nature because insurers can contest the claim against a sick and dying worker. As a result of these three Senate hearings, there was a bipartisan effort by 20 Senators to move subtitle D from the Department of Energy to the Department of Labor, where EEOICPA's subtitle B is administered. The Department of Labor specializes in providing worker compensation, so it only seems reasonable to consolidate the program there. Originally, the Senate's proposed reform of subtitle D required the Department of Labor to adjudicate each claim according to the workers' respective State compensation standard. This compensation procedure, while insuring that the original intent of EEOICPA remained intact, was determined by the conferees to be too hard to administer. In my view, and it was stated in the March 2004 hearing, the proper course of action to pay these sick workers was to use a uniform standard funded from a mandatory account similar to subtitle B.

The conference report's version of EEOICPA's subtitle D takes the right approach. Instead of a compensation scheme tied to each State as in the Senate proposal, the conference report chooses a uniform payment schedule according to disability and lost wages, for both living and deceased persons. Most importantly, subtitle D is funded out of the subtitle B mandatory account so it does not end up like the RECA program in lacking the necessary compensation funds once a positive determination is made. I am also pleased that the language contains the ombudsman provision, even though it is only authorized for three years. The ombudsman will report to Congress on the transition from the Department of Energy to the Department of Labor, and whether the intent of the reform language is adhered to, which is the quick compensation of sick workers.

I would like to thank the many Senate staffers listed below who held together as a group for the past seven months; their names are found at the end of this statement. Through this strong bipartisan effort, more was accomplished than any by any single member. I hope this effort sets a tone for other endeavors that we pursue in Congress.

Elizabeth Bellville, Office of Senator DeWine;
Catherine Boland, Office of Senator Voinovich;
David Cherington, Senate Armed Services Committee;
Doug Clapp, Office of Senator Murray;
Madelyn Creedon, Senate Armed Services Committee;
Angela Becker-Dippman, Office of Senator Cantwell;
Ken Ende, Office of Senator Murkowski;
Jonathan Epstein, Office of Senator Bingaman;
Holly Fechner, Health Education and Labor Committee;
Tom Horgan, Health Education and Labor Committee;
Kurt Kovarik, Office of Senator Grassley;
Kate Kimpan, Office of Senator Bunning;
Pete Lyons, Energy and Natural Resources Committee;
Sara Mills, Office of Senator Reid;
Beth Stein, Office of Senator Harkin;
Kristine Svinicki, Office of Senator Craig;
Katie Swaney, Office of Senator Talent;
Kim Taylor, Office of Senator Bunning;
Jason Unger, Office of Senator Reid;
Dan Utech, Office of Senator Clinton;
Tim Valentine, Office of Senator Alexander;
Karina Waller, Office of Senator Stevens;
Jenny Wing, Office of Senator Harkin;
Portia Wu, Health Education and Labor Committee.

Again, my thanks to the Chairman and Ranking members of both the House and Senate Armed Services Committees for ensuring that these innocent atomic workers, who helped win the cold war, clean up its former nuclear sites, and continue to maintain our nuclear deterrent, are adequately compensated for the injuries they sustained working at DOE's nuclear facilities.

Mr. McCAIN. Mr. President, I strongly support passage of the conference report on HR 4200, the National Defense Authorization Act for Fiscal Year 2005. This legislation funds over $420 billion for defense programs, which is a 3.4 percent increase or $20.9 billion above the amount authorized by Congress last year.

While I am pleased that we are able to act on this legislation prior to adjourning for the elections, I would be remiss if I did not mention that once again, the Defense Appropriations Act has been signed into law prior to final action on the Defense Authorization Act. The responsibilities of authorizors and appropriators are expected to be distinct. The Defense Authorization Act lays out the blueprint for the policies and funding levels for the Department of Defense and its programs. The role of the Appropriations Committee is to allocate funding based on policies provided by authorization bills. In reality however, the Appropriators' function, has expanded dramatically, and the Appropriations Committee now engages in significant policy decision making and micromanagement, largely usurping the role of the authorizing committees. I hope next year we will succeed in passing the authorization measure prior to the appropriations measure.

The men and women of our Nation's Armed Forces put their lives on the line every day to protect the very freedoms we Americans hold dear. It is our obligation to provide key quality of life benefits to the members of our military. Great strides will be made by this bill towards accomplishing that goal. For example, this Conference Report authorizes a 3.5 percent across-the-board pay raise for all military personnel. It repeals the requirement for military members to pay subsistence charges while hospitalized, and adds $7.8 million for expanded care and services at the Walter Reed Amputee Patient Care Center. Also, included in the conference report is a permanent increase in the rate of family separation allowance from $100 per month to $250 per month as well as a permanent increase in the rate of special pay for duty subject to hostile fire or imminent danger from $150 per month to $225 per month.

We continue to be increasingly reliant on the men and women of our Reserve forces and National Guard. In fact, around 40 percent of all the ground troops in Iraq and Afghanistan are composed of National Guard and Reserve forces as well as nearly all of the ground forces in Kosovo, Bosnia, and the Sinai. Many of these soldiers and sailors leave behind friends, families, and careers to defend our nation. Accordingly, it is the responsibility of policy makers to ensure we look after the needs of these patriots. Included in the conference report is the authorization for full medical and dental examinations and requisite inoculations when reservists mobilize and demobilize as well as a new requirement for pre-separation physical examinations for members of the reserve component. This provision is critical to maintain and, in some circumstances, increase the readiness of the total force.

In the Senate version of this legislation, we passed an important amendment to authorize an increase in the size of our Army by 20,000 and size of our Marine Corps by 3,000. I am very pleased this provision was included in the conference report. This increase is absolutely vital in our Army's ability to carry out its mission in the global war on terror. There is no shortage of evidence supporting an increase in Army endstrength. Recently, the Army pulled 3,600 troops out of South Korea to fill critical needs in Iraq. The Department of Defense should be able to move troops around as needed to address critical needs. However, in this case, we are sacrificing our readiness on the Korean peninsula because we do not have enough solders serving in the Army.

After returning home for a short period of time, soldiers and Marines are

already making preparations for their second tour in Iraq or Afghanistan in as many years. This is not good for morale, this is not good for retention, this is not good for readiness, and this is not good for the soldier's families. Eventually, recruitment will be seriously affected by these trends.

Additionally, the Army recently announced a new stop-loss policy. While, I certainly recognize the Army's authority and necessity to issue stop loss orders, their issuance in this instance is yet another reason why we need to increase the size of the Army. For all the benefits in group cohesion that results from extended tours, the Army will be facing a serious crisis when it comes time for these soldiers to reenlist on their own accord. I am concerned about the effect that these stop-loss orders will have on the morale of our Army. While I still do not believe that we need a draft, we do need to increase the size of the Army to carry out important defense missions.

Once again, I am disappointed that the development of this legislation lent the opportunity for the annual buy America battle. In a similar fashion as last year, the Senate had to beat back a provision in the house version of the legislation that sought to protect parochial interests at the cost of our defense industry and American jobs. It seems as if every year, we fight the same fight in conference. I am pleased that once again, the Senate prevailed over the protectionist leanings in the House.

As I have stated countless times before, we need to provide American servicemen and women with the best equipment at the best price for the American taxpayer. By following this simple philosophy, we will protect both the men and women in uniform, as well as our domestic defense industry.

The international considerations of buy America provisions are immense. Isolationist, go-it-alone approaches have serious consequences on our relationship with our allies. Our country is threatened when we ignore our trade agreements. Currently, the U.S. enjoys a trade balance in defense exports of 6-to-1 in its favor with respect to Europe, and about 12-to-1 with respect to the rest of the world. We don't need protectionist measures to insulate our defense or aerospace industries. If we enact laws that isolate our domestic defense industry, our allies will retaliate and the ability to sell U.S. equipment as a means to greater interoperability with NATO and non-NATO allies would be seriously undercut. Critical international programs, such as the Joint Strike Fighter and missile defense, would likely be terminated as our allies reassess our defense cooperative trading relationship.

The Senate also successfully defeated an amendment during Senate consideration and again in conference aimed at crippling the upcoming BRAC round. BRAC has taken on a new significance in the war against terror. There has not been a time in recent memory when it has been more important not to waste money on non-essential expenditures. To continue to sustain an infrastructure that exceeds our strategic and tactical needs will make less funding available to the forces that we are relying on to destroy the international network of terrorism. I am once again pleased that the Senate put the good of the Department of Defense over parochial interests and protected the upcoming BRAC round.

The Department of Defense has come out with very fair and reasonable criteria used to select what bases are chosen for BRAC. I have every confidence the Secretary of Defense will carry out this round of BRAC in a just and consistent manner. Sooner or later surplus bases must be closed. Delaying or canceling BRAC would only make the process more difficult and painful than necessary. The sooner the issue is addressed, the greater will be the savings that will ultimately go toward defense modernization and better pay and benefits for our hard working service members.

I understand that some of my colleagues are concerned about the potential negative effects a base closure may have on their local economy. But let me point out that previous base closure rounds have had many success stories. For example, after England Air Force Base closed in 1992, Alexandria, LA, benefitted from the creation of over 1,400 jobs—nearly double the number of jobs lost. Across the U.S., about 60,000 new jobs have been created at closing military bases. At bases closed more than 2 years, nearly 75 percent of the civilian jobs have been replaced. This is not to say that base closures are easy for any community, but it does suggest that communities can and will continue to thrive.

Another issue of considerable diverse views during conference deliberations concerned the aerial refueling tanker lease program. I would be remiss if I did not take the opportunity to praise the leadership of Senate Armed Services Committee Chairman WARNER and Ranking Member LEVIN for their steadfast vigilance during the three-year odyssey on the Air Force's failed Boeing 767 tanker program. I remind my colleagues, again, that three out of the four defense committees that were required to approve the original proposal to lease 100 tankers, did so without so much as reading the contract for the $30 billion procurement proposal. It was the Senate Armed Services Committee and the Commerce, Science, and Transportation Committee that put the brakes on that costly and misguided misadventure. And lest one thought otherwise, the Boeing 767 tanker investigations in the Department of Justice, Department of Defense, Office of Inspector General and the U.S. Senate are continuing and expanding.

Under Section 133 of the National Defense Authorization Act for Fiscal Year 2005, the Air Force may not enter into a sole-source multiyear contract for the lease or purchase of Boeing 767s. Indeed, the Conference Report makes clear that, at the end of the day, the Air Force's plan to modernize or update its fleet must be subject to full and open competition and the traditional budget, procurement and authorization track. The conference report brings the Air Force's plan back to square one.

The bottom line here is this. The aerial refueling tanker provision in the defense authorization bill does much to inject much needed sunlight in a program that has largely been insulated from public scrutiny. In so doing, this provision, that was adopted, directs the Air Force to begin—anew from the beginning—in its program to modernize its tanker fleet. The Air Force will have to now fully consider the Congress's direction, prohibiting the retirement of KC–135E tanker aircraft, as a worthwhile alternative to updating tankers through KC–135E to R conversions. The tanker legislation in this bill ensures that any effort by the Air Force to modernize and replace its fleet of tankers is done responsibly. We should expect no less from the Air Force. That having been said, the final chapter on the failed tanker lease program cannot be closed until those among Air Force leadership who engaged in misconduct, are held accountable.

I also would like to thank the chairman and ranking member, as well as Senators DODD, DEWINE, and HOLLINGS for their assistance in reauthorizing the Assistance to Firefighters Grant Program through Fiscal Year 2009. This program uses a competitive, merit-based review process to give grants directly to local fire departments for equipment, training, and fire prevention programs. Our nation's firefighters must be prepared to respond to a myriad of threats, and this legislation will help ensure that they are adequately trained and equipped to meet them.

Mr. President, Americans are blessed with nearly limitless freedoms and liberties. In exchange for all our country gives to us, it does not demand much in return. Yet throughout our history, millions of people have volunteered to give back to their nation through military service. The selfless acts of courage and sacrifice made by the men and women in our armed services have elevated our nation to the greatness we enjoy today.

America is defined not by its power but by its ideals. One of the great strengths of the American public is the desire to serve a cause greater than our own self interest. All too often, our younger generations are accused of selfishness and an unwillingness to sacrifice. I disagree. I see generations of people yearning to serve and help their fellow citizens. Each year, thousands of our young Americans decide to dedicate a few years or even a full career to

protecting the rights and liberties of others. They often do this with very real risks to their lives. They volunteer to do this not for profit, nor for self promotion, but out of a sense of duty, service, and patriotism.

I urge my colleagues to support this important legislation.

Ms. SNOWE. Mr. President, I rise today to speak briefly on the fiscal year 2005 national Defense authorization conference report.

I acknowledge the leadership of the senior Senator from Virginia, Mr. JOHN WARNER, chairman of the Armed Services Committee, in bringing this bill to final passage. Of course, I must also recognize the ranking member, Senator CARL LEVIN. I had the privilege of working with them on the committee for several years and I can attest that each year they work together tirelessly to pass the Defense authorization bill because they understand how absolutely vital this legislation is to the effectiveness and well-being of our Armed Forces.

For that matter, I also recognize every Senator on the committee for their efforts because this conference report authorizes the equipment, the training, and the operational funds necessary to support our troops who are right now operating across the globe to make our Nation and the world more secure.

It also reflects the service and sacrifice of our troops by making a solid investment in their quality of life by increasing their pay and enhancing educational and health care opportunities for our active duty military members, our National Guard and Reserve troops and their family members. And that is only right, for today we are asking a great deal of our gallant young men and women as they guard our Nation at home and abroad and, of course, risk their lives every day to restore freedom and prosperity to the oppressed peoples of Iraq and Afghanistan.

This legislation also recognizes that we owe a continuing debt to those who have served honorably by continuing to work on full concurrent receipt for those with a service connected disability, the same benefit available to every other retired Federal employee, the ability to collect full retirement pay and disability entitlements without offsets. Last year we made great strides in addressing the disparity by which disabled military retirees have their pension benefits reduced, dollar for dollar, by the amount of disability benefits they receive from the Department of Veterans Affairs. And this bill goes even further by removing disabled retirees, who are rated as 100 percent disabled, from the 10-year phase-in period. Thanks to this bill, those retirees will be authorized for full concurrent receipt effective January 2005.

This bill also finally corrects an inequity to those who have doubly sacrificed for our Nation, survivors of those who served this Nation well and honorably. First, they sacrificed each day as their loved one defended our Nation and they again sacrificed when they laid their hero to rest. And how did we repay them, by reducing their survivor benefit payment by over 30 percent once they reached age 62.

In the first session of this Congress, I sponsored S. 451, along with 46 cosponsors, a bill to correct this inequity. My colleague, Senator LANDRIEU, sponsored a similar measure for the same reasons. This year we worked together during the debate to include an amendment that would provide survivors relief from this ''widow's tax.'' I am very pleased to note that the conferees also recognized the unfairness of this reduction and approved a provision that will, over the next 3½ years, raise the percentage of the annuity available for survivors from 35 percent after age 62 back to the 55 percent they were collecting before their birthday.

This bill provides $420.6 billion for Defense programs in fiscal year 2005, an increase of $19.3 billion above the amount authorized by the Congress last year. In addition, the conferees authorized $25.0 billion for additional war-related costs for Operations Iraqi Freedom and Enduring Freedom, including more than $2 billion for force protection measures, including armor, munitions, communications and surveillance programs.

In particular, this bill also provides a little over $10 billion in an area that is critical to the security of the Nation, our shipbuilding capacity. It has become more and more apparent that as we engage the forces of terrorism around the world we have become increasingly dependent on the ability of our Navy to not only deliver troops and munitions to the fight, but to act as the sea base from which our forces can operate without restrictions virtually anywhere in the world.

Yet, as a former chair of the Seapower Subcommittee, I remain concerned about the Navy's shipbuilding program, particularly with respect to the surface combatant force. As part of the 2001 Quadrennial Defense Review, the Navy and DoD approved a plan for maintaining a 310-ship Navy including 116 surface combatants, cruisers, destroyers and frigates. By the end of fiscal year 2003, the Navy's surface combatant fleet had fallen to 106 ships and the Navy has notified Congress that by the end of fiscal year 2004, it was their intent to reduce the force of surface combatants to 103 ships.

Therefore, I am encouraged that this authorization provides $3.6 billion for the construction of three DDG–51 *Arleigh-Burke* class destroyers for it is these ships, along with cruisers and frigates, that provide protection to the carriers and amphibious ships deployed to the Persian Gulf and around the world to prosecute the war on terrorism. Moreover, it adds $100 million for the DDG in service modernization program to begin the insertion of advanced technologies that will dramatically reduce operation and support costs to the fleet and mitigate the risk of back-fitting these technologies on older ships. Above all, we must pursue every path necessary to provide technologies to our sailors that will ease their workload, enhance their training opportunities and increase the survivability of their ships.

However, this is the last planned funding for the DDG–51 acquisition program, and the next generation of surface combatants, the DD(X) and the Littoral Combat Ship, LCS, are being funded in the research and development accounts. Although this authorization provides $1.5 billion for the continued development of the DD(X), including an additional $84.4 million for the detailed design of the second DD(X) and $350 million for the continued development of the LCS in the RDT&E accounts, there is a looming gap in the shipbuilding and conversion, Navy account for surface combatants.

Without a focused effort on the part of the Navy to commit and invest in a robust surface combatant program, I am concerned not only about the ability of the Navy's surface combatant force to maintain current operating tempos but the continuing viability of our shipbuilding industrial base. Many have noted that in spite of Congress' efforts to stabilize the workload in our surface combatant shipyards, the Navy's changing construction profile is undermining those efforts.

I urge the Navy to heed the stated concerns of Congress, especially those of us with shipyards facing an uncertain future and do everything in their power to stabilize their shipbuilding accounts both in terms of budget and in schedule.

Importantly, this bill sets aside $66.5 billion in the research and development accounts to develop the advanced technologies our troops will use to maintain their technological superiority over their adversaries. Significantly, conferees authorized $11.2 billion for the critical science and technology programs which brings us close to the goal of setting aside 3 percent of the defense budget to invest in the ''seed corn'' of our future military capability.

Much of that S&T investment will be executed at universities and colleges throughout America. For example, the University of Maine system has been on the forefront of the development of advanced engineered wood structures and composites. The bill provides funds so the university can develop the advanced lightweight structures the Army needs to meet the requirement to establish forward operating bases for our expeditionary forces in the far-flung regions of the world.

In addition, this bill also authorizes continued research at the University of Maine into the structural reliability of fiber-reinforced polymers composites in ship assemblies that will help define and ultimately control the significant property variations found composite plates used in Navy ship construction.

I am deeply disappointed that the House provision to delay the 2005 BRAC round by 2 years was not maintained in this bill because I believe fervently that closing domestic bases at a time we are engaged in a global war is not in the best interests of our Nation.

During the Senate debate on the fiscal year 2005 authorization bill, I and my colleagues, Senators LOTT, DORGAN and FEINSTEIN offered an amendment that would have delayed the 2005 Base Realignment and Closing Process, BRAC, for 2 years in order to focus on a closing process for our overseas military installations because we believed that the Nation must reassess its current overseas force structure and adjust it to meet the threats of today. Unfortunately, our amendment was narrowly defeated by a vote of 47 to 49.

Since then, the President has announced a force restructuring that includes the closure of several overseas military facilities and a redeployment of troops and assets back to the United States. This is exactly the reason we offered our amendment and I continue to strongly believe that until our global defense posture is defined and our foreign basing requirements are thoroughly understood, closing our domestic bases is premature and ill-advised.

Finally, and most importantly, the bill continues our commitment to the men and women in the armed forces and their families through the enactment of several important pay and benefits provisions. First, it includes an across-the-board pay raise of 3.5 percent for all military personnel. It also contains a number of provisions that will directly aid the families of service members. For example, the bill removed the existing funding limitations on the military housing privatization authorities, which will allow the military services to continue to partner with the private sector to provide the highest quality housing for military members and their families in the shortest amount of time.

This authorization rightly recognizes that our Reservists and National Guard troops play an increasingly vital role in the war on terrorism, and extends to them expanded benefits in critical areas such as medical care and special pay rates. The bill approves permanent eligibility for up to 90 days of TRICARE coverage for Reserve members and their families prior to mobilization, and 180 days of transitional health benefits for Reserves, active duty members, and their families when the member separates from active duty service. It also authorizes a new program of educational assistance to members of the Selected Reserve, providing varying amounts of aid depending on the length of time they were mobilized.

Overall, this authorization provides the men and women of our armed forces with the equipment they need to accomplish their mission, the quality of life they have earned and security for their families. For these reasons, I support this legislation and urge my colleagues to pass this conference report unanimously because in a time when our Nation is facing unprecedented security challenges and dangers, we can do no less.

Ms. SNOWE. Mr. President, as chair of the Senate Committee on Small Business and Entrepreneurship, I express my views on the Conference Report for H.R. 4200, the fiscal year 2005 DOD Authorization Act. Defense authorization legislation typically contains a variety of provisions pertaining to government contracting, and these provisions have a significant impact on the ability of small firms to compete for Federal procurement dollars. Small businesses will find that this report contains both positive and negative provisions.

First, I express my deep disappointment with the decision of the Conference Committee to remove from the act the legislative language requiring consideration of small business interests by the Office of Federal Procurement Policy's advisory panel on reform of government contract laws, extending the panel's term, and specifically requiring the panel to reports its findings to the Congressional small business committees. I originally proposed this language as Senate Amendment No. 3273. It was adopted unanimously by the Senate and codified in Section 805 of the DOD Authorization Act.

The work of this advisory panel, like its predecessor panels, is critical to the long-range direction of acquisition reforms. This panel, authorized by Section 1423 of the fiscal year 2004 National Defense Authorization Act, was to emphasize the study of commercial practices, performance-based contracting, the performance of acquisition functions across agency lines of responsibility, and the use of Governmentwide contracts. In making appointments to the panel, the administrator for Federal Procurement Policy was required to consult the agency heads as well as the House and Senate Armed Services Committees, Governmental Affairs Committee, and House Government Reform Committees. The panel's authorizing legislation required it to prepare a written report with recommendations and to submit this report to these named Committees along with the Office of Federal Procurement Policy Administrator, or OFPP.

Curiously, the panel's mandate was silent with regards to small business contracting, even though the Federal Government is committed by law to the goal of awarding 23 percent of all prime contracts to small businesses. My amendment, as adopted by the Senate, responded to this glaring omission by extending the panel's reporting period, requiring the panel to make recommendations on assuring small business participation in Government contracting, and directing the panel to submit its report to the House and Senate Small Business Committees.

Because of President Bush's strong support for small business contractors, the policies of Section 805 had solid backing from the administration. Over the summer, I wrote to the White House and requested that small businesses be represented both in the composition and in the work of this panel. In reply, OFPP Acting Administrator Robert Burton responded that, ''Based on your suggestion, I will ensure that senior level representation from the Small Business Administration will serve on the panel. Moreover the Office of Federal Procurement Policy will request the panel to specifically address small business contracting and subcontracting issues.''

Some recent changes to Federal procurement laws have had the effect of decreasing competition, accountability, and transparency in the procurement process while increasing the barriers to entry faced by small business contractors. Section 805 was designed to address this unfortunate trend, and I believe it should not have been removed.

I am particularly disappointed the conference report contradicts the public position of the administration that small business interests deserve consideration in formulating Federal procurement reforms by the Office of Federal Procurement Policy advisory panel. However, let me be clear: the Conference Committee's decision to remove Section 805 does not overrule the commitment of the OFPP administrator and does not prevent the Senate Small Business Committee from closely monitoring the work of the panel and holding in-depth oversight hearings on its report.

In addition, I find unfortunate the choice to permit exemption of the entire landscaping and pest control industries from the application of the Small Business Act. Adoption of this provision was not marked up by either the Senate Committee on Small Business and Entrepreneurship or the House Committee on Small Business.

I also regret the conference committee's decision not to authorize transitional counseling on federal procurement opportunities at the DOD and the Department of Veterans Affairs facilities. Our veterans, especially service-disabled veterans, deserve immediate assistance. However, I am encouraged that the Conference Committee directed the Comptroller General to conduct a study on this subject. I am also very pleased that HUBZone and service-disabled veteran-owned small businesses can now participate in the DOD Mentor-Protégé Program, preserved the parity between the small business reserve threshold and the simplified acquisition threshold in future threshold adjustments for inflation, limited the period of multi-year task order contracts to 10 years, protected small businesses engaged in the DOD satellite procurement against arbitrary changes, and refused to adopt changes to source selection criteria which may have favored large businesses over small contractors.

In conclusion, I again commend President Bush and Acting OFPP Administrator Burton for the administration's continued steadfast support of small business-friendly procurement policies. I look forward to continuing to work closely with the Office of Federal Procurement Policy.

Mr. REID. Mr. President, I want to express my appreciation to Senators WARNER and LEVIN for their expert guidance for moving this huge piece of legislation through the Congress. This will now go to the President of the United States.

One of the provisions in this legislation is so important to me—more important to 40,000 100-percent disabled Americans. Those who are 100-percent disabled will receive the concurrent receipts immediately. We had a 10-year phaseout. That will no longer be the case.

That was not easy, but it is really wonderful because, first of all, those 40,000 are either disabled, unable to work at all and, frankly, the vast majority of them may not live 10 years to receive their benefits. This is so important that these most dedicated members of our armed services, who are 100-percent disabled, will receive these benefits immediately.

I appreciate very much the work of the chairman and ranking member, Senator LEVIN.

I also want to express my appreciation to Senator HARKIN. Senator HARKIN basically had a hold on the work we do around here, meaning he was going to slow everything up. Senator HARKIN is a veteran himself. He understands that this is not something which needs to be held up.

I want the RECORD to be spread with the appreciation of the four leaders for Senator HARKIN's cooperation in this matter to allow this bill to go to the President right now.

Mr. WARNER. Mr. President, I join in that. Senator HARKIN was actually a Naval aviator. We have discussed that distinguished part of his career many times.

I thank the distinguished senior Senator from Nevada. He very quietly works on issues. I can remember a year ago we stood in this well when we weren't able to achieve that goal, the distinguished Senator from Nevada himself—I think Senator MCCAIN was very active and Senator LEVIN. We said: All right. This year we can't get it, but next year we will. Through the Senator's absolute resolute determination that was accomplished. He did it for a category of veterans who are well deserved of this recognition by the Congress and the American people for their services.

I thank the Senator.

TECHNICAL CORRECTION IN ENROLLMENT OF H.R. 4200

Mr. WARNER. Mr. President, I believe this has been cleared on both sides.

I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 514, which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 514) directing the Clerk of the House of Representatives to make a technical correction in the enrollment of the bill H.R. 4200.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. WARNER. Mr. President, I ask unanimous consent the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the concurrent resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 514) was agreed to.

Mr. WARNER. I thank the distinguished Presiding Officer.

I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Alaska, chairman of the Appropriations Committee, is recognized.

Mr. STEVENS. I thank the Chair.

The House passed the military construction appropriations bill as well as the homeland security bill. No one voted against the bills. The first one was 374–0 and the second was 368–0.

Military construction contains $2.8 billion for the drought and $11.6 billion for disasters which includes the hurricanes. This bill affects all our States with farms that are suffering from the drought and it helps states like Florida and Alabama that were in the path of the hurricanes. FEMA will likely run out of money tonight, Saturday, October 9.

On October 1 FEMA had $836 million which included a $500 million carryover from FY 2004 and a $336 million apportionment under the continuing resolution. That means they get 51 days worth of cash since the CR takes us through November 20. But FEMA tells me that they burn through this money at approximately $65 million to $79 million a day. The balance in the disaster, fund yesterday, Friday, October 8, was only $150 million. The fund runs dry tonight.

It is true they can re-apportion under the CR, which means they can transfer funds from other areas but it will have to be taken from places like our Federal air marshals, air cargo inspections, port security, and more.

On homeland, many believe we will be attacked before the election. There is a continuing resolution in affect until November 20 but getting this bill increases much of the effort we are making to protect the United States.

It also has new programs that cannot be started until we pass this bill. Some of the program I refer to are radiations detection, aviation security technology, border surveillance, additional detention and removal programs. Getting more screeners at airports is on hold. All first responder grant allocations would be put on hold.

The Coast Guard will not be able to re-engine the HH–65 helicopter for at least 6 months, causing the Coast Guard to continue to experience alarming rates of engine failures. At current funding levels, there are insufficient funds to support the Coast Guard's increased force presence in Iraq port security units, patrol boats, and security forces on oil rigs.

Cargo screening will remain only at current levels—we will forgo a tripling of cargo screening on passenger aircraft. Research and development of new technologies for cargo security will be delayed.

TSA will not hire replacement screeners to fill vacancies at airports, causing longer lines at airports, particularly around the holiday period. TSA will delay airport modifications to install explosive detection devices to screen for explosives in carry-on baggage as recommended by the 9/11 Commission.

The department will not be able to hire additional Federal air marshals, FAMs and, in fact, may have to lay off FAMs that they have on staff, up to 500.

This bill includes significant increases in the intelligence capabilities of the department. A continuing resolution will prevent that expansion from taking place leaving the nation at risk.

Under a continuing resolution the Transportation Security Administration has very little funding for rail and transit security. All of the additional funding available for inspectors, canine teams, research and other activities is in the fiscal year 2005 appropriation. None of the additional funding for letters of intent for airport security modifications will be available.

Seven hundred and ninety-two new Coast Guard personnel will not be hired to enforce maritime security plans.

It prevents interoperable communications and personal protective equipment from reaching rural and smaller communities.

Fire departments will remain critically understaffed without the implementation of the SAFER Act.

The biowatch program will not be expanded in major urban areas, affecting our ability to detect the release of biological agents in the air.

It stops the procurement of 250 additional radiation detection/inspection systems.

It delays procurement of border surveillance systems to monitor and defend U.S. borders.

It delays Container Security Initiative, CSI needed to stay on schedule to add up 22 more ports to existing 25.

It delays establishment of fugitive operation teams and hinders immigration enforcement—limiting detention and arrest operations of criminal alien