

what the Economist wrote on May 6 describing the background of France's immigration policy and the reason for their legislation:

Until the mid-seventies, immigrants to France came to work. Since the law was tightened in 1974, the inflows have changed. Today, only 7,000 permanent workers arrive each year, down from over 107,000 in the late sixties. Three-quarters of legal immigrants to France are family related. Not skill related, family related.

France has a low proportion of skilled immigrants. France's Interior Minister, Nicolas Sarkozy, argues "that under the pretext of protecting jobs at home, France has created a system that let's in only those who have neither a job nor any useful skills."

How about that?

The Economist article goes on to describe an immigration bill that Mr. Sarkozy has put before the French Parliament this week, which addresses that very problem.

Mr. Sarkozy's proposal, in many ways, simply follows the practice of other countries, notably Australia, Canada, Switzerland, as well as Britain and the Netherlands. In each case, the policy is based on a recognition that there is no such thing as zero immigration, and that a managed, skill-based immigration policy will not only control inflows, but will also bring benefits to those countries.

Madam President, we have focused on a lot of hot button issues, some of which are very important, but we have not given serious thought to the fundamentals of what we are doing here, and what impact it will have on our country. We are not giving any thought to what the Netherlands, what France, what Britain, what Canada, and what Australia are doing. We are not in any way following their model. In fact, we are ignoring the testimony of some of our Nation's most prestigious economists on those issues.

As a result, we have a fundamentally flawed piece of legislation on the floor of the Senate. It should never ever become law, and it is a sad day when those who are supporting this legislation are reduced to quietly going around and suggesting: Don't worry about it being so bad, we just have to do something and maybe the House of Representatives will save us.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

MORNING BUSINESS

Mr. FRIST. Madam President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

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

RHODE ISLAND ARMY NATIONAL GUARD

Mr. REED. Madam President, I rise today to recognize the Army Aviation

Association's top National Guard aviation unit for 2005. Since 1969, the Army Aviation Association has presented this award to the best Army National Guard aviation unit. Indeed, it is a great honor to represent the State of this year's winner, the 1st Battalion, 126th Aviation Regiment of the Rhode Island Army National Guard.

The 1st of the 126th has a long and distinguished history. Tracing its roots back to 1930 and the 68th Field Artillery Brigade, the 1st of the 126th was founded as a field artillery unit and later transitioned to medical care specialists. But in the 1960s, the unit was reorganized into an aviation unit. Since that time, it has performed with extraordinary professionalism and skill in its role as an aviation unit.

Deployed to Iraq from January to December of 2005, the 1st of the 126th served as the core of Task Force Dragonwing during Operation Iraqi Freedom. Task Force Dragonwing, based out of Balad Airbase north of Baghdad, was the lead force responsible for conducting combat support aviation operations through the entire Iraqi theater. They accumulated over 16,000 hours of combat mission flight hours during nearly 2,000 missions while transporting 66,000 passengers and 5,000 tons of cargo. During their tour, they flew 46 missions in direct action against known or suspected anti-Iraqi forces, and 22 missions were subjected to known surface-to-air fire, with 7 aircraft receiving battle damage. Throughout the professional performance of their duties, no members of the unit were killed or seriously injured.

The 1st of the 126th is comprised of 457 soldiers who man and maintain 24 UH-60 Black Hawk helicopters and 12 CH-47 Chinook helicopters. Their mission is to perform air assault and movement operations and to provide command, control, supervision, staff planning, and logistical support to all units affiliated with the battalion.

During one of my visits to Iraq, I had the great honor and opportunity to fly with them, to observe their unit firsthand. In fact, I was honored to be accompanied by GEN John Abizaid, whose comments about their skill and professionalism brought great pride to me and all Rhode Islanders. This unit was ably commanded by COL Chris Callahan and was led by soldiers, pilots, and crew members with great skill and courage and professionalism.

I was, indeed, honored and thrilled to be with them in Iraq, to see their operation, to see the contribution they made to our effort in Iraq. The 1st of the 126th has proven itself an exceptional unit and deserves to be selected by the Army Aviation Association as the top aviation unit for 2005. They have served their country with honor. We are all proud of their service, in the State of Rhode Island and throughout the Nation. Indeed, it is heartwarming to see them being recognized nationally for their great success, their great

service to the Nation, and their great professionalism. I commend Colonel Callahan and all the officers and personnel of that unit for their service, for their sacrifice, for their dedication to our country.

NEEDLESS SUBSIDIES TO OIL COMPANIES

Mr. WYDEN. Madam President, a couple of weeks ago, I stood in this spot for almost 5 hours because I wanted to prosecute an important cause, the cause of cutting needless subsidies to oil companies when the price of oil is over \$70 a barrel. Today the price of oil is still about \$70 a barrel, but there is a prospect of some good news. Late last night, the House of Representatives did something that seemed unimaginable in the Senate a couple of weeks ago. They actually had a vote on whether profitable oil companies should get taxpayer-funded royalty giveaways at a time when our citizens are paying record prices at the gas pump.

When I spoke on the floor several weeks ago, all I was trying to do was get an up-or-down vote on exactly what the House of Representatives voted for last night. In fact, I spoke in this spot for more than 4 hours before any Senator of either political party raised any concern about the proposal I was advancing. But despite that extended effort, I was unable to get an up-or-down vote on my proposal to stop ladling out tens of billions of dollars of unnecessary subsidies to the oil industry.

Last night, the House of Representatives not only voted, but they voted overwhelmingly, on a bipartisan basis, to put a stop to this extraordinary waste of taxpayer money.

I remind the Senate and those who may be following this debate that the Government Accountability Office has said that a minimum of \$20 billion will be spent on this program. There is litigation involving this program underway. If the litigation is successful, and we are not able to roll back this subsidy, this program could cost taxpayers \$80 billion.

Fortunately, the House voted last night to prohibit funding for new offshore oil and natural gas production leases if companies do not pay royalties based on fair market prices. The House vote aims to get oil and gas companies to renegotiate Federal contracts signed in 1998 and 1999 that included royalty relief for companies at a time when crude oil prices were considerably lower than they are now. If the companies wish to continue to get new leases in the future, they would have to renegotiate the old leases and pay royalties based on current market conditions. This is very much along the lines of what I sought, after an extended discussion, to have the Senate vote on just a few weeks ago.

Some have argued that this approach would be essentially like blackmailing the companies by denying new leases

unless they renegotiated the old ones. These opponents have argued that, instead, Congress ought to keep in place these giveaway contracts at a cost of billions of dollars to our citizens.

I also point out, as we did several weeks ago on this floor, that this was a bipartisan ripoff. Mistakes were made during the Clinton administration in 1998 and 1999. Secretary Norton sweetened the pot early on, during the President's term, administratively. Then in the summer of 2005, in the conference between the House and the Senate, these subsidies were made still sweeter. So the sugar just kept coming at a time when the program was already way too sweet for the taste of taxpayers.

No one has a constitutional right to get new leases to drill on Federal lands at giveaway prices. Congress can set new terms and conditions for new leases at any time. In fact, the Congress did just that less than a year ago in passing the Energy bill. The House of Representatives did the same thing in their vote last night. I still believe the Senate ought to have an opportunity to debate and to vote on the oil royalty issue as well, and I will tell the Senate today I am going to do everything in my power to get this issue back on the floor of the Senate as soon as possible. This is a ripoff of our taxpayers. It is an outrage, at a time when middle class folks show up at a gas station in Georgia and Oregon and elsewhere around the country, pay huge prices, and then on top of it their taxpayer dollars are being used to subsidize the companies with these giveaway contracts.

This is too important an issue for the Senate to duck. Too much taxpayer money is at stake for the Senate to duck. I do not see how the Senate can explain away not voting on this after the discussion we have had thus far and after the House of Representatives has now voted, in a bipartisan way, to do what was the subject of extended debate on the Senate floor.

The oil companies are supposed to pay royalties to the Federal Government when they extract oil from Federal lands. But in order to stimulate production of oil in our country, the Federal Government, over the last decade, has been discounting these royalty fees. These discounts now amount to billions of dollars. The royalty relief that is given to the oil companies is now the granddaddy of all the oil subsidies.

There has been a lot of debate on the floor of this body over the last few weeks about tax breaks for the oil companies. The President, in my view, to his credit, has indicated that he understands that these tax breaks are no longer needed. I was very pleased to see that. I was pleased to hear the President's comment because when the chief executives from the major oil companies came to the Energy Committee last November, I literally went down the row and asked them if they continued to need all of these tax breaks.

The oil executives said they don't need the tax breaks. But the Congress decided to keep ladling them out. So on top of the oil companies' record profits, on top of record prices, on top of record tax breaks, what we have seen is record amounts of royalty relief granted to the oil companies as well.

With prices in the stratosphere, I do not see how anyone can justify this multibillion-dollar subsidy. The point of my amendment several weeks ago was to get rid of these special oil company discounts, the special breaks that amount to billions of dollars, unless the price of oil comes down or unless the Bush administration determines that royalty relief is necessary to avoid supply disruption.

There is, in my view, a growing bipartisan chorus saying that royalty relief is not needed. For example, as another showing of bipartisanship in this cause, a distinguished Member of the other body who chairs the Resources Committee, Congressman RICHARD POMBO, said in a newspaper interview that there is no need for this particular incentive. He said there is not any need for what the Congress has been ladling out and has said it is not necessary at a time of these prices.

In addition, Mr. Michael Coney, a lawyer for the Shell Oil Company, not exactly a place where you would look for somebody to gratuitously bash the industry—he basically said the same thing. He said in this kind of climate you can't make a case for a multibillion-dollar subsidy.

The architect of the program, the author of the program, a very respected, very esteemed former colleague of many of us here, Senator Bennett Johnston of Louisiana, has said what has taken place with respect to the royalty relief program is not at all what he had in mind when he wrote the law.

Last night, the House of Representatives took a landmark step towards reforming this program to reflect current market conditions. I pay a special congratulations to two long-term friends from the other body, Congressman ED MARKEY and Congressman MAURICE HINCHEY. They both spent an enormous amount of time on this issue. They focused on building bipartisan support for their effort. And what Congressman MARKEY and what Congressman HINCHEY were able to do last night was a real breakthrough in terms of protecting the interests of taxpayers. I congratulate those two for building a bipartisan coalition on behalf of this cause.

What I proposed in the Senate was a similar approach to getting the royalty program back on track. I said we ought to roll back these royalty relief subsidies. Let's make sure we are sensitive to the prospect of conditions that can't be anticipated now. If the President says there is going to be a supply disruption or problems are taking place, then we would have a chance to look at it again. Previously, there had been a

particular provision in the royalty relief program that said when the oil prices shot up, when they went above a certain level—then it was considered above \$34 a barrel—the companies would have to, once again, start paying these royalties. But the problem the Senate and now the House has been looking at stems from the fact that some in the Clinton administration weren't watching the store. They weren't watchdogging this program. They weren't watchdogging the interests of taxpayers as they should have. So they did not put in this clause, the clause that protects taxpayers by setting the price level when you cut off the subsidies, and they didn't include the clause that protects the taxpayers in a number of the leases.

As a result, what has happened is taxpayer money has been wasted and there has been a litigation derby, with scores and scores of lawsuits, with companies still asserting the right to get more cash out of the taxpayer till. The Government Accountability Office has estimated that at minimum the Federal Government is going to be out \$20 billion. This is the biggest subsidy of them all in the energy area.

I recall when I was on the Senate floor earlier our colleague from Florida, Senator NELSON, raised an important concern with respect to a oil subsidy program that he was troubled by. It costs the taxpayers \$1 billion. Senator NELSON of Florida was spot on, in terms of trying to protect taxpayers and deal with another area where taxpayers' interests have not been well served. But Senator NELSON was talking about something that was relatively small potatoes compared to the money that is involved with royalties.

Suffice it to say, with the subsidies going out the door now and the prospect that the litigation is successful, there is a very real threat that the cost of the subsidy will go still higher, and there are some independent experts in this field who have said that the cost of this program could come in at \$80 billion.

Under the Energy bill signed into law last summer, the oil companies were given new subsidies in the form of reduced royalty fees for the oil and gas they extract from Federal land, including offshore drilling in the Gulf of Mexico. This particular new subsidy in the summer of 2005 was signed into law when the companies were already reporting extraordinary profits. We were already seeing the consumer getting pounded at the gas pump, and it would have been an ideal time, in that summer of 2005, for the Congress to do what members of both political parties have been talking about, and that is roll back these unnecessary expenses, these unnecessary costs to taxpayers. It should have been done in that conference in the summer of 2005.

It was wrong that Senators and Members of the other body agreed, in the summer of 2005, to expand a program which has lost any sensible philosophical foundation, a program that

began in a time when oil was around \$16 a barrel, and now is one that has been reconfigured into one that gives out subsidies when the price of oil is \$70 a barrel.

Back when that energy conference got together in the summer of 2005, those Members of the Senate and the other body should have said: This is the time to draw the line. This royalty relief program does not pass the smell test. It makes absolutely no sense to be dispensing billions and billions of dollars of royalty relief to the oil companies on top of everything else they already receive.

What I hope now, with the promising action that was taken in the House of Representatives late last night, is I hope it is possible for some common sense, some practical action on behalf of taxpayers, to win bipartisan support in the Senate. That is what caused me to come to this floor several weeks ago and stay in this spot for almost 5 hours.

I am about done now because I think we have made the point, and I don't think we need to spend 5 hours on it today. But I will tell you that a program like this, which was useful back when prices were low, makes no sense, no sense at all anymore.

You can argue for government subsidies at a time when, for example, oil prices are low, and when we are talking about the need to stimulate production, when the American economy needs a shot in the arm. But you certainly don't need billions of dollars of royalty relief for companies at a time when you have record profits, record costs, and record tax breaks.

I am very hopeful that when the Senate comes back next week, we will begin a bipartisan effort to put in place legislation very much along the lines of what passed the House of Representatives late last night. There will be an opportunity to support the kind of commonsense reform I have been talking about, which passed the House last night, when the Interior appropriations bill comes to the floor.

I also appreciate particularly the efforts of Senator KYL of Arizona who has worked with me on this cause. He

was a very active colleague during the debate, and since then has worked with me to try to find a way to advance this cause in the Senate.

We now have a new opportunity to protect the interests of taxpayers and to modernize our energy policy.

Talk about not keeping up with the times. How can you argue in favor of a program that began when oil was \$16 a barrel? That is what we are dealing with. We are subsidizing the price of this commodity at a time when it hovers around \$70 a barrel using a program that began decades ago when the price of oil was \$16 a barrel. It makes no sense.

I am going to be back on this floor at the first possible opportunity to see if it is possible, on a bipartisan basis, to accomplish what I and Senator KYL were not able to do on a bipartisan basis a couple of weeks ago. I hope in the Senate there will be a new interest in saving our taxpayers' money and promoting fiscal responsibility by reining in further royalty relief for oil companies. We ought to stipulate that if the price goes down, or America faces some kind of supply disruption, we could revisit it. But until then, we ought to roll back this oil company royalty relief and save our citizens' hard-earned taxpayer dollars for more worthy causes.

BUDGET SCOREKEEPING REPORT

Mr. GREGG. Madam President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of S. Con. Res. 32, the first concurrent resolution on the Budget for 1986.

This report shows the effects of congressional action on the 2006 budget through May 17, 2006. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the 2006 concurrent resolution on the budget, H.

Con. Res. 95. Pursuant to section 402 of that resolution, provisions designated as emergency requirements are exempt from enforcement of the budget resolution. As a result, the attached report excludes these amounts.

The estimates show that current level spending is under the budget resolution by \$11.785 billion in budget authority and by \$4.226 billion in outlays in 2006. Current level for revenues is \$6.531 billion above the budget resolution in 2006.

Since my last report dated April 6, 2006, Congress has cleared and the President has signed the Tax Increase Prevention and Reconciliation Act of 2005, Public Law 109-222, which reduced 2006 revenues.

I ask unanimous consent that the accompanying letter and material be printed in the RECORD.

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

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 18, 2006.

Hon. JUDD GREGG,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The enclosed tables show the effects of Congressional action on the 2006 budget and are current through May 17, 2006. This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions for fiscal year 2006 that underlie H. Con. Res. 95, the Concurrent Resolution on the Budget for Fiscal Year 2006. Pursuant to section 402 of that resolution, provisions designated as emergency requirements are exempt from enforcement of the budget resolution. As a result, the enclosed current level report excludes these amounts (see footnote 2 on Table 2).

Since my last letter dated April 5, 2006, Congress has cleared and the President has signed the Tax Increase Prevention and Reconciliation Act of 2005 (P.L. 109-222), which reduces 2006 revenues by an estimated \$10.8 billion.

Sincerely,
DONALD B. MARRON,
Acting Director.

Enclosure.

TABLE 1.—SENATE CURRENT-LEVEL REPORT FOR SPENDING AND REVENUES FOR FISCAL YEAR 2006, AS OF MAY 17, 2006

[In billions of dollars]

	Budget Resolution ¹	Current Level ²	Current Level Over/Under (-) Resolution
On-Budget			
Budget Authority	2,094.4	2,082.6	-11.8
Outlays	2,099.0	2,094.8	-4.2
Revenues	1,589.9	1,596.4	6.5
Off-Budget			
Social Security Outlays ³	416.0	416.0	0
Social Security Revenues	604.8	604.8	*

¹ H. Con. Res. 95, the Concurrent Resolution on the Budget for Fiscal Year 2006, assumed \$50.0 billion in budget authority and \$62.4 billion in outlays in fiscal year 2006 from emergency supplemental appropriations. Such emergency amounts are exempt from the enforcement of the budget resolution. Since current-level totals exclude the emergency requirements enacted in the previous session and the emergency requirements in Public Law 109-176 and Public Law 109-208 (see footnote 2 on Table 2), the budget authority and outlay totals specified in the budget resolution have also been reduced (by the amounts assumed for emergency supplemental appropriations) for purposes of comparison.

² Current level is the estimated effect on revenue and spending of all legislation that the Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations, even if the appropriations have not been made.

³ Excludes administrative expenses of the Social Security Administration, which are also off-budget, but are appropriated annually.

Source: Congressional Budget Office.
Note: * = Less than \$50 million.