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House of Representatives

The House was not in session today. Its next meeting will be held on Monday, February 5, 2007, at 2 p.m.

Senate

THURSDAY, FEBRUARY 1, 2007

The Senate met at 10 a.m. and was called to order by the Honorable BARACK OBAMA, a Senator from the State of Illinois.

PRAYER

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

Let us pray.

Sovereign Lord, permit us to feel Your nearness and to know the inspiration of Your presence. May our closeness to You help us to choose light over darkness, love over hate, and good over evil.

Today, provide for the needs of the Members of this body. Move among them, instructing, lifting, and guiding them, so that whatever they do in word or deed, they will do it to glorify You. Give them the confidence, security, and peace that comes from developing a friendship with You as they open their hearts to the inflow of Your spirit. Show them what needs to be changed, and give them the courage and wisdom to do Your will.

We pray in Your glorious Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable BARACK OBAMA led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 1, 2007.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BARACK OBAMA, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,
President Pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

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

SENATOR JIM BUNNING

Mr. REID. Mr. President, my goal as a boy was to be a baseball player. I loved to listen to those baseball games, and I could see myself in my mature years chasing balls down in the outfield and hitting doubles to bring in the winning run. That didn't happen in my life, but I have had the wonderful experience here in the Senate of being able to talk, as I was for a few minutes this morning, to a member of the Baseball Hall of Fame, JIM BUNNING.

I hope these pages here understand that they have a rare opportunity, to be able to be in the same room, to shake someone's hand who is a member of the Hall of Fame. It was my first time, during Thanksgiving, to visit the Baseball Hall of Fame, and I came away with the realization of how few people are in that Baseball Hall of Fame. JIM BUNNING is one of them. We talked a few minutes this morning, and I asked him questions, such as: Who are the good catchers who caught you? And he said: Lots of them. And we talked today about Clay Dalrymple, the man who caught his perfect game, and Gus Triandos.

So just a little offshoot, Mr. President. We are so fortunate to be Members of the Senate for lots of reasons, not the least of which is that we are able to serve with a member of the Baseball Hall of Fame.

SCHEDULE

Mr. REID. Mr. President, this morning the Senate will be in a period of morning business until 11:45 a.m. The first 30 minutes will be controlled by the Republicans, and the next 30 minutes will be controlled by the majority. There is additional time for Members to speak in morning business until the hour of 11:45, if they wish. At that time, the Senate will proceed into executive session to consider three judicial nominations. The debate time on the three nominations is limited to 10 minutes; therefore, Members can expect rollcall votes as early as 11:55 this morning.

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

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The distinguished Republican leader and I have had a number of conversations about judicial nominations, which, in the past, have been a real dustup. We are going to try to avoid that this year. We hope to have the first circuit court nomination approved before the Presidents Day recess and will continue to work on district court trial judges and circuit court judges as soon as we can.

I personally want the record to reflect that I appreciate the President not sending back four names that were really controversial, and I think it is better for the body that the President did not send up those names. I think we have to reciprocate in a way that is appropriate, and we are going to try to do that by looking at these nominations as quickly as we can. We are hopeful and somewhat confident the President will send us some good circuit court nominees.

Once we have disposed of the nominations, we will resume debate, postcloture, on H.R. 2, the minimum wage bill. A vote on this matter should occur this afternoon. I will discuss that with the Republican leader so that Members will have notice as to when that vote will occur.

After we complete action on the minimum wage bill, there will be an immediate cloture vote on the motion to proceed to S. Con. Res. 2, the bipartisan Iraq resolution. Last night, I asked consent that we vitiate that cloture vote. We are still working on that to see if we can work something out with the Republicans as to whether we have that vote. Most Democrats will vote against going forward on that since there is now another matter that will come before the Senate, at the latest on Monday. But we are working on that. I acknowledged last night, as did the Republican leader, that the final language of the new matter, which Senator LEVIN introduced last night, was just finalized at 8:30 p.m., 9 p.m. last night, so I understand why we can't get anything definitely from the minority leader at this time.

I would also say that we have now in the Senate a continuing resolution which passed the House by approximately 290 votes. We are ready to move forward on that. We have to complete that legislation by February 15, the Presidents Day recess, or the Federal Government is closed, and no one wants that to happen. So we are going to move forward on that. What we would like to do is move forward on it by unanimous consent. I understand that is not something that is going to happen, or at least at this stage, but at least we are ready to move forward as quickly as possible. The more quickly we dispose of that, the more time we can spend on Iraq, if, in fact, we want to spend more time on Iraq. At the least, next week is set aside so that we can debate Iraq. What we hope is that we can have a number of competing resolutions, whether it is two, three, four, whatever it is, and to get consent that we would use these vehicles for debate.

MEASURES PLACED ON THE CALENDAR—H.J. RES. 20 AND S. 470

Mr. REID. Mr. President, before I turn this over to the Republican leader, there are two bills at the desk for a second reading, is my understanding.

The ACTING PRESIDENT pro tempore. The Senator is correct.

The clerk will report the measures by title for the second time.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 20) making further continuing appropriations for the fiscal year 2007, and for other purposes.

A bill (S. 470) to express the sense of Congress on Iraq.

Mr. REID. Mr. President, I object to any further proceedings at this time with respect to these bills en bloc.

The ACTING PRESIDENT pro tempore. Pursuant to rule XIV, the measures will be placed on the calendar.

RECOGNITION OF THE MINORITY LEADER

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

SENATOR JIM BUNNING

Mr. MCCONNELL. Mr. President, the majority leader mentioned the baseball career of my colleague from Kentucky, JIM BUNNING, and we are immensely proud of him in the Commonwealth of Kentucky, not only as a great U.S. Senator but also somebody who literally put our State on the map during his athletic career.

I might say to these young pages here, Senator BUNNING is not only a hall of famer in baseball, he is a hall of famer in life. He has 9 wonderful children, 35 grandchildren, maybe even some beyond that. So it is an extraordinary Kentucky family, and I wish to acknowledge with gratitude the observations the majority leader made of my colleague, Senator BUNNING.

NOMINATIONS AND IRAQ

Mr. MCCONNELL. Mr. President, I also wish to thank the majority leader for his remarks about circuit court judges. We all know the confirmation of circuit court judges became unnecessarily, it seems to me and I think seems to him, contentious at various times in recent years. I think we are off to a good start this year.

Each of the last three Presidents ended his term with the U.S. Senate in the hands of the opposition party. Each of these last three Presidents received an average of 17 circuit court judicial confirmations during those last 2 years even though the Senate was in the hands of the opposition party.

As Senator REID has indicated, the President has not forwarded several nominations that were contentious in the last session, and I thank the majority leader for his indication that we will move forward with Randy Smith, who is the nominee for the Ninth Circuit, before the Lincoln recess. That is an indication of good faith on his part, which is greatly appreciated by me and others on our side.

With regard to Iraq, as the majority leader indicated, we continue to be in discussions about how to craft that debate. We certainly agree the debate will occur next week, and we are trying to reach a consent agreement that would allow us to have several different options that would reflect the sentiment of most Members of the Senate about the current situation in Iraq and the decision to go forward and try to quiet the capital city of Baghdad. So those discussions will continue throughout the day.

With that, Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business until 11:45 a.m., with Senators permitted to speak therein for up to 10 minutes each, with the first 30 minutes under the control of the Republicans and the second 30 minutes under the control of the majority.

The Senator from Kentucky.

ROLE OF AMERICAN DIPLOMACY

Mr. BUNNING. Mr. President, I thank the majority leader and the minority leader for their nice words. They might disagree on certain issues, but I am glad they agree on one thing—that I finally made it to the U.S. Senate after spending 12 years in the House and did have a private and professional life prior to service here in the Federal Government. I thank both Senators.

As we prepare to discuss the war in Iraq, I would like to take a couple of minutes to discuss the issue of personal responsibility, civility, and the role of American diplomacy.

Since the founding of our great Nation, we have had a long and proud tradition of international diplomacy. Our diplomacy has taken many forms, whether it is through official state visits or through less formal channels, such as congressional delegations traveling to individual countries. What we all need to remember is that when we are on a trip to a foreign country, we act as American diplomats. This is something which I would like my colleagues to remember, especially when

they speak on American foreign policy in public international forums and settings. Most of our colleagues take this role seriously and act in a manner that is consistent with the advancements of our Nation's foreign policy. We should not use the international stage as an opportunity to denounce our own country by making irresponsible comments that endanger our foreign policy by sending the wrong messages to our enemies.

We currently face a critical turning point in our Nation's foreign policy.

As representatives of this Government, we need to be responsible with our remarks on foreign soil and to show some form of civility when airing our grievances about our President, our country's stand on diplomatic issues, and the war in Iraq.

While we do have our disagreements on how this country should proceed, I believe we need to iron out these problems at home rather than taking them to an international stage and using that opportunity to make politically offensive comments towards our country.

Saying our country is shameful at an international forum only hurts our standing among world leaders we are trying to negotiate with on important trade deals and other foreign policy issues such as preventing further international conflict.

We need to help build up America on the international stage, not shoot ourselves in the foot by tearing ourselves down with statements used for political gain.

Most Americans do not belong to the ''Blame America First'' crowd. Most Americans don't support bashing our country on the international stage. Most Americans agree that politics ends at the water's edge.

The ''Blame America First'' crowd spreads negative sentiment about the United States, and then wonders why the rest of the world has a low opinion of America. They are feeding the very beast they claim they are trying to tame.

Most Americans are proud of what this country stands for.

The United States is one of the largest contributors in economic aid to developing countries.

We continually work as a Nation to extend a helping hand to those in need.

Funding for bilateral and economic assistance has increased consecutively over the past 6 years, reaching unprecedented levels in the international community.

We have also taken the lead in the fight against the spread of HIV and AIDS.

We recognize that this pandemic is destroying lives, undermining economies, and threatening to destabilize entire regions.

The President's emergency plan for AIDS relief is the largest commitment ever made by any nation to combat HIV and AIDS.

The number of people benefiting from this program has grown from 50,000 to 800,000 in 3 years.

It is an extremely successful program and continues to grow in support every year.

We also continue to provide lifesaving drugs to fight malaria to those in need in Africa.

Through the President's malaria initiative we have been able to provide millions of lifesaving treatments in order to prevent the spread of this debilitating disease.

These international successes often go largely unnoticed and are overshadowed by the current debate on the war in Iraq.

I ask my colleagues to take a moment this week to reflect upon our foreign policy successes as well as our current challenges.

I believe that we can build upon our mistakes and learn from them.

We must work collectively on advancing our national interests instead of splintering off and playing into the hands of our enemies.

Some of the proposed resolutions on Iraq send a terrible message to both our troops and allies and only hurt our national interests.

Even more importantly, I believe they send a dangerous message to our enemies.

I do not support these kinds of nonbinding resolutions that criticize our plans for Iraq and I plan to oppose them.

They are counterproductive and will not make our problems in Iraq go away now or in the near future.

I support working to find real solutions to the problem at hand, not politically motivated attempts that offer little or no alternative.

I will not participate in this empty political posturing.

My main focus is on providing moral and material support for our troops.

We must not forget our commitment to our troops and in turn the commitment they made to our country and the mission in Iraq.

I believe they deserve our full support, not criticism and idle threats to cut their funding.

Like many of my colleagues, I was initially skeptical of sending additional reinforcement troops to Iraq, but I believe that we must give the President's new strategy a chance to succeed.

Abruptly cutting and running is not a viable option.

This would only further hinder our efforts in the war on terror and endanger our regional allies in the Middle East.

I will support our commander and chief in his new way forward in Iraq and will support General Petraeus, our new commander of the multinational forces in Iraq, in his efforts to carry out this plan.

I believe that General Petraeus is a key component in this new strategy.

He is a friend.

He has spent many years of his fine career stationed at Fort Campbell, KY.

I have the utmost respect for him and confidence in his leadership skills and judgment.

His service in Iraq has equipped him with an expertise in irregular warfare and operations and a true understanding of the enemy we face.

In his 27 months in Iraq, he led a division into battle, oversaw the reconstruction and governance of Iraq's third-largest city, and built up from virtually nothing Iraq's army and police force.

He managed to do this all by earning the respect of the Iraqis—all Iraqis—the Kurds, Sunnis and the Shias.

General Petraeus and I talked, just the two of us, for nearly an hour in my office this week.

I asked tough questions. And he responded with realistic answers about what it takes for us to succeed in Iraq.

He knows that Iraqis have to live up to their end of the bargain.

Now we must show General Petraeus that we will live up to our end of the bargain and give him the opportunity to carry out his mission.

Some of our colleagues support General Petraeus but do not support his mission.

Many of our colleagues that unanimously voted to give General Petraeus his fourth star last week will likely vote in favor of proposed resolutions that question the very mission that General Petraeus testified in support of before the Senate Armed Services Committee.

This does not make sense to me. Right now we cannot afford to distinguish between the two.

I am not asking my colleagues for an open-ended commitment, just a little more patience—patience to see if this new strategy works, patience to see if Iraqis will hold up their end of the bargain and meet the benchmarks set by both our countries, and finally, patience to allow our troops to complete their mission.

Our troops are committed to their mission. Now we owe them our commitment.

This is our last best hope for progress in Iraq.

In his confirmation hearing with the Senate Armed Services Committee, General Petraeus offered to provide Congress with regular reports on the progress of his mission and on the performance and cooperation of Iraqis.

I plan on taking him up on this offer.

We must keep up to date on the situation in Iraq as it changes so that we can best help our new commander address the situation at hand.

I wish General Petraeus the best of luck in this mission.

It is a daunting task but I have faith in him and his leadership capabilities.

I ask my colleagues for their support.

We must show a united front and give this plan a chance to succeed.

The cost of failure is too great. We cannot afford failure in Iraq and the international community cannot either, so I ask my colleagues to reflect on these serious issues before we begin debating the resolutions concerning the war in Iraq next week.

Let us show both our allies and our enemies that we can be united behind our Nation's foreign policy.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Mr. President, first let me compliment my colleague, Senator BUNNING, for a fine statement. I endorse his call for unity. In a time of war, a country needs to be unified, especially when we send our young men and women into harm's way. They need to know we support the mission that we put them in harm's way to try to achieve.

I remember years ago I used to see bumper stickers that said, ''Give peace a chance.'' Today we need to dust off some of those bumper stickers, write a couple of extra words in, and give the President's plan for peace a chance. We are going to have a debate next week among those who believe the President's plan deserves a chance to succeed and those who disagree. I believe the latter position is dangerous, and it would be dangerous to express that point of view with a vote of the Senate in support of a resolution to that effect, especially since it appears people whom we have relied on in the past for advice are also now saying give the President's plan a chance and because events on the ground are beginning to suggest that his plan is already beginning to work.

There has been a great deal of discussion about the Baker-Hamilton report. Critics of the President's plan have frequently held that report up as evidence that we need to take a different course of action. But yesterday, appearing before the Senate Foreign Relations Committee, former Secretary of State James Baker and former Member of the House of Representatives Lee Hamilton both argued that the President's plan should be given a chance to succeed.

Maybe that surprised the chairman, but here is what they testified. Representative Hamilton:

> So I guess my bottom line on the surge is, look, the President's plan ought to be given a chance. Give it a chance, because we heard all of this. The general that you confirmed 80-to-nothing the day before yesterday, this is his idea. He's the supporter of it. Give it a chance.

That is Lee Hamilton.

Former Senator and Secretary of State Baker said:

> . . . the study group set no timetables and we set no deadlines. We believe that military commanders must have the flexibility to respond to events on the ground.

And he said, in response to a Senator:

> Senator, one of the purposes of the surge, as I'm sure you have heard from General Petraeus, when you confirmed him, is to give the Iraqi government a little more running room in order to help it achieve national reconciliation by tamping down the violence or pacifying, if you will, Baghdad.

That is the purpose of this strategy.

As I said, there is already evidence, even though the strategy has certainly not been implemented in full, that even the prospect of its implementation is beginning to have an effect. It is clear the Iraqi Government, in its pronouncements, has already begun to sound a lot different to these terrorists than they did in the past, when the Iraqi Government didn't always back up the U.S. efforts. When we would go into an area, we would capture these killers, and a couple of days later they would be back on the street because somebody with political influence in Iraq would see that it happened.

The idea is the Iraqis are now going to take charge and not allow that to happen. And in addition to U.S. troops, there will be twice as many new Iraqi troops helping to make sure it does not happen. Here are a few excerpts from the news media.

From the Washington Post, February 1, 2007:

> Shiite militia leaders already appear to be leaving their strongholds in Baghdad in anticipation of the U.S. and Iraqi plan to increase the troop presence in the Iraqi capital, according to the top U.S. commander in the country.

He said:

> We have seen numerous indications Shia militia leaders will leave, or already have left, Sadr City to avoid capture by Iraqi and coalition security forces,'' Army Gen. George W. Casey Jr. said in a written statement submitted to the Senate Armed Services Committee as part of his confirmation hearing today to be the Army chief of staff.

Already beginning to work. The article continues:

> Radical Shiite cleric Moqtada Sadr has ordered his militia not to confront U.S. forces and has endorsed negotiations aimed at easing the deployment of American troops in his strongholds, according to Sadrist and other Shiite officials. This is the idea. In Anbar Province, where the pressure from al-Qaida has been very strong, there is now news that the sheiks in Anbar Province are beginning to work with us. Just one report from the Washington Post of January 27:
>
> With the help of a confederation of about 50 Sunni Muslim tribal sheiks, the U.S. military recruited more than 800 police officers in December and is on track to do the same this month. Officers credit the sheiks' cooperation for the diminishing violence in Ramadi, the capital of Anbar province.

We have just mounted a big offensive with the Iraqi military in Najaf, and I quote from a Washington Post story of January 29:

> Iraqi soldiers, backed by U.S. helicopters, stormed an encampment of hundreds of insurgents hiding among date palm orchards in southern Iraq in an operation Sunday and set off fierce, day-long gun battles during the holiest week for the country's Shiite Muslims. Iraqi security officials said that the troops killed scores of insurgents while foiling a plot to annihilate the Shiite religious leadership in the revered city of Najaf.

There is also political movement in the country. Let me quote from a story from the Los Angeles Times of February 1:

> Sunni and Shiite Arab lawmakers announced plans Wednesday to form two new blocs in Iraq's parliament they hope will break away from the ethnic and religious mold of current alliances and ease sectarian strife.

There has also been a lot of talk about whether the mission of our forces should be one of which is to help secure the borders. This is something else that the Iraqis have pledged that they need to do, particularly in their relationships with Syria and Iran. Quoting from the same Los Angeles Times story:

> Iraq indefinitely halted all flights to and from Syria and closed a border crossing with Iran as the government prepares for a security crackdown, a parliament member and an airport official said Wednesday, the Associated Press reported. The airport official said that flights to and from Syria would be cancelled for at least two weeks and that service had been interrupted on Tuesday. Hassan al-Sunneid, a member of the parliament's defense and security committee, told the AP that ''the move was in preparation for the security plan. The State will decide when the flights will resume.''

So it is already beginning. No resolution passed here in the Senate is going to stop this new strategy. It appears to already be having some success. My only concern is the disagreement of some of our colleagues that it can't succeed will become a self-fulfilling prophecy, merely because it could embolden our enemies and cause our allies to wonder whether we still have the will to continue until we have achieved our mission in Iraq. But perhaps the message I am most concerned about that these resolutions would send is not only to the enemy and to our allies, but to our own troops and to their families.

There has been quite a bit of discussion of a news report on the NBC Nightly News last Friday, Brian Williams reporting, who specifically called upon Richard Engel, who was in Iraq, to report on what he had found there. I will work through his report, but here is what Engel said:

> It's not just the new mission the soldiers are adjusting to. They have something else on their minds: The growing debate at home about the war. Troops here say they are increasingly frustrated by American criticism of the war. Many take it personally, believing it is also criticism of what they have been fighting for. Twenty-one year-old SP Tyler Johnson is on his first tour in Iraq. He thinks skeptics should come over and see what it is like firsthand before criticizing.

Here is what SP Tyler Johnson then said on the TV news.

> Those people are dying. You know what I'm saying? You may support—''Oh, we support the troops,'' but you're not supporting what they do, what they share and sweat for, what they believe for, and what we die for. It just don't make sense to me.

Richard Engel then said:

> Staff SGT Manuel Sahagun has served in Afghanistan and is now on his second tour in Iraq. He says people back home can't have it both ways.

And now Staff SGT Manuel Sahagun is on the camera and says:

> One thing I don't like is when people back home say they support the troops, but they don't support the war. If they're going to support us, support us all the way.

And then Engel says:

> SP Peter Manna thinks people have forgotten the toll the war has taken.

And SP Peter Manna says:

If they don't think what we are doing is a good job, everything that we have done here is all in vain.

Engel concludes:

Apache Company has lost two soldiers and now worries their country may be abandoning the mission they died for.

We cannot send that message to our troops and to their families, that we disagree with the mission we are putting them in harm's way to try to achieve. As these three young men, our finest, have said, speaking to the American people: You can't say you support the troops if you don't support what we are trying to do here, what we might die trying to accomplish.

That is why we have to be careful about resolutions in the Senate. Every Senator has an immense capability of expressing his or her point of view. We have all done that. We all continue to do it. We can get before the cameras any time we want to. We can let our folks back home know what we feel. And I dare say there are probably 100 different opinions in this body of 100 people. We all have a little different view of it. And we can tell our constituents what we think.

We certainly can communicate that to the President and people in the military. What we don't have to do is to go the next step and pass a resolution that first of all is nonbinding and has no effect on the implementation of the strategy, which is already beginning and will go forward, but can have a very detrimental effect on our enemies, on our allies, and on our own troops.

When General Petraeus was here testifying before his confirmation, he was asked a question about the resolutions to the effect of would it be helpful, and he said: No, it would not be helpful. Then he went on to talk about the object of war being to break the will of the enemy. He said: This would not help us—it would hurt us—break the will of the enemy, especially in a war like the one we are fighting with terrorists around the globe today—a war of wills.

It is important for us not to send the signal that our will is flagging, that there is great disagreement in our country about the desire to continue. In this war of wills, we should be unified and in support of the mission we are sending our troops to try to accomplish, and in support of the general whom we have confirmed to carry out that mission.

So I hope my colleagues will think very carefully about the words they speak, the actions they take, and reflect on what others will think of what we do here in this body. We are not simply speaking to the President, trying to send him a message. Everyone else in the world will get that message. And as much as we might manipulate the words in a resolution to try to bring 60 Senators all in consensus to what the resolution says, we all know what the headlines the next morning are going to say all around the world if a resolution like this were to pass: ''Senate Declares No Confidence in President's Strategy.'' ''U.S. Senate Goes on Record as Opposing Bush Plan.'' You can write the headline. Those are the words that will resonate around the world.

Let's not make any criticism of the President or his plan become a self-fulfilling prophecy. Let's be as united as we can in supporting our troops by supporting the mission we are sending them on, hoping it will succeed; if we want, expressing concerns we have about that, but doing so in a way that doesn't undercut the message. We can do both of these things in this great open society. People expect us to have debate about important issues such as matters of war and peace, and we can do that without undercutting the mission here.

I go back to where I started in quoting former Representative Lee Hamilton, cochairman of the Hamilton-Baker commission in his testimony yesterday here in the Senate:

So I guess my bottom line on the surge is, look, the President's plan ought to be given a chance. Give it a chance, because we have heard all of this. The general that you confirmed 80 to nothing the day before yesterday, this is his idea. He's the supporter of it. Give it a chance.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

IRAQ

Mr. BIDEN. Mr. President, I would like to make a few brief comments this morning on the Warner resolution and the negotiations that went on yesterday, led by Senator LEVIN, to deal with Iraq.

Three weeks ago before the Senate Foreign Relations Committee, Secretary Rice presented the President's plan for Iraq. The Presiding Officer, among others, was there. Its main feature was to send more American troops into Baghdad, in the middle of a sectarian war, in the middle of a city of over 6 million people.

The reaction to the Senate Foreign Relations Committee from Republicans and Democrats alike ranged from profound skepticism to outright opposition. That pretty much reflected the reaction across the country.

Consequently, Senators HAGEL, LEVIN, SNOWE, and I wrote a resolution to give Senators a way to vote their voices, vote what they had said. We believe, the four of us, and I know the Presiding Officer does, as well, that the quickest, most effective way to get the President to change his course is to demonstrate to him that his policy has little or no support in this Senate, in our committee, or, quite frankly, across the country.

After we introduced our resolution, Senator WARNER came forward with his resolution. The bottom line of the resolution is essentially the same, and it was: Don't send more American troops into the middle of a civil war.

There was one critical difference between the Biden-Levin and the Warner amendment. Senator WARNER's resolution, in one paragraph, left open, I think unintentionally, the possibility of increasing the overall number of American troops in Iraq—just not in Baghdad. So from our perspective it wasn't enough to say don't go into Baghdad with more troops; we wanted to say don't raise the number of troops, as well.

The provision in the Warner amendment that allowed for that, if read by the President the way he would want to read it, I believe, would have allowed an increase in troops. We believe very strongly—Senator LEVIN, myself, HAGEL, SNOWE—that would send the wrong message. We ought to be drawing down in Iraq, not ramping up. We ought to be redeploying, not deploying into Baghdad. We should make it clear to the Iraqi leaders that they have to begin to make the hard compromises necessary for a political solution.

A political solution everyone virtually agrees on is the precondition for anything positive happening in Iraq. Now, I make it clear, I and everyone else in this Senate knows that it is not an easy thing for the Iraqi leadership to do, but it is absolutely essential.

So we approached Senator WARNER several times to try to work out the difference between the Biden and the Warner resolutions. I am very pleased that last night, through the leadership of Senator WARNER and Senator LEVIN, we succeeded in doing just that. The language Senator WARNER removed from his resolution removed the possibility that it can be read as calling for more troops in Iraq.

With that change, I am very pleased to join Senator LEVIN, now known as the Levin-Warner resolution, as a cosponsor of that resolution. For my intent, at the outset when I first spoke out about the President's planned surge of American forces in Iraq, when I spoke out before the new year, I made it clear that my purpose was to build bipartisan opposition to his plan because that was the best way to get him to reconsider. That is exactly what this compromise does.

Now we have a real opportunity for the Senate to speak clearly. Every Senator will have a chance to vote on whether he or she supports or disagrees with the President's plan to send more troops into the middle of a civil war. If the President does not listen to the majority of the Congress—and I expect the majority of Congress will vote for our resolution—if he does not respond to a majority of the Congress and a

majority of the American people, we will have to look for other ways to change his policy. But this is a very important first step.

Also, I would like to take a moment to present what I believe are the principal findings of our 4 weeks of hearings, over 50 hours, if I am not mistaken, of hearings in the Foreign Relations Committee. While no unanimous prescription has emerged, there is remarkably broad consensus on three main points: First, American troops cannot stop sectarian warfare in Iraq, only a political settlement can do that; the second point of consensus, we must engage in intensive regional diplomacy to support the settlement among Iraqis; third, the U.S. military should focus on combatting terrorists, keeping Iraq's neighbors honest, training Iraq's troops—not on policing a civil war. Indeed, combat troops should start to redeploy as soon as our mission is narrowed.

Those three points were overwhelmingly agreed upon by an array of the most well informed foreign policy experts, both military and civilian, that we have arrayed before that committee in a long time.

Since a political settlement is so critical, we have examined this issue in detail. We have looked at the benchmarks the President has proposed—on oil law, debaathification reform, constitutional reform, and provincial elections—but the divisions are so deep and passions run so high now in Iraq we may be beyond the point where such modest measures can stabilize Iraq.

I believe, and have believed for some time, something much broader is necessary, something much bolder is necessary. Les Gelb, the chairman emeritus of the Council on Foreign Relations and a former Defense Department official, and I put forward just such a proposal 9 months ago. It is premised upon our conviction that the heart of the administration's strategy—building a strong central government—will, in fact, not succeed. As a matter of fact, in the testimony we heard, most pointed out where countries have been drawn by the slip of a pen by world leaders after World War I and World War II—the Balkans, Iraq, and many other places we could name—there have basically only been two models that have brought stability: A straw plan, a la Saddam, or a Federal system, a la the Iraqi Constitution.

The reason a strong central government will not work, although desirable, is there is no trust within the Government, no trust of the Government by the people of Iraq, no capacity of the Government to deliver services, no capacity of this new Government to deliver security.

In a sense, it is understandable. Indeed, we must bring Iraqis' problems and the responsibility of managing those problems down to local and regional levels where we can help the Iraqis build trust and capacity much more quickly and much more effectively.

We have proposed that the Iraqis create what their constitution calls for: three or more ''regions'' they call them—not republics—three or four more regions consistent with their constitution. We call for Iraq's oil to be shared equally with a guarantee that the Sunnis get their share and have some international oversight to guarantee it. We call for aggressive diplomacy—which, again, most every witness called for, including the Iraq Study Group—we call for aggressive diplomacy in the creation of a contact group consisting of Iraq's neighbors and the major powers in the world, including large Islamic countries to support a political settlement.

We believe we can redeploy most, if not all, of America's troops from Iraq within 18 months under this plan, leaving behind a small force in Iraq or in the region to strike at terrorists, the jihadists, the al-Qaidaists, keeping the neighbors honest, and training Iraqi forces. The time has demonstrated this plan is more relevant and inevitable than it was even the day we put pen to paper and set it out 9 months ago. It takes into account the harsh reality of self-sustaining sectarian violence; it is consistent with Iraq's Constitution; and it can produce a phrase used by a New York Times columnist in describing our plan. It can produce ''a soft landing'' for Iraq and prevent a full-blown civil war that tears the country apart and spreads beyond its borders.

I might also add, as people have come to understand, what I am calling for is not partitioning, not three separate republics; what I am calling for is what the Iraqi Constitution calls for: decentralization of control over security and local laws with the central government having responsibility for the Army, distribution of resources and currency and other things that a central government must do.

As that has become clearer and clearer, some of the most powerful voices in the American foreign policy establishment have come forward to suggest it makes sense.

Secretary Kissinger told our committee yesterday:

> I'm sympathetic to an outcome that permits large regional autonomy. In fact, I think it is very likely this will emerge out of the conflict that we are now witnessing.

Former Secretary of State Albright said:

> . . . the idea of the . . . constitution of Iraq as written, which allows for and mandates, in fact, a great deal of regional autonomy, is appropriate.

James Baker, former Secretary of State, coauthor of the Baker-Hamilton commission report told us that there are indications that Iraq may be moving toward three autonomous regions, and ''if it is, we ought to be prepared to try and manage the situation.''

Time is running out. We are going to have as a consequence of the compromise reached between the Biden-Levin resolution and the Warner resolution, now known as the ''Levin-Warner whoever else is attached to it'' resolution—we are going to have for the first time a full-blown debate in the Senate.

I hope the administration will be listening. I suggest we are coequal—Congress, along with the President—in deciding when, if, how long, and under what circumstances to send Americans to war, for shedding America's treasure and blood.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BROWN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mrs. MURRAY. Mr. President, I ask unanimous consent to speak for 10 minutes in morning business.

The PRESIDING OFFICER. The Senator has that right.

Mrs. MURRAY. Thank you, Mr. President.

HEALTH CARE

Mrs. MURRAY. Mr. President, I rise this morning to talk about the health care proposals President Bush mentioned in his State of the Union Address last Tuesday. For too long, our working families and our businesses have really struggled with rising costs and shrinking access, and Washington, DC, has virtually ignored that health care crisis.

Now, with Democrats in control of Congress, the President is finally bringing some ideas to the table and saying he wants to be part of the solution. Well, I want to thank him for joining the debate, and I hope he is serious about working with us to address the challenges that have only gotten worse over the past 7 years. There may well be valuable ideas in his proposals. I want to get more details than we heard in just the State of the Union Address because there may be areas on which we can agree.

However, I have to say, from what I have seen of the President's plan so far, I do have some serious concerns that his initiatives will undermine the employer-based health insurance system; may push people into the risky and expensive individual insurance market; may fail to provide coverage for our most vulnerable; and may divert funds for the health care safety net to experimental programs.

My first concern is that the President's proposal will jeopardize the employer-based health insurance system. The most stable form of health insurance for America's working families today is through their employers. Mr. President, 155 million Americans receive health insurance today from their employers.

One of the primary reasons why employers offer health insurance to their workers is because those benefits are

excluded from taxable income. But the President's proposal, as I hear it, would take away that incentive by putting all forms of health insurance on an equal playing field. Even if employers choose not to drop health care coverage, they may be forced to do so in the future as the healthiest employees drop out of their employers' plans. If insurance becomes unaffordable, employers may be forced to stop offering health care benefits. I think many of my colleagues agree with me that we should be strengthening the employer-based health insurance system, not taking steps that will jeopardize it.

Secondly, I am very concerned that the President's proposal will push people into the individual insurance market. Today, when workers cannot get coverage through their employer, they need to purchase health insurance in the individual insurance market. But as any small businessman or self-employed woman will tell you, the individual insurance market today is not a good alternative to employer-provided coverage. In many States, insurers can cherry-pick applicants to avoid enrolling those with high health needs, or insurance companies can sell different policies to high- or low-risk individuals. If you have a chronic disease such as diabetes—or even any health problem—good luck getting reasonably priced, comprehensive coverage in the individual market today. Any proposal to increase access to health insurance should support the ability of Americans to receive affordable and comprehensive coverage, not force people into expensive, barebones insurance plans.

Third, I am troubled that the President's proposal will not increase access to health insurance for the uninsured. We have 46 million uninsured men, women, and children in this country today. That is a staggeringly high number, and those people face daily challenges trying to avoid getting sick and going into debt when something unexpected happens. Every day, I hear from people in my home State of Washington who struggle to pay for their health care costs. Unfortunately, the President's proposal will not help those people because they do not pay enough money in taxes to benefit from this tax deduction he is proposing. That really makes me question whether the President's plan will actually reduce the number of uninsured Americans.

Finally, I am very concerned that the President's plan will further chip away at our health care safety net because it would divert critical Medicaid dollars into an experimental grant program. Now, we do not have a lot of details yet, but it appears he is proposing to use Medicaid disproportionate share hospital payments to give States the ability to experiment with health care reform. Those DSH payments keep the doors of our public hospitals open. Public hospitals are the foundations of our communities. They not only provide emergency care, but they train our doctors, they support rural health care, and they are the first lines of defense against pandemic flu or bioterror attacks. I am very concerned that his proposal could seriously jeopardize my State's Medicaid funds and, therefore, undermine those critical services.

I want to give an example of how these proposals could exacerbate the worst parts of our health insurance system.

Last week, I received a letter from my constituents Alice and Michael Counts. They live in Vancouver, WA. Their son Wesley was diagnosed with a kidney condition at age 16. Their family's personal health insurance insisted that his kidney disease was preexisting, and the insurer refused to pay for the medical tests that diagnosed his condition. His parents appealed to our insurance commissioner, and they won, but the insurer raised its rates far beyond the reach of a self-employed individual. So later, when Wesley was going through dialysis and a kidney transplant, his employer dropped insurance coverage because it had become too costly.

Throughout all these medical and financial ups and downs, Wesley has worked and has now graduated from Clark College. Thankfully, his parents have been able to help him navigate a health care system that failed him.

Wesley's parents wrote to me, and they said:

> We would rather pay higher taxes that give everyone affordable health care than live with the fear of losing everything through catastrophic illness.

Wesley's story shows just how risky the individual market is and how people with serious health problems can be severely affected when an employer is forced to drop coverage. No patient—no one—should have to live in fear that their next dialysis treatment will not be covered by insurance.

What Wesley deserves—and what all Americans deserve—is access to affordable, dependable, comprehensive health care. The President's plan does not guarantee that. It does not even come close. It just makes the health insurance market more unstable and more risky and leaves more people like Wesley vulnerable. He deserves better than that. I think all Americans do.

So, as I said at the beginning of my statement, I welcome the President's attention to the health care crisis we are facing in this country. Last year, on the Senate floor we devoted 3 days—3 days—to health care. The President probably spent even less time talking about health care. So this is an improvement. We desperately need a serious and a very thoughtful debate about how we increase access to health insurance.

My colleagues and I have put forward a number of good ideas about how to increase access to health care. One of the first things we can do is reauthorize and strengthen the State Children's Health Insurance Program—that is the SCHIP program—that provides quality health care to millions of uninsured children. Congress should give States the funding and the flexibility to cover more of our kids.

Secondly, we have to fund community health centers so they can continue to provide quality health care to our uninsured.

Third, I agree with the President, we should help States devise new ways to increase access to health care. My home State of Washington, like a lot of States, is working on innovative initiatives to expand coverage. But we can accomplish this in ways that do not chip away at the foundation of our public hospitals.

Finally, we can expand health insurance for small businesses and the self-employed by creating Federal and State catastrophic cost pools in ways that will help us lower costs and still protect our patients.

I look forward to working with Chairman KENNEDY and Chairman BAUCUS and my colleagues on both sides of the aisle and the President on real health care reform. There are people like Wesley across the country in every one of our States who are crying out for change, and we owe it to them, in this body, to finally make the progress that is long overdue.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

POWER OF CONGRESS TO IMPOSE CONDITIONS ON APPROPRIATED FUNDS

Mr. SPECTER. Mr. President, I have sought recognition to discuss the powers of Congress under the Constitution to impose conditions on the funds appropriated by Congress, conditions on the President of the United States in carrying out his responsibilities as Commander in Chief. This, of course, is a major subject confronting the United States at this time as to what our continuing policy should be in Iraq, and there is considerable controversy as to what that policy should be.

The President has come forward with the proposal to add 21,500 troops in Iraq.

That has been questioned in many quarters in the Congress of the United States, both the Senate and the House of Representatives, and by the American people. The election results last November were generally regarded as a repudiation of our activities in Iraq. The military personnel who have come forward to testify in recent days before the Armed Services Committee and the witnesses before the Foreign Relations Committee have a similar view that major mistakes have been made in Iraq. But there is also a generalized consensus that once there, even though we found no weapons of mass destruction—had we known Saddam did not have weapons of mass destruction, it is doubtful Congress would have authorized the use of force—we cannot pull out and leave Iraq destabilized. The question is, how to do it.

The day before yesterday, the Judiciary Committee held a hearing on the power of Congress to stop war. The title of the hearing was ''Exercising Congress's Constitutional Power to End a War.'' At that time I raised the question, respectfully, with the President, who has stated that he is the decider—he stated that quite a number of times—I raised the contention that he is not the sole decider, that the Congress of the United States has considerable authority on what will be done in the conduct of the war. There is no doubt that Congress cannot micromanage the war. But it is worth noting historically the many occasions where Congress has appropriated funds or taken action conditioned on the President following the instructions, following the will of the Congress. There was not sufficient time at the hearing the day before yesterday to go into detail on these subjects. That is why I have decided to come to the floor at the present time and amplify the views which I expressed at that time, to review the long line of precedents where the Congress has imposed conditions on how the President spends appropriated funds for military purposes under his Commander in Chief responsibilities and the many situations where the Congress has cut off funding.

When the Congress acceded to the request of President Franklin Delano Roosevelt, in 1940, for a peacetime draft, it was on the condition that no draftees be stationed outside of the Western Hemisphere. When the Congress appropriated funds for reconstruction following the Civil War, the Congress limited the Presidential authority saying that the orders of the President and the Secretary of War to the army should be given only through General Grant and that General Grant should not be relieved, removed, or transferred from Washington without the previous approval of the Senate. That is going fairly far in the management of a military operation and might even be characterized as micromanagement, but that is what was done.

During the administration of Theodore Roosevelt, Congress conditioned appropriations on a minimum of 8 percent of the detachments aboard naval vessels, being Marines. There, again, a fairly extensive incursion into what you would call command responsibilities. Again, it might be characterized as micromanagement.

The United States fought what has been characterized as a Quasi-War with France in the latter part of the 18th century. In that war, Congress limited both the kind of force the President could use—only the Navy, nothing more—and the areas in which he could use it, our coastal waters first and then on the high seas. The Congress authorized the seizure of French vessels traveling to French ports, and then the military seized French vessels coming out of French ports. And that case went to the Supreme Court of the United States. And in an 1804 decision in the case captioned Little v. Barreme, the Supreme Court found that Congress had authorized only seizure of vessels traveling to French courts, not from French ports. As I review that 200 years later, it seems like a very curious limitation, that the power would be to seize vessels going to France but not coming from France, but that was the specificity of the authorization of the Congress, which was upheld in the legal challenge by the Supreme Court of the United States.

There is unanimity that Congress would not cut off funds which could in any way threaten the security or safety of U.S. troops. No doubt about that. And there has been very careful articulation that where there has been disagreement with administration policy, there has always been unanimous support for our troops. But it is worth noting the many historical precedents where Congress has cut off funding for military operations.

In Vietnam, Cambodia, and Laos in 1973, at the close of the Vietnam war, Congress, with a veto-proof supermajority, cut off all funds, including preexisting appropriations, for combat activities in Cambodia, Laos, North Vietnam, and South Vietnam after August 15 of 1973. Then in 1974, Congress set a personnel ceiling of 4,000 Americans in Vietnam, 6 months after enactment, and 3,000 Americans within 1 year, which is a precedent for congressional conditions on a reduction in force so that there is advance notice to the administration what the congressional direction is, so many troops out by such-and-such a date, so many by another date, so there is no doubt that the troops which remain will be adequately taken care of in terms of the necessities for carrying out their function in a safe way.

In 1976, Congress, with respect to Angola, provided that there would be no assistance of any kind provided to conduct military or paramilitary actions in Angola unless expressly authorized by Congress. In Nicaragua in 1984, Congress provided that there would be no funds available to support military or paramilitary operations in Nicaragua.

In Somalia in 1993, Congress provided that no funds appropriated may be used for the continued presence in Somalia of United States military personnel after September 30, 1994. And in Rwanda in 1994, Congress provided that no funds are available for U.S. military participation in or around Rwanda after October 7, 1994 except to protect the lives of U.S. citizens. In 2000, with respect to Colombia, Congress capped at 500 the number of troops in Colombia. During the Barbary wars, Congress enacted legislation authorizing only limited military action against the Barbary powers. In the slave trade in 1819, Congress legislated that even there, there were specific descriptions as to location and mission. In 1878, Congress passed, as part of an appropriations bill, the Posse Comitatus Act, which restricted the President's ability to use the military for police action of the United States, and they went so far as to impose criminal penalties on the troops themselves.

There are substantial limitations present in congressional action with Vietnam in the Gulf of Tonkin resolution. The war powers imposed limitations on the President. It should be noted that the President has never agreed to the limitations, but the reporting requirements under the War Powers Act have been complied with. And both in the first Iraq war in 1991 and the so-called second Iraq war of 2002, and in the authorization as to Afghanistan in 2001, there are restrictions.

It continues to be my hope that there will be an accommodation between the President and the plans he proposes to undertake and the Congress. It has been very healthy to have the kind of analysis and debate which has taken place in committee and on the floor of the Senate and beyond, in the cloakrooms and in the hallways. That is the topic of the day. As we have taken a look at other issues which we are facing, there is very little oxygen in Washington for anything but what we are going to be doing in Iraq. And those who say it is unhealthy or it weakens the United States in the world view or it undercuts the morale of the troops in Iraq, I believe the conventional wisdom is, the consensus is that notwithstanding those kind of concerns, that that is the democratic process. That is the price we pay in a democracy.

At the hearing the day before yesterday in the Judiciary Committee, I cited polls where the military themselves, those participating in Iraq, have substantial questions about the wisdom of what is going on, I think it was 42 percent, disagree with the conduct of the war in Iraq. So it is a healthy sign that it is a part of the price of democracy.

I was interested to note the testimony of former Secretary of State Kissinger yesterday before the Foreign Relations Committee, saying he believed a consensus would emerge. And certainly, the United States is stronger when we do have unity between the Congress, under Article I, and the President, under Article II. I have been pleased to see the President consult with the Congress. I attended one meeting a few weeks ago, presided over by the President, which was bipartisan, about a dozen Senators, both Democrats and Republicans, and a second meeting with the National Security Council, Stephen Hadley, 10 Senators, all of whom on that occasion were Republicans. And the President has scheduled a meeting with Republican Senators tomorrow afternoon, where obviously Iraq will be the topic of the day. I have said publicly that the proposal that makes a lot of sense to me is the one that has been discussed by quite a number of military experts, which would set a time schedule, give notice to the Iraqis that at some point

the U.S. forces would retreat to the perimeters of Baghdad, and that the Iraqis would be called upon to meet the two conditions as specified very forcefully by the President in the State of the Union speech: that the Iraqis would be responsible for ending sectarian violence and responsible for securing Baghdad, and that American troops would remain.

My view is that those are the two conditions the President set down. Then the plan which has been considered very broadly would leave the American troops in Iraq to guard the infrastructure, protect the oilfields, and give training and support to the Iraqis. But even the parade of military witnesses who testified before Congress has said that the Iraqis are much more likely to take action to protect themselves when they don't rely upon the United States to do so. It is a matter of human nature. If we are going to undertake the burdens for the Iraqis, why should they undertake those burdens?

In considering the deployment of 21,500 additional personnel, I have been very skeptical and have said on the record that I could not support that because the Iraqis do not appear, from all indications, to have either the capacity or the will to carry out their commitments if those additional forces are to be committed. But I have said, also, that I am going to await the debate on the floor of the Senate. I am not sure we deserve the title of the ''world's greatest deliberative body,'' but that is the standard we strive to meet. Before I am prepared to decide which way to vote, yea or nay, on any of the resolutions, I want to be part of that deliberative process, join in the discussion, and raise questions.

It is my hope that before that time comes, there will be further discussions, such as the one tomorrow afternoon with the President with Republican Senators. There are discussions going on all the time. I would like to see us meet the standard that former Secretary Kissinger talked about yesterday and come to a consensus. But in the meantime, I believe the analysis that is being undertaken is very healthy. If there is a price to pay, it is a small price to pay for a democracy.

I believe in this discussion taking place in the United States we show the world the strength of our institutions, not the weakness in the United States by whatever disagreements there may be between the President and the Congress of the United States.

Mr. President, I ask unanimous consent that a memorandum of law be printed in the RECORD which details the actions taken in the past by the Congress to limit funding and the actions taken by the Congress to condition funding and limit executive action.

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

I. UTILIZING THE POWER OF THE PURSE

Congress has on several occasions used the power of the purse in declining to fund certain military forces (thereby preventing, reducing, or ending the U.S. military presence in a given area) or in otherwise attaching strings to military appropriations. See CRS Report, Congressional Restriction on U.S. Military Operations in Vietnam, Cambodia, Laos, Somalia, and Kosovo: Funding and Non-Funding Approaches (2007); CRS Report, Congressional Use of Funding Cutoffs Since 1970 Involving U.S. Military Forces and Overseas Deployments 1–3, 5–6 (2001) (hereafter ''CRS Report 2001''). Several examples follow:

Marines on Naval Vessels. During Teddy Roosevelt's administration, ''Congress conditioned appropriations on a minimum of eight percent of detachments aboard naval vessels being marines.'' Charles Tiefer, Can Appropriation Riders Speed Our Exit From Iraq?, 42 Stan. J. Int'l L. 291, 302 (2006).

Vietnam, Cambodia, and Laos. In 1973, at the close of the Vietnam War, Congress—with a veto-proof supermajority—cut off all funds (including preexisting appropriations) for combat activities in Cambodia, Laos, North Vietnam, and South Vietnam after August 15, 1973. Pub. L. 93–50 (Jul. 1, 1973). Then, in 1974, Congress set a ''personnel ceiling of 4,000 Americans in Vietnam 6 months after enactment and 3,000 Americans within one year.'' CRS Report 2001 at 2; see Pub. L. 93–559, §38(f)(1) (Dec. 30, 1974).

Angola. In 1976, Congress prohibited intervention in Angola: ''Notwithstanding any other provision of law, no assistance of any kind may be provided . . . to conduct military or paramilitary operations in Angola unless and until the Congress expressly authorizes such assistance[.]'' Clark Amendment, Pub. L. 94–329, §404, 90 Stat. 729, 757–58 (1976).

Nicaragua. In 1984, Congress provided that, during FY1985, ''no funds available to . . . any . . . agency or entity of the United States involved in intelligence activities'' may be used to support ''military or paramilitary operations in Nicaragua.'' Pub. L. 98–473, §8066(a).

Somalia. In 1993, although Congress ''approved the use of U.S. Armed Forces for certain purposes, including combat forces in a security role to protect United Nations units in Somalia,'' it cut off funding after March 31, 1994, except for limited personnel. CRS Report 2001, at 2–3; see Pub. L. 103–139; see also Pub. L. 103–335 (Sept. 30, 1994) (''None of the funds appropriated by this Act may be used for the continuous presence in Somalia of United States military personnel after September 30, 1994.'').

Rwanda. In 1994, Congress limited an appropriations bill with the proviso that ''no funds provided in this Act are available for United States military participation to continue Operation Support Hope in or around Rwanda after October 7, 1994, expect for any action that is necessary to protect the lives of United States citizens.'' Pub. L. 103–335, tit. X.

Colombia. In 2000, Congress capped at 500 the number of troops in Colombia: ''[N]one of the funds appropriated or otherwise made available by this or any other Act . . . may be available for . . . the assignment of any United States military personnel for temporary or permanent duty in Colombia in connection with support of Plan Colombia if that assignment would cause the number of United States military personnel so assigned in Colombia to exceed 500.'' Pub. L. 106–246, 3204(b)(1)(A).

These examples represent congressional action to ''re-deploy'' or to prevent troops from being dispatched in the first place.

II. NON-SPENDING METHODS OF LIMITING OR DEFINING INVOLVEMENT

On other occasions, Congress has utilized non-spending means to limit and define U.S. military action—e.g., by authorizing military involvement only for specified purposes or places, by rescinding a prior authorization, or by prospectively curtailing authorization.

Quasi-War With France. At the end of the 18th Century, Congress passed a number of statutes authorizing limited military engagement with France in the so-called ''Quasi War.'' See Louis Fisher, Presidential War Power 24 (2d ed. 2004). In 1798, for example, Congress authorized the President ''to instruct and direct the commanders of the armed vessels belonging to the United States'' to seize French vessels that were disrupting United States commerce. 1 Stat. 561 (May 28, 1798). In particular, ''in the war with France, Congress limited both the kind of force the President could use (the navy only) and the areas where he could use it (our coastal waters, at first, and then the high seas).'' The Constitution Project, Deciding to Use Force Abroad: War Powers in a System of Checks and Balances 15 (2005). Indeed, in Little v. Barreme, 6 U.S. (2 Cranch) 170, 179 (1804), the Supreme Court found that Congress had only authorized seizure of vessels traveling to French ports, not from French ports.

Barbary Wars. During the Barbary Wars, Congress enacted several measures authorizing limited military action against the Barbary powers. See, e.g., 3 Stat. 230 (1815) (U.S. vessels authorized to seize ''vessels, goods and effects of or belonging to the Dey of Algiers''); 2 Stat. 291 (1804) (expressing support for ''warlike operations against the regency of Tripoli, or any other of the Barbary powers''); see also Fisher, supra at 35–36 & n.92.

Slave Trade. In 1819, Congress authorized the President to use the Navy to intercept slave ships along the coasts of the United States and Africa. 3 Stat. 532. In this case, Congress provided a relatively specific description of location and mission.

Reconstruction. According to one scholar, ''by the use of . . . riders on military appropriations, congressional influence predominated in Reconstruction; occupation armies implementing Reconstruction policies in the Southern states got their directions from such riders.'' Tiefer, supra at 302. For example, in 1867, Congress attached a rider on military appropriations providing that the ''orders of the president and secretary of war to the army should only be given through the general of the army (Gen. Grant); [and] that the latter should not be relieved, removed or transferred from Washington without the previous approval of the senate.'' Alexander Johnston, Riders (in U.S. History), in III Cyclopedia of Political Science, Political Economy, and of the Political History of the United States By the Best American and European Authors, 147.7 (John J. Lalor ed., 1899), available at http://oll.libertyfund.org/ToC/0216–03.php.

In 1878, Congress passed, as part of an appropriations bill, the Posse Comitatus Act, ch. 263, §15, 20 Stat 145, 152 (codified at 18 U.S.C. §1385), which restricted the President's ability to use the military for police actions in the United States by imposing criminal penalties on the troops themselves. (It is also in part a spending restriction, providing that ''no money appropriated by this act shall be used to pay any of the expenses incurred in the employment of any troops in violation of this section.'' Id.) The PCA was largely aimed at preventing the federal military from overseeing elections in the former Confederacy.

FDR's Peacetime Draft. In 1940, Congress assented to FDR's desire for a peacetime draft, but only on the condition that no draftees be stationed outside the Western hemisphere. Selective Training and Service

Act, Pub. L. 76–783, ch. 720, §3(e); see Tiefer, supra at 303.

Vietnam. In 1964, with the Tonkin Gulf Resolution, Congress authorized the President ''to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.'' Pub. L. 88–408, §2, 78 Stat. 384, 384. However, in 1971, Congress repealed the Tonkin Gulf Resolution. Pub. L. 91–672, §12, 84 Stat. 2055 (Jan. 12, 1971). Later that year Congress called for a ''prompt and orderly withdrawal'' from Indochina at the ''earliest practicable date.'' Pub. L. 92–129, §401 (Sept. 28, 1971).

War Powers Resolution. In 1973, in response to the Vietnam War and over President Nixon's veto, Congress passed the War Powers Resolution (WPR), Pub. L. 93–148, 87 Stat. 555 (1973), 50 U.S.C. §1541, et seq. The WPR requires the President to consult with Congress before sending troops into hostilities (and within 48 hours after commencing hostilities, entering another nation equipped for combat, or increasing substantially the number of troops in a foreign nation). Also the WPR requires the President to pull out after 60 days—absent a congressional authorization of hostilities, congressional extension, or inability of Congress to meet due to attack. Further, the WPR ''permits Congress to terminate an unauthorized presidential use of military force at any time by concurrent resolution.'' John C. Yoo, The Continuation of Politics By Other Means: The Original Understanding of War Powers, 84 Cal. L. Rev. 167, 181 (1996).

First Iraq War. In 1991, Congress gave the President authority to ''use United States Armed Forces pursuant to United Nations Security Council Resolution 678 (1990) in order to achieve implementation of Security Counsel Resolutions [regarding the Iraqi occupation of Kuwait],'' but must first attempt diplomatic measures. Authorization for Use of Military Force Against Iraq Resolution, Pub. L. 102–1, §2(a), (b) (1991).

Afghanistan. In 2001, Congress provided by joint resolution that ''the President is authorized to use all necessary and appropriate force against those nations, organizations, or persons he determines planned, authorized, committed, or aided the terrorist attacks that occurred on September 11, 2001, or harbored such organizations or persons, in order to prevent any future acts of international terrorism against the United States by such nations, organizations or persons.'' Authorization for Use of Military Force, Pub. L. 107–40, §2(a), 115 Stat. 224 (Sept. 18, 2001). Although this example is far more open-ended than the others, there are still restrictions imposed on the use of force.

Second Iraq War. In 2002, Congress authorized the President to ''use the Armed Forces of the United States as he determines to be necessary and appropriate in order to . . . (1) defend the national security of the United States against the continuing threat posed by Iraq; and (2) enforce all relevant United Nations Security Council resolutions regarding Iraq.'' Authorization for Use of Military Force Against Iraq, Pub. L. 107–243, §3(a), 116 Stat. 1498 (Oct. 16, 2002). The President was, however, required to certify that diplomatic means are insufficient and that the use of force will not impede the war on terrorism. Id. §3(b).

Mr. SPECTER. Mr. President, I yield the floor.

NOMINATION OF GREGORY KENT FRIZZELL

Mr. INHOFE. Mr. President, first of all, I appreciate very much the senior Senator from Pennsylvania yielding to me. I know he is interested in getting these quality judges confirmed, and votes are taking place.

We have one coming up in a few minutes that happens to be for a close personal friend of mine, a judge in Oklahoma, Greg Frizzell. I would like to make a couple of comments.

First of all, we thought he would be confirmed before the end of last year, and it didn't work out. There was bickering going on that had nothing to do with him but with other judges. Fortunately, over the last few weeks, I have had a chance to talk to colleagues on both sides of the aisle.

I want to single out Senator PAT LEAHY for being so generous with me and giving me time to talk about Judge Frizzell and why he should be confirmed. He told me, after listening to this, he would be willing to put him on his top priority list. He didn't have to do it. He is a Democrat and I am a Republican. So, again, I compliment Senator PAT LEAHY for doing that for us and for justice in America.

This young man, Greg Frizzell, has a great family background. I remember when his daddy, Kent Frizzell, was in Kansas and served as attorney general for that State. Then he had better judgment and decided to move from Kansas to Oklahoma. We became good friends many years ago. Greg was very young at that time. He was raised in this family of public servants, people who served as his father had for such a long period of time. I think his father is still at the University of Tulsa Law School and has been for about 20 years and is doing great work. That is the environment in which Greg Frizzell was raised. He has been a judge for a long time, and you would think you would hear some negative things about him. But you don't hear negative things about this guy. Even his political adversaries all agree that he is the quality and type of man who should be on the Federal bench.

Robert Sartin, a member of the Board of Governors, said:

> Judge Frizzell is a man of extremely good character and high integrity, with a deep sense of personal responsibility toward his fellow man.

A fellow judge, Claire Egan, praised him. She talked about the urgency of this confirmation and that they actually only have three judges now on that bench doing the work of six judges.

One of the most highly respected senior Federal judges, Ralph Thompson, who is in senior status in Oklahoma right now, praised Greg, saying there is nobody out there who could be more qualified than Greg Frizzell for this particular appointment.

So it is neat that we are finally getting around to this. I apologize to Greg and his family for the uncertainty that is always there, even though I never had any uncertainty. I knew he was going to be there.

Getting back again to all these different people, Joe Wolgemuth, a prominent attorney in Tulsa, recalls an incident where Judge Frizzell—he has six kids, by the way—had work to do one night, and he went down and took his six kids with him and did his judicial work. Anybody who can juggle six kids and do his job at the same time I know is qualified for this job. I am thrilled that just in a matter of minutes we will be able to vote to confirm Judge Frizzell to the Northern District of Oklahoma. He will be a great judge.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

JUDGE GREGORY KENT FRIZZELL

Mr. SPECTER. Mr. President, I thank the Senator from Oklahoma for those comments. He may be interested to know that I have been advised that the nominee is the son of Kent Frizzell, who was a high school debater in Kansas in my era. I debated against Kent Frizzell. I also noted that the nominee was born in Wichita, KS, which is a good place to be born, because I was born there, too. It is sometimes the source of some levity.

When I was one of the assistant counsels to the Warren Commission, a man named Frances W. Adams, a prominent Wall Street lawyer, noted on my resume that I was born in Wichita. He said: Where was your mother on her way to at the time? When I say the birth place of Greg Frizzell, the nominee, is Wichita, KS, I recollect my own birth place and recollect the connection I had with his father being my high school debating opponent many years ago.

While I have the floor, I know the time has been reserved to talk about judges in just a few minutes. Having started on Gregory Kent Frizzell, I would like to make a few additional comments. Senator LEAHY is due to be here in a few minutes to speak—about three nominees. Votes are scheduled to take place at 11:55.

I would like to supplement what has been said about Gregory Kent Frizzell. He has an outstanding academic record. He graduated from Tulsa University in 1981 and the University of Michigan Law School in 1984. He was an Oklahoma Rhodes Scholar finalist in 1980. He has been rated unanimously ''well qualified'' by the American Bar Association. I believe there is no opposition to his nomination for U.S. District Judge for the Northern District of Oklahoma. I urge my colleagues to support him.

I ask unanimous consent that his résumé be printed in the RECORD.

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

GREGORY KENT FRIZZELL

UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OKLAHOMA

Birth: December 13, 1956, Wichita, Kansas.

Legal Residence: Oklahoma.

Education: B.A., University of Tulsa, 1981, Phi Alpha Theta (History Honor Society), Omicron Delta Kappa (National Leadership Honor Society), Oklahoma Rhodes Scholar

Finalist, 1980. J.D., University of Michigan Law School, 1984, AmJur Award in Legal Research and Writing.

Employment: Law Clerk, the Honorable Thomas R. Brett, U.S. District Judge for the Northern District of Oklahoma, 1984–1986, Associate, Jones, Givens, Gotcher & Bogan, P.C., 1986–1994, Solo Practitioner, Gregory K. Frizzell, 1994–1995, General Counsel, Oklahoma Tax Commission, 1995–1997, District Judge, 14th Judicial District of the State of Oklahoma, 1997–Present.

Selected Activities: Board of Directors, Tulsa Speech & Hearing Association, 1986–1995 (President, 1994–1995), Director-at-Large, Rotary Club of Tulsa, 2006–2007, Master of the Bench, American Inns of Court, Hudson-Hall-Wheaton Chapter, 1997–2002 (President, 2000–2001), Member, Oklahoma Bar Association, (Vice Chairman, Professionalism Committee, 2006) (House of Delegates, 2001–2002), Member, Tulsa County Bar Association (Board of Directors, 2006) (Chairman, Law School/Mentoring Committee, 2001–2002), Oklahoma Task Force on Judicial Selection, 1999–2000.

Judge Frizzell was nominated during the last Congress and his nomination reported out of the Judiciary Committee with a favorable recommendation on September 29, 2006. The Senate, however, did not act on his nomination prior to adjournment of the 109th Congress.

President Bush re-nominated Judge Frizzell in the 110th Congress and the nomination reported out of Committee on January 25, 2007.

Judge Frizzell has had a distinguished career both in private practice and in public service.

In 1981, he earned his B.A. degree from the University of Tulsa. While at Tulsa, Judge Frizzell was inducted into the Phi Alpha Theta and Omicron Delta Kappa Honor Societies. He was also an Oklahoma Rhodes Scholar Finalist in 1980.

Judge Frizzell went on to earn his J.D. from the University of Michigan Law School in 1984, where he was awarded the AmJur Award in Legal Research and Writing.

After law school, he served as a law clerk to the Honorable Thomas R. Brett, United States District Court Judge for the Northern District of Oklahoma.

In 1986, Judge Frizzell joined the Oklahoma law firm of Jones, Givens, Gotchers & Bogan, P.C. as an associate and focused on commercial litigation.

In 1994, Judge Frizzell left Jones, Givens and practiced as a solo practitioner. In this capacity he represented individuals and small business entities in civil controversies.

In 1995, Judge Frizzell was appointed General Counsel of the Oklahoma Tax Commission by Governor Frank Keating.

In 1997, Judge Frizzell was appointed district judge for the 14 Judicial District in the State of Oklahoma. He was elected without opposition in 1998 and again in 2002. His term is set to expire in January 2007.

The American Bar Association unanimously rated Judge Frizzell ''Well Qualified'' to serve as a federal district court judge.

JUDGE LAWRENCE JOSEPH O'NEILL

Mr. SPECTER. Mr. President, further, I support the confirmation of Judge Lawrence Joseph O'Neill to be U.S. District Judge for the Eastern District of California. He, too, has an excellent academic record, with a bachelor's degree from the University of California, Berkeley, in 1973, an MBA from Golden Gate University in 1976, and a law degree from the University of California, Hastings College of Law. He has a distinguished professional record. The American Bar Association rated him unanimously ''well qualified.''

I ask unanimous consent that his résumé be printed in the RECORD.

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

LAWRENCE JOSEPH O'NEILL

UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF CALIFORNIA

Birth: September 5, 1952, Oakland, California.

Legal Residence: California.

Education: B.A., University of California at Berkeley, 1973; M.P.A., Golden Gate University, 1976; J.D., University of California, Hastings College of Law, 1979.

Employment: Associate, McCormick, Barstow, Sheppard, Wayte, & Carruth, 1979–1983, Partner, 1984–1990; Adjunct Professor, San Joaquin College of Law, 1986–1992, Professor of the Year Award, Civil Trial Advocacy; California Superior Court Judge, Fresno County Superior Court, 1990–1999; Magistrate Judge, U.S. District Court for the Eastern District of California, 1999–Present.

Selected Activities: Judicial Member, Federal Bar Association, 1999–Present, Executive Board; Member, Fresno County Bar Association, 1979–1990, Judicial Member, 1990–Present, Recipient, ''20 Years of Service'' Award for service to the Fresno County Mock Trial Program; Member, Federal Magistrate Judges Association, 1999–Present; Board Member, Ninth Circuit Magistrate Judge Executive Committee, 2003–2006; Board Member, Association of Business Trial Lawyers, 1996–2006; Member, California State Bar, 1979–1990 , Inactive Judicial Member, 1990–Present.

Magistrate Judge Lawrence Joseph O'Neill was nominated during the last Congress and his nomination reported out of the Judiciary Committee with a favorable recommendation on August 2, 2006. The Senate, however, did not act on his nomination prior to adjournment of the 109th Congress.

President Bush re-nominated Judge O'Neill in the 110th Congress and the nomination reported out of Committee on January 25, 2006.

He received his B.A. from the University of California at Berkeley in 1973, his M.P.A. from Golden Gate University in 1976, and his J.D. from the University of California, Hastings College of Law in 1979.

During law school, Judge O'Neill served as a legal clerk to the Honorable Roberts F. Kane of the First Appellate District of the California Court of Appeals.

Following law school, Judge O'Neill joined the law firm of McCormick, Barstow, Sheppard, Wayte & Carruth as an associate. He became a partner with that firm in 1984. His practice focused almost exclusively on civil tort litigation.

While working for McCormick, Barstow, Judge O'Neill also taught classes for six years as an adjunct professor at San Joaquin College of Law. San Joaquin honored Judge O'Neill for his teaching skills by presenting him with the Professor of the Year Award.

In 1990, Judge O'Neill was appointed to the Fresno County Superior Court. He served on that court until 1999 when he was appointed as a United States Magistrate Judge in the U.S. District Court for the Eastern District of California.

Judge O'Niell has received numerous awards for his community service including the annual Judicial Award presented by the Rape Counseling Service of Fresno County and the ''20 Years of Service'' Award presented by the Fresno County Mock Trial Competition Program.

While serving as the presiding judge of the juvenile courts of Fresno County, Judge O'Neill was recognized for his outstanding efforts to prevent child abuse with the Judy Andreen-Nilson Award. The Fresno County Juvenile Justice Commission also presented him with the Award for Achievement in Juvenile Justice.

The American Bar Association unanimously rated Judge O'Neill ''Well Qualified.''

The vacancy to which Judge O'Neill is nominated has been designated a ''Judicial Emergency'' by the nonpartisan Administrative Office of the Courts.

JUDGE VALERIE L. BAKER

Mr. SPECTER. Mr. President, the third nominee up for a vote at 11:55 is Judge Valerie L. Baker. She is nominated for U.S. District Court for the Central District of California. Her academic record, as well, is outstanding: summa cum laude from the University of California, Santa Barbara in 1971, with a cum laude master's degree from the University of California, Santa Barbara in 1972, and with a law degree in 1975 from the UCLA School of Law. The American Bar Association unanimously rates Judge Baker ''well qualified.''

I ask unanimous consent that her résumé be printed in the RECORD.

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

VALERIE L. BAKER

UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA

Birth: June 25, 1949, Minneapolis, MN. Legal Residence: California. Education: B.A., 1971, University of California, Santa Barbara, summa cum laude; M.A., 1972, University of California, Santa Barbara, cum laude; J.D., 1975, UCLA School of Law.

Employment: Associate, Overton, Lyman & Prince, 1975–1977; Assistant U.S. Attorney, U.S. Attorney's Office, 1977–1980; Associate, Lillick, McHose & Charles (now Pillsbury, Winthrop, Shaw & Pittman) 1980–1982, Partner, 1982–1986; Judge, Los Angeles Municipal Court, 1986–1987; Judge, Los Angeles Superior Court, 1987–Present.

Selected Activities: Board Member, The Braille Institute, 2001–2003; Member, Los Angeles County Bar Association, 1975–Present; Member, California Judges Association, 1986–present; Board Member, Association of Business Trial Lawyers, 1987–1990, 2001–2004; Board Member, My Friend's Place (homeless shelter for teens), 1993–1995; 1994 Alfred J. McCourtney Trial Judge of the Year Award Recipient, Consumer Lawyers of Los Angeles.

Judge Baker was nominated during the last Congress and her nomination reported out of the Judiciary Committee with a favorable recommendation on September 21, 2006. The Senate, however, did not act on her nomination prior to adjournment of the 109th Congress. President Bush re-nominated Judge Baker in the 110th Congress and her nomination reported out of the Judiciary Committee on January 25, 2006.

Judge Baker received her B.A., summa cum laude, from the University of California, Santa Barbara in 1971 and Masters Degree, cum laude, from the same institution a year later. In 1975, she received her J.D. from the UCLA School of Law.

Upon graduating from law school, she began working as an associate with the firm Overton, Lyman & Prince in Los Angeles. During her two years at Overton, Judge Baker focused on business litigation. In 1977, Judge Baker became a prosecutor with the United States Attorney's Office in Los Angeles.

In 1980, Judge Baker joined the law firm of Lillick, McHose, & Charles (now Pillsbury, Winthrop, Shaw & Pittman) as an associate. Just two years later, the firm granted her partnership. In 1986, Judge Baker was appointed to serve on the Los Angeles Municipal Court, where she presided over civil

matters and criminal misdemeanors. In 1987, she was elevated to the Los Angeles County Superior Court, where she currently serves.

Judge Baker has handled thousands of cases from filing to disposition, and is widely recognized as one of California's finest jurists. In 1994, she received the Alfred J. McCourtney Trial Judge of the Year Award from the Consmer Lawyers of Los Angeles. The American Bar Association has rated Judge Baker unanimously ''Well Qualified.''

Mr. SPECTER. Mr. President, I urge my colleagues to vote for these three distinguished nominees. I thank Senator LEAHY, the Chairman of the Judiciary Committee, for moving these nominations. It is very important. We have numerous judicial emergencies. We have other nominees awaiting action by the committee and by the full Senate.

Senator LEAHY is moving with dispatch, which is appreciated, and it is also appreciated that the majority leader has listed these three nominees for action this morning.

In the absence of any other Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

JUDGE GREGORY KENT FRIZZELL

Mr. COBURN. Mr. President, I come to the floor to follow up on the comments made by my senior Senator, Mr. INHOFE, from Oklahoma, on the qualifications of Judge Gregory Frizzell. He has enumerated many of those. This is a fine young man with impeccable character and integrity. He is a living example of a life of service, not just in what he does as a judge in Oklahoma, but what he does in his community in Oklahoma. It has been a real pleasure to get to know him, to also watch him as he went through the process of getting a unanimous vote out of the Judiciary Committee and having no significant questions raised about his judicial philosophy, integrity, character, background, or his qualifications. So it is with a great deal of pleasure that I look forward to his vote today.

I might comment for a moment that he was capable of being confirmed in the last Congress, and there was no reason, no good reason why he wasn't, other than the answer: We are not going to approve any more judges in this Congress. That is the reason I was told by the now majority leader that he would not be approved. There is no question as to his qualifications, but it should remind us again of the dangers of partisanship for party instead of partisanship for our country and for future generations.

I am very thankful to the Judiciary Committee chairman, PATRICK LEAHY from Vermont, for the speed and quickness with which he has brought this to the floor. I thank him for that, and I look forward to working with him with the same speed on any other judges the President might bring up and that the committee would put out.

It is my hope we can get beyond partisanship on judiciary nominees and get to the business of filling the significant number of voids or vacancies that are out there today and that are limiting justice for people in this country. Justice delayed is justice denied. And a lack of available judges is denying justice to hundreds and thousands of Americans every day. So the chairman of the Judiciary Committee has my commitment as a member of the Judiciary Committee to help him in any way I can to move those.

It is a great honor that Greg Frizzell will sit as a Federal judge in the northern district of Oklahoma, and it is my hope we will see many like him fill the spots across this country.

With that, I yield the floor, Mr. President, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold?

Mr. COBURN. I will withhold.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

EXECUTIVE SESSION

NOMINATION OF LAWRENCE JOSEPH O'NEILL TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF CALIFORNIA

NOMINATION OF VALERIE L. BAKER TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA

NOMINATION OF GREGORY KENT FRIZZELL TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OKLAHOMA

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to consider en bloc the following nominations, which the clerk will report.

The legislative clerk read the nomination of Lawrence Joseph O'Neill, of California, to be a United States District Judge for the Eastern District of California;

Valerie L. Baker, of California, to be a United States District Judge for the Central District of California; and

Gregory Kent Frizzell, of Oklahoma, to be a United States District Judge for the Northern District of Oklahoma.

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes for debate on the nominations, equally divided between the Senator from Vermont, Mr. LEAHY, and the Senator from Pennsylvania, Mr. SPECTER, or their designees.

The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank the Chair. I spoke briefly a few moments ago about these nominees. They all have excellent academic records and professional records, and they have been examined by the investigative authorities and have been reviewed by the Judiciary Committee. They have been passed out unanimously by the Judiciary Committee for confirmation. All have been evaluated ''well qualified'' by the American Bar Association, and I urge my colleagues to support all of these nominees.

That pretty well summarizes, Mr. President. So in the absence of any Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll.

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

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

NOMINATION OF LAWRENCE JOSEPH O'NEILL

Mrs. FEINSTEIN. Mr. President, it is my pleasure to support Judge Lawrence O'Neill's nomination to the Eastern District of California.

His confirmation would help to alleviate a judicial emergency in the Eastern District of California.

The Fresno Division, to which Judge O'Neill is nominated, is suffering from a particularly acute overload of cases.

Judge Anthony Ishii and Senior Judge Oliver Wanger are currently the only judges on the Fresno Division of the Eastern District. Their average caseload is the highest in the Nation.

The people of Fresno and the Eastern District truly need the help that Judge O'Neill will provide.

Fortunately, Judge O'Neill is uniquely qualified to step in and offer immediate relief to the Eastern District because he has been a magistrate judge in the District since 1999.

In addition, for the last 17 years, Judge O'Neill has been a judge in California, spending 10 years as a superior court judge in Fresno before becoming a magistrate.

He is a homegrown Californian. He was born in Oakland, CA, and attended school in California. He received a bachelor's degree in criminology from the University of California, Berkeley, a master's degree in public education from Golden Gate University, and a law degree from Hastings College of Law.

Before attending law school, he was a police officer for the city of San Leandro. I believe this additional perspective will prove an asset on the bench.

I was pleased to learn that the American Bar Association unanimously declared Judge O'Neill to be ''well qualified,'' the ABA's highest rating.

In California, we have developed a bipartisan process for selecting Federal district court nominees. Under this system, a committee of lawyers, including Democrats and Republicans, recommends qualified applicants to the President.

The fact that Judge O'Neill's nomination was a product of this commission gives me confidence that he comes to the bench without an ideological agenda and is prepared to serve all the people of California.

NOMINATION OF VALERIE L. BAKER

Mr. President, it is my pleasure to support Judge Valerie Baker, a distinguished nominee to the U.S. District Court for the Central District of California.

The Central District of California, based in Los Angeles, is the largest and busiest Federal judicial district in the Nation. Judge Baker would be a welcome addition to this important court.

Judge Baker has been a trial court judge on the Los Angeles County Superior Court for nearly 20 years and previously served on Los Angeles Municipal Court.

In 1994, she was awarded the Alfred J. McCourtney Trial Judge of the Year Award from the Consumer Lawyers of Los Angeles.

Judge Baker is also a seasoned litigator, with Federal experience in criminal and civil cases. With the law firm of Lillick, McHose & Charles she specialized in Federal business litigation and antitrust law. As an assistant U.S. attorney, Judge Baker prosecuted bank robberies, major drug violations, and fraudulent enterprises.

At the University of California at Santa Barbara, she earned a bachelor of arts degree and a master's degree in English, and she received a law degree from UCLA.

Off the bench, Judge Baker has devoted herself to charities helping the Los Angeles community.

As a board member of the UCLA Law School Alumni Association, she chaired a committee to recruit qualified minority students. She also served on the board of a non-profit shelter for homeless teenagers and sat on the board of directors of the Braille Institute of Los Angeles.

The American Bar Association has given Judge Baker a unanimous ''well qualified'' rating, the Association's highest mark.

I am proud of the bipartisan process for selecting Federal district court nominees that we have developed in California. Under this system, a committee of lawyers, including Democrats and Republicans, recommends qualified applicants to the President.

Judge Baker came through this committee, which gives me confidence that she comes to the bench without an ideological agenda and is prepared to serve all the people of California.

Mr. LEAHY. Mr. President, today the Senate continues to make significant progress in its consideration of judicial nominations. The Senate will consider and, I believe, confirm the nominations of Lawrence Joseph O'Neill for the Eastern District of California, Valerie L. Baker for Central District of California, and Gregory Kent Frizzell for the Northern District of Oklahoma.

When they are confirmed, the Senate will have granted its consent to 263 of President Bush's nominations for lifetime appointments to our Federal courts. Moreover, with these three confirmations today, we will have confirmed more of President Bush's nominations in the 18 months I have served as Judiciary Committee chairman with a Democratic majority in the Senate than in the more than 2 years when Senator HATCH chaired the committee with a Republican Senate majority or during the last Congress with a Republican Senate majority. This is the 105th confirmation during my time as Judiciary chairman.

I know some on the other side of the aisle have tried to raise a scare since I, again, became chairman of the Judiciary Committee. They rant as if the sky is falling and we would not proceed on any judicial nominations. We have proceeded promptly and efficiently. Last Thursday, the Judiciary Committee held its first business meeting of the year. We might have met earlier but for the delay in organizing the Senate from January 4, when this session first began, until the Republican caucus finally agreed to the resolutions assigning Members to Senate committees on January 12.

The three nominations we consider today were among the five nominations for lifetime appointments Federal judges that I included on the agenda at our first meeting. Like the two judges confirmed on Tuesday, Judge O'Neill's nomination is for a vacancy that has been designated a judicial emergency by the Administrative Office of the U.S. Courts. All five were among those returned to the President without Senate action at the end of last year when Republican Senators objected to proceeding with certain nominees in September and December last year.

Before proceeding, I inquired of each member of the committee whether a hearing was requested on these nominations this year. I, again, thank all, members of the Judiciary Committee for working with me to expedite consideration of these nominations this year. In particular, I extend thanks to our new members, the Senators from Maryland and Rhode Island.

These nominations were not even sent to the Senate until January 9. They were considered by the committee in a little over 2 weeks and are being approved by the Senate in a little over 3 weeks from their nomination.

I have worked cooperatively with Members from both sides of the aisle on our committee and in the Senate to move quickly to consider and report judicial nominations so that we can fill vacancies and improve the administration of justice in our Nation's Federal courts. I appreciate the interests of Senator CHAMBLISS and Senator ISAAKSON in the confirmation of Judge Wood, the first judge confirmed this year. Likewise, I was pleased to be able to respond to the needs of Senator INHOFE and Senator COBURN by expediting consideration of Judge Frizzell. I thank Senator FEINSTEIN and Senator BOXER of California for their efforts on some of these nominations and for working to fill the vacancies in California.

I have long urged the President to fill vacancies with consensus nominees. The Administrative Office of the U.S. Courts list 57 judicial vacancies, 28 of them have been deemed to be judicial emergencies. So far this Congress, the President has yet to send us nominees for 17 of those judicial emergency vacancies.

I have also scheduled a confirmation hearing for next week for additional judicial nominees and another business meeting at which the committee may consider still more judicial nominations. When a Republican chaired the committee in 1999 and there was a Democratic President, the first hearing on a judicial nominee was not held until June 16. We intend to hold a hearing on February 6.

I had initially thought that we would include the nomination of Norman Randy Smith of Idaho to the Ninth Circuit at that hearing next week. However, with the cooperation of the Senators from California and the members of the Judiciary Committee, I now hope to be able to avoid another hearing on the Smith nomination.

I was pleased when the White House changed course and nominated Randy Smith for the Idaho seat on the Ninth Circuit. I had urged President Bush to take this action last year when he insisted on resubmitting the Smith nomination for a California seat on the Ninth Circuit. I thank the President for finally doing the right thing. I will urge the Senate to confirm his nomination of Randy Smith to the vacant seat on the Ninth Circuit from Idaho. At long last Senator CRAIG and Senator CRAPO will then have a judge on that important court from their home State.

Each of the nominees we consider today has the support of home State Senators.

Lawrence Joseph O'Neill is nominated to the U.S. District Court for the Eastern District of California, another seat deemed to be a judicial emergency by the Administrative Office of the U.S. Courts. He is a well-qualified nominee who has over 15 years of experience on the bench, seven of them as a magistrate judge on the district court to which he is now nominated. Before becoming a magistrate judge, Judge O'Neill spent 9 years as a Fresno County superior court judge and, before that, a decade in private practice. Judge O'Neill will bring a valuable perspective to the Federal bench, having served as a police officer for 5 years in

the city of San Leandro, CA. He graduated from law school at the University of California, Hastings and then clerked for Judge Robert F. Kane on the California Court of Appeals.

Valerie L. Baker, who is nominated to the U.S. District Court for the Central District of California, already has over 20 years of experience on the bench. As a Los Angeles County municipal and then superior court judge, she has handled thousands of cases and has been the recipient of the Alfred J. McCourtney Trial Judge of the Year Award by Consumer Lawyers of Los Angeles. After graduating from UCLA Law School, Judge Baker served as an assistant U.S. attorney and as a commercial litigator in private practice. Judge Baker was rated unanimously well qualified by the American Bar Association and has the support of both her home State Democratic Senators.

As a courtesy to Senator INHOFE, I included the nomination of Gregory Kent Frizzell on the agenda for Judiciary Committee's first executive business meeting last week. I was glad to see Senator INHOFE say that he was ''pleased with the committee action'' and that Judge Frizell was ''fast-tracked through.'' Judge Frizzell is nominated to the U.S. District Court for the Northern District of Oklahoma. He has a decade of experience on the bench as an Oklahoma district judge in Tulsa County. In his 23 years as a lawyer, Judge Frizzell has served as general counsel to the Oklahoma Tax Commission and tried more than 25 cases in private practice as a sole practitioner and an attorney at Jones, Givens, Gotcher & Bogan, P.C., representing community colleges, insurance companies, and other businesses. After graduating from the University of Tulsa and the University of Michigan Law School, Judge Frizzell served as a law clerk to Judge Thomas R. Brett on the court to which he has now been nominated.

I congratulate the nominees and their families on their confirmations today. We continue to make progress towards filling longstanding judicial vacancies. I intend to do what I can to ensure that the Federal judiciary remains independent and able to provide justice to all Americans.

Mr. REID. Mr. President, I ask unanimous consent that all time be yielded back and the vote begin.

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

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

VOTE ON THE NOMINATION OF LAWRENCE JOSEPH O'NEILL

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Lawrence Joseph O'Neill, of California, to be United States District Judge for the Eastern District of California?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from South Dakota (Mr. JOHNSON) are necessarily absent.

Mr. LOTT. The following Senator was necessarily absent: the Senator from Virginia (Mr. WARNER).

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

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 40 Ex.]

YEAS—97

Akaka	Domenici	Menendez
Alexander	Dorgan	Mikulski
Allard	Durbin	Murkowski
Baucus	Ensign	Murray
Bayh	Enzi	Nelson (FL)
Bennett	Feingold	Nelson (NE)
Biden	Feinstein	Obama
Bingaman	Graham	Pryor
Bond	Grassley	Reed
Boxer	Gregg	Reid
Brown	Hagel	Roberts
Brownback	Harkin	Rockefeller
Bunning	Hatch	Salazar
Burr	Hutchison	Sanders
Byrd	Inhofe	Schumer
Cantwell	Isakson	Sessions
Cardin	Kennedy	Shelby
Carper	Kerry	Smith
Casey	Klobuchar	Snowe
Chambliss	Kohl	Specter
Clinton	Kyl	Stabenow
Coburn	Landrieu	Stevens
Cochran	Lautenberg	Sununu
Coleman	Leahy	Tester
Collins	Levin	Thomas
Conrad	Lieberman	Thune
Corker	Lincoln	Vitter
Cornyn	Lott	Voinovich
Craig	Lugar	Webb
Crapo	Martinez	Whitehouse
DeMint	McCain	Wyden
Dodd	McCaskill	
Dole	McConnell	

NOT VOTING—3

Inouye	Johnson	Warner

The nomination was confirmed.

VOTE ON NOMINATION OF VALERIE L. BAKER

Mr. LEAHY. Mr. President, regarding the Baker of California nomination, we are perfectly willing to have a voice vote. I understand the Senators from Oklahoma want to have a recorded vote on Frizzell. Valerie Baker is next on the list.

I yield back the remaining time.

Mr. SPECTER. We yield back the remaining time.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Valerie L. Baker, of California, to be United States District Judge for the Central District of California?

The nomination was confirmed.

VOTE ON NOMINATION OF GREGORY KENT FRIZZELL

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I ask for the yeas and nays on the Gregory Frizzell nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

Mr. LEAHY. Mr. President, I yield back whatever time we have remaining on this side.

The PRESIDING OFFICER. Is all time yielded back?

The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, I was honored a few minutes ago to talk about this very outstanding young man, Greg Frizzell. Unfortunately, as the senior Senator from Vermont knows, we tried our best to get him in last year. We were unable to do it. But thanks to him and helping us to expedite the confirmation of this fine young man, we will be voting now.

This gentleman comes from a background that is unusual and unique. I know of no one who has said anything negative about him in our State of Oklahoma. So I think justice will be served with the confirmation of Greg Frizzell for the Northern District of Oklahoma.

I am proud to stand here today in support of Judge Greg Frizzell's nomination to be the U.S. District Judge for the Northern District of Oklahoma. After his Judiciary Committee hearing in September, I was certain that he would be confirmed before the end of the year. However, due to some regrettable political wrangling, his nomination was stalled.

Fortunately, over the past few weeks, I have spoken to my colleagues on both sides of the aisle to help expedite Judge Frizzell through the committee process and bring his nomination to the Senate floor. I am convinced that he is the most capable and well-qualified person for this position.

His family is no stranger to the legal field—I can remember his father, Kent Frizzell. He served as attorney general for the State of Kansas—that is when I first got to know his family. Later on, when they moved to Oklahoma, we became very close friends.

He has had all kinds of experience in the past—serving the Under Secretary of Interior, and he has taught at the University of Tulsa Law School for almost 20 years. So given his father's distinguished work, it is no surprise that Judge Frizzell felt compelled to pursue a career in public service, and his friends and colleagues have praised his professional qualifications and personal integrity, as well as his ability to rule fairly from the bench.

Someone who has been around as long as this young judge has been around, you would think you would hear negative things—I have never heard anything negative about him. Robert Sartin, member of the board of governors of the Oklahoma Bar Association said, ''Judge Frizzell is a man of extremely good character and high integrity, with a deep sense of personal responsibility toward his fellow man.'' Judge Claire Egan, praised him and talked about the urgency to fill vacant spots on the bench—she emphasized the fact that the court right now has three judges doing the work of six.

One of the prominent and well-respected attorneys in Oklahoma, Joe Wohlgemuth of a distinguished law firm in Tulsa, called Judge Frizzell ''a man of integrity and a straight arrow''.

Before serving in the current position of District Judge of the 14th Judicial District of Oklahoma, Greg Frizzell had a long and distinguished legal career and ample Federal experience. After graduating with a law degree from the University of Michigan, he clerked for Judge Tom Brett—Tom Brett is now in retirement and there is no one who has a better reputation than he, and he has praised Greg Frizzell time and time again. Ralph Thompson, a prominent senior judge serving on the Federal bench in Oklahoma, has also praised him.

After clerking for Judge Brett, Frizzell became an associate at an Oklahoma law firm and then ran his own private legal practice until he was selected to be general counsel to the Oklahoma Tax Commission. After serving for a period of time at the Tax Commission, he was then appointed to his current position as Judge of the 14th District of Oklahoma.

Not only has Judge Frizzell proven an effective and fair legal professional, he is a devoted husband and loving father of six children.

Getting back again to Mr. Wohlgemuth, he recalls an incident where Judge Frizzell, had to work late one night doing work and he brought all six kids to spend time with them into the late hours—anyone who can handle six kids while doing his judicial work, I think can handle this job.

So, Judge Frizzell is a man of great moral integrity who has proven his character in both his private and public life. I cannot say enough about him and his qualifications to be the next U.S. District Court Judge for the Northern District of Oklahoma and I urge my colleagues to confirm his nomination.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, a brief comment on Gregory Frizzell. He was born in Wichita, KS, which is a great note of distinction, being it is my birthplace. I debated against his father in high school. So I have a little more enthusiasm in asking my colleagues to support his confirmation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Gregory Kent Frizzell, of Oklahoma, to be United States District Judge for the Northern District of Oklahoma?

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from South Dakota (Mr. JOHNSON) is necessarily absent.

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

The yeas and nays resulted—yeas 99, nays 0, as follows:

[Rollcall Vote No. 41 Ex.]

YEAS—99

Akaka	Domenici	McConnell
Alexander	Dorgan	Menendez
Allard	Durbin	Mikulski
Baucus	Ensign	Murkowski
Bayh	Enzi	Murray
Bennett	Feingold	Nelson (FL)
Biden	Feinstein	Nelson (NE)
Bingaman	Graham	Obama
Bond	Grassley	Pryor
Boxer	Gregg	Reed
Brown	Hagel	Reid
Brownback	Harkin	Roberts
Bunning	Hatch	Rockefeller
Burr	Hutchison	Salazar
Byrd	Inhofe	Sanders
Cantwell	Inouye	Schumer
Cardin	Isakson	Sessions
Carper	Kennedy	Shelby
Casey	Kerry	Smith
Chambliss	Klobuchar	Snowe
Clinton	Kohl	Specter
Coburn	Kyl	Stabenow
Cochran	Landrieu	Stevens
Coleman	Lautenberg	Sununu
Collins	Leahy	Tester
Conrad	Levin	Thomas
Corker	Lieberman	Thune
Cornyn	Lincoln	Vitter
Craig	Lott	Voinovich
Crapo	Lugar	Warner
DeMint	Martinez	Webb
Dodd	McCain	Whitehouse
Dole	McCaskill	Wyden

NOT VOTING—1

Johnson

The nomination was confirmed

The PRESIDING OFFICER. Under the previous order, the motions to reconsider the votes on the nominations are considered made and laid on the table, and the President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

FAIR MINIMUM WAGE ACT OF 2007

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 2, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2) to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal Minimum Wage.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I wish to speak on another matter.

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

IRAQ

Mr. BYRD. Mr. President, the verdict is in on the President's plan to send more American troops into Iraq: 68 percent of the American people are opposed to it; 62 percent of Active-Duty military officers are opposed to it. Top military leaders have voiced skepticism about whether an increase in troops will succeed in suppressing the sectarian violence that has consumed Iraq. The evidence is in. The voice of the people, the American people—voix populaire—is clear. It is time to turn around. Unfortunately, this administration seems to have no intention of heeding that call from the people.

Last week, the Vice President talked about the ''enormous successes'' that have been accomplished in Iraq. Enormous successes? I ask, enormous successes? The Vice President's definition of ''enormous success'' is, apparently, different from mine.

The Vice President said that talk of failures and blunders in Iraq was just hogwash—his word, ''hogwash''—and the Vice President asserted that whatever Congress votes on in relation to Iraq, ''it won't stop us.'' Hear me now. Hear me. This is the Vice President talking. He asserted that whatever Congress votes on in relation to Iraq, ''it won't stop us.''

Now, listen to me, you people out there in the hills, in the valleys, across the mountain ranges, from the Atlantic to the Pacific, that is a slap in the face to you. Our constituents voted for change in the last election. They asked their elected representatives—us—to chart a new course in Iraq. This administration continues to disregard the will of the American people, it continues to disregard the people of the Nation, the authority of the Constitution. The administration believes it can continue to ignore the message that is coming—yes—from the American people, loudly and clearly: Bring our sons and daughters home.

That is why the bipartisan resolutions we will be debating are so important. That is why they are so important. We have a duty as the elected representatives of the people of the United States to be their voices and to speak the truth. And the truth is that sending more American troops into Iraq would be a continuation of the mistakes that brought us there in the first place. The truth is that many of us in both parties deeply, deeply disagree with the President's decision to increase our commitment in Iraq rather than to decrease it. The truth is that the American people are fed up with having our—our—soldiers caught in the crossfire of a civil war.

It is important to send that message from the people to the President of the United States. But it is not enough. The American people are asking us to send a message, but they are also asking us for answers. What is our strategy? What is our strategy in Iraq? I am not a Johnny-come-lately on this question. I was against sending American troops into Iraq in the first place. I said so, and I voted so.

So what is our strategy in Iraq? Why are we there? When can our sons and daughters and grandchildren come home? When can our sons and daughters come home? This President has had almost 4 years to articulate answers to those questions. Unfortunately, he has failed at every opportunity. And so it falls to us—us, you Senators and me, and Members of the other body—to find a way forward out of the mess he has created. That is why I will be introducing, within the coming days, a resolution that is a new approach to the war, a resolution that is

fully supportive of our troops, while laying out clear—clear; as clear as the noonday Sun in a cloudless sky—benchmarks for concluding U.S. military engagement in Iraq.

This administration has claimed that debating the President's plan will undermine the troops. Can you believe that? Debating—debating—debating the President's plan will undermine the troops? Hogwash—h-o-g-w-a-s-h—hogwash. Only 38 percent of the Active-Duty U.S. military forces support sending more troops into Iraq. To imply that the American people and the American troops are somehow incapable of hearing and participating in debate about this war is utterly ridiculous—ridiculous—hogwash.

War—hear me now—war and the escalation of war is not something to be decided in some backroom corridor far from the madding crowd, far from the light of day. We have a duty—yes, a duty—and a responsibility to deliberate, to discuss, and to offer advice. That is the way democracy works, and that is the system established by our Founding Fathers. You better believe it.

Some have claimed that by putting forward these resolutions, we are only offering criticism—well, what is wrong with that in the beginning—and, they say, not alternatives. But criticism is only the first step. That is all right. Criticism is only the first step. It is critical to send a consensus message to this President that he is moving us in the wrong direction. The next step is to show the President the right direction. That is why my resolution is so important and why we should be allowed to debate it and to vote on it quickly. We must show the President the way forward. We must send a light in a binding resolution that cannot be ignored.

The American people want a fundamental change in the administration's policies toward Iraq. The American people elected Congress—you, you, you, and me—to make those changes. We must demonstrate that the Congress can take and is prepared to take action to compel the President to create a strategy that is not simply more of the same.

The resolution I will be introducing will do exactly that. You may not agree with it. The resolution will do exactly that. This resolution reflects the will of the American people that the war in Iraq must be brought to a close in a responsible way. It will establish provisions to bring to a close the U.S. military engagement in Iraq based not upon dates but based upon conditions.

It will restore to Congress—Congress; that is us, the people's elected representatives in the House of Representatives and the U.S. Senate—it will restore to Congress its constitutional war-making power by adding conditions that would terminate the original 2002 use of force resolution. I was against that resolution. I spoke against it. I voted against it. I was against it. I am against it. I was right. I am right. And there are others who voted with me—yes, the people's voice.

Let me say that again. It will restore to Congress—the House and Senate of the United States—it will restore to Congress its constitutional war-making power. Do you believe me? I have it right here. I hold in my hand a copy of the U.S. Constitution. It will restore to Congress its constitutional war-making power by adding conditions that would terminate the original 2002 use of force resolution. Hallelujah. Amen. I was against that to start with. Not everybody agreed with me, which was their right. But this would restore—where it was and ought to have been in the first place—to Congress its constitutional war-making power by adding conditions that would terminate the original 2002 use of force resolution. I was against it. But that resolution was enacted, and it is still the law of the land. It is still the law of the land and will be the law of the land unless and until the Congress acts to terminate it.

The conditions can be summarized as follows: We have achieved our objective. We are no longer needed—or we are no longer wanted in Iraq. These are not irresponsible conditions that would prolong our involvement in Iraq, nor do they require a chaotic or dangerous withdrawal of our troops. These are reasonable conditions that, through the exercise of the article I, section 8 powers granted to the Congress, set limits on the Iraq war resolution, which currently has no sunset provision. Hear me. It has no sunset provision. It goes on and on and on—like Tennyson's brook—forever, on and on and on. Do we want that? That war resolution will continue to be in effect in perpetuity. Do you know what that means? Till Kingdom comes; in perpetuity, from now on, as far as the human eye can see and beyond that. That war resolution will continue to be in effect in perpetuity if the Congress does not act. And if Congress does not act, that is an abdication of the responsibility of the Congress—that is an abdication of the responsibility of the Congress—to be a steward, a good steward, of its constitutional power to declare war.

Additionally, as the bipartisan Iraq Study Group concluded, a clear message must be sent to the Iraqi Government that the U.S. commitment to the war in Iraq is not open-ended. The Byrd resolution will point the way toward concluding that commitment.

No Senator must set aside his or her views of the war in order to support the Byrd resolution. Those who support a rapid redeployment of our troops must realize that the Congress must first reassert the powers vested in this body by article I of the Constitution. Those who have supported the war but are now calling for benchmarks for progress by the Iraqi Government should understand that there can be no clearer call for benchmarks for progress than by writing into the law of the land the conditions under which our presence in Iraq will end.

My approach is one that I believe should have wide bipartisan support. At the appropriate time, I will make the necessary motions to place my resolution, the Byrd resolution, directly onto the calendar, and I urge that the Senate schedule a debate on this proposal soon after this body completes action on the nonbinding resolutions. Although the President believes he can act without the support of the people, the Congress must not submit to such hubris. The work of the Congress must be the work of the people, and there is no more important issue—hear me, there is no more important issue—before our country today than finding a way out of the quagmire in Iraq.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. McCASKILL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Madam President, I support the bipartisan compromise legislation on Iraq. I urge my colleagues to support it as well. It is a stunning repudiation of the President's misguided strategy in Iraq, and it will put the Senate squarely on record in opposition to the surge. It is a clarion call for change and a vote of no confidence in the President's failed policy.

It was wrong for the President to take the country to war when we did, the way we did, and for the false reasons we were given. It is wrong to compound that mistake now by sending tens of thousands of additional American troops into the middle of a civil war now taking place.

The American people oppose this escalation. Many generals oppose it. A bipartisan majority of Congress opposes it as well. I especially commend our colleague, Senator WARNER, for his extraordinary service to the Nation and making this compromise possible.

Could our message to the White House be any louder or clearer? I intend, however, to press for binding action that will prevent the surge, unless the President changes course. If he doesn't, I will seek a vote at the first appropriate opportunity. It is wrong for the President to escalate this war and send more American soldiers into the cauldron of civil war.

We are very hopeful that through the course of the afternoon we are going to be finally able to get a vote on the increase in the minimum wage from $5.15 to $7.25 an hour. This is the 9th day we have been on this particular legislation. We have had over $240 billion worth of increased tax preferences that have been suggested and recommended—always on the increase on the minimum wage.

This is not a very complex issue. We have not raised the minimum wage in over 10 years. The purchasing power of the minimum wage has gone down and down, and even with the increase now to $7.25 an hour, it will only be restored to the purchasing power it had 10 years ago.

This is an issue of fairness. It is about people who work and work hard. It is about men and women of dignity who want to do a good job and also want to provide for their children. So I am very hopeful we will have a chance this afternoon to move ahead and vote. We, on this side, have been prepared to vote on that increase from the first day. The House of Representatives only took 4 hours. The Democrats were joined by 80 Republicans to increase the minimum wage.

But over here, we have had 9 days of debate on the minimum wage, with a host of different amendments and still, outside of cloture, we would have 96 amendments that would have been offered by our friends on that side.

I saw yesterday that the President of the United States went to Wall Street and made a speech about how good everything was in terms of the American economy. I noticed that. I read through the speech. He was very robustly cheered by Wall Street during his recitation of some of the facts of what has been happening in the American economy. But although the economy has worked very well for Wall Street—I don't know of anybody who is doubting that—it is a different situation on Main Street. We have seen and heard, during the course of this debate, from many of our colleagues who related many of the stories they witnessed firsthand as they campaigned in their States and as they supported the initiatives that took place in some six States across the country. Rather than jobs that were going to lift you out of poverty, they are ending up being jobs that keep you in poverty. A minimum wage job was never meant to keep you in poverty. That is what it is doing today.

To review what our situation is, looking at the growth of poverty in the United States, these are some of the figures that were not included in the President's speech yesterday. Between 2000 and 2005, 5.4 million more Americans are in poverty in this Bush economy. This is in the last 5 years, from 2000 to 2005. What is more distressing is the number of children who are now living in poverty. This is the other side of the economic coin. This is not Wall Street; this is what is happening in communities all across our country. These are census figures, as of August 2006. We have 1.3 million more children who are living in poverty. We have not seen a reduction in the number of children in poverty; we have seen an increase in the number of children in poverty. This has followed quite a series of economic policies that have brought us to where we are at the present time. We saw that between 1947 and 1973—to put this administration's economic policies in some perspective because I think it is useful to try to find out exactly what it is and to understand it better. Rather than taking one speech at a time, why don't we look at what has been happening to the economy over the period of recent years.

This chart reflects statistics from 1947 to 1973, over a 25-year period, and these indicators are the five different quintiles of income for the American economy, with the lowest at 20 percent. What we are seeing is that all of the different economic groups rose and moved together. Actually, the ones that rose the most were those at the lowest part of the economic ladder. But what this chart is saying is that the economy of the United States of America was working for everyone during this 25-year period. Everyone. Everyone across the board was benefiting from the expanding economy.

If we look at 1973 to 2000, we begin to see the growth of these great disparities. This is from the Economic Policy Institute, and these are figures from 1973 to 2000. It was interesting that in the President's speech he talked about where we were 25 years ago. Of course, 25 years ago is when President Reagan was President, and this is what we find, which is right in the middle of that period and when this major disparity started to grow. This would be, obviously, starting in 1980, and this is 1973 to 2000.

The previous chart showed them all about even, with the lowest growing the fastest. Now we are seeing the flow line and the top moving along the fastest. And if we break this out even further, between 1973 and 2000, we find this growth disparity starting under the Republicans. It is 1980. The President made the reference to 25 years ago, and that is when the growth of this disparity started, and that is due to economic policies. Economic policies. You just can't get away from it.

If we look from 2000 to 2004, this chart reflects what has happened. Take the line that goes right across, and we find out that low-income Americans are actually losing income and falling the fastest. This is a Census Bureau historical income table. These are the governmental figures. So this isn't a speech, these are governmental figures. It shows this extraordinary growth in these disparities, and the people who have suffered the most have been children and also those at the lower end of the economic ladder, who are the minimum wage workers. And that is what we are trying to change on the floor of the Senate, to give them a break and give them a raise to $7.25.

We can see what has happened as a result of these economic policies of the recent past. These are the UNICEF child poverty figures, and we see across the industrial world that the United States has the highest child poverty rate, the highest child poverty rate of any industrial country in the world. So we have this idea on Wall Street that we can say everything is hunky-dory and yet be a nation where we have the highest child poverty rate in the world. And Lord only knows that this weekend probably every person in this Chamber will be making a speech about how children are our future and we have to invest in them, all of which is absolutely true, but we have been failing in our responsibility to look after what has been happening to the children in our country.

One might say: Well, this is all very interesting, but what has the minimum wage got to do with any of this, Senator? It is interesting, but the increase in the minimum wage doesn't solve these issues. And I agree with the President that we have to do more in terms of education. We have to do more in terms of training and in health and in nutrition for these children. There is a great deal more we have to do for children. It all starts, obviously, in the home, but schools are next, and then communities. We all have to do a great deal more, but these are rather startling indictments.

Look at where the poverty rate is in the United States. In States that have a high minimum wage, they have lower poverty rates. This is directly related to the subject matter here.

We have talked generally about economic trends. We have talked about the growth in poverty and the growth in child poverty. So one might ask: What can we do about it? Well, one major step forward we can take is doing something about the minimum wage. Let's prove it.

Look at this chart. These are States with higher minimum wages. They are the States that have voted for an increase in the minimum wage over the Federal minimum wage. Again, these are the Census Bureau's figures. The national poverty rate we see is the red line, and the States that have a higher minimum wage than the national average have less child poverty. Less child poverty.

This chart reflects poverty rates generally, with the next chart reflecting lower child poverty rates. Here is the increase in the minimum wage, and it shows where child poverty is. The other chart showed families living in poverty. This is what happens in States with a higher minimum wage. Again, these are all Census Bureau figures.

So we can do something about child poverty by increasing the minimum wage. And there are many other things we can do, such as increase the earned-income tax credit, support the CHIP, Medicaid expansion, and other types of outreach programs. But one thing we know we can do, and what we have before the Senate this afternoon, is the issue of whether we are going to make progress in reducing child poverty. That is the issue. That is one of the significant outcomes of the vote this afternoon.

We are seeing at the present time, according to the USDA, that we have 12.4

million children who are hungry under the Bush economy. This particular line is left out of the speeches on Wall Street. We have 12.4 million children who are going hungry every single day according to the U.S. Department of Agriculture. But here we see what happens with these 6.4 million children who will benefit from this increase in the minimum wage.

This is the spinoff from the increase in the minimum wage. We are going to get better attendance in our schools, better concentration, and better performance. We have seen that time and time again. We are going to get higher test scores and higher graduation rates; children with stronger immune systems, better health, fewer expensive hospital visits, and fewer run-ins with the juvenile justice system.

We should go back and look at the Perry preschool programs. The studies reflect that when we make these investments in children that we will see every one of these kinds of indicators come out in a positive way. And increasing the minimum wage, as I mentioned, will have an impact on 6.4 million children.

I will make just one final point, Madam President. We have 50,000 spouses of our military who are working today, 50,000 of them and their husbands, primarily husbands but also wives, who are serving in the Armed Forces of the United States of America, and many of them are in Iraq or Afghanistan or served in Iraq and Afghanistan, and they are earning $5.15 or slightly more an hour today. So when we ask what can we do to indicate to our men and women in uniform that we have some respect for their families, well, we have important responsibilities to their families. We can't expect we are going to have top-notch fighting personnel if they are worried about the economic condition of their families. Any military leader will tell you that.

So we have a responsibility to them because they are part of our national security, but we have a responsibility to them also if we are interested in having the most efficient kind of fighting force. Yet we have 50,000 members whose families are out there earning $5.15 or slightly more an hour. That can change. That will change. We can increase the benefits that reach these families.

Hopefully, we have had a good opportunity to talk about these issues. At earlier times in the debate we had questions about, well, what is going to be the impact on small business. We showed the charts where they had increased the minimum wage in some States and, actually, the numbers of small businesses and the expansion of small business and the profitability of small business had all been enhanced.

We had the question: Well, if we increase the minimum wage, will there be an increasing loss of employment? We demonstrated here the best answer to that is what has happened in the past. At other times, historically, when we saw this kind of increase in the minimum wage, we actually saw the unemployment figures continue to strip downward and the employment figures continued to drift upward. Those are the statistics. We put them out here and we haven't been challenged on any of these figures.

We also hear, although not a great deal during the course of this particular debate but in other debates, that this action will be inflationary. So we put the chart up that showed if we provide an increase in the minimum wage, in terms of the payroll, that the increase is just one-fifth of 1 percent of total payroll in this country. So the idea that it is going to add to inflation is basically misleading. Of course, it doesn't compare to the kinds of increases we have seen in a lot of these corporate salaries. I wish we had heard complaints about some of that as we were talking about the pressures of increased payout.

The arguments in favor of the increase are compelling, they are overwhelming, and, hopefully, we are going to have an opportunity this afternoon to finally get, after 10 years, an increase in the minimum wage. We have been standing virtually in the same place for 10 years trying to get an increase. We had 16 days of debate on the increase in the minimum wage outside of the last 9 days. So that is 25 days of discussion on the floor of the Senate as to whether we are going to increase the minimum wage from $5.15 to $7.25 an hour over, basically, a 2-year period. It has taken us all that time to get the Senate of the United States to hopefully vote positively on that proposal, but I am very hopeful that will be the case later in the afternoon.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLARD. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. ALLARD. Madam President, I further ask unanimous consent that I be allowed to speak as in morning business.

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

(The remarks of Mr. ALLARD and Mr. SALAZAR pertaining to the introduction of S. 472 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from Georgia is recognized.

CONGRATULATING MISS AMERICA CONTESTANTS

Mr. ISAKSON. Madam President, later today the Senate will approve a resolution commending Ms. Lauren Nelson, Miss Oklahoma, as having been named Miss America in the contest on Monday night. I certainly join all Members of the Senate in congratulating her.

I also wish to acknowledge my pride in Amanda Kozak, who finished as second runner-up as Miss Georgia. She is an equally beautiful and talented young lady.

I think it is appropriate that we memorialize on the floor of the Senate for the record the fact that one of our own was also in that contest on Monday night. I am very proud of Miss Kate Michael, Miss District of Columbia, who has worked in my office for the past 3 years. She is a talented, insightful young woman, dedicated to the betterment of mankind and committed to her country. She is a gifted professional dancer who has danced off-Broadway. She is a beautiful person on the outside, and she is equally beautiful on the inside. She is very bright. She graduated magna cum laude from the University of Georgia, and now, while pursuing the Miss America contest, working every day in the Health, Education, Labor, and Pensions Committee with me, at night she goes to Johns Hopkins to pursue a master's degree in government.

Truly, sometimes the media takes those sensational things that happen to young people that are always disappointing and elevates them to front-page news. Yet fine young women such as the ones we recognize in this resolution rarely ever get a comment once the crown is placed on their head. But I am very proud today to say how proud I am of Miss Kate Michael, Miss District of Columbia, my employee and an employee of this Senate, who performed masterfully and competed masterfully in the Miss America contest and is the winner of a crown with me every day of the year.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. BROWN. Madam President, I ask unanimous consent to speak as in morning business.

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

AMERICA'S ECONOMIC HEALTH

Mr. BROWN. Madam President, earlier this week the President traveled to Peoria, IL, and yesterday to Wall Street and delivered speeches that painted a remarkably rosy picture of our economy. He praised current U.S. trade policy, applauding his evidence of success, the increase in global free-trade agreements since taking office. I have to say that I, along with millions of middle-class families in Ohio, in Missouri, all over this country, had to wonder what part of the country he was talking about. In my State of Ohio, in Steubenville, in Youngstown, Toledo, Columbus, and Dayton, more than 180,000 manufacturing workers lost their jobs in the time the President has been in the White House.

The President was right about one thing: Productivity is up, and that is a testament to our Nation's hard-working and skilled labor force. Far too

often, our Nation's workers do not share in the wealth they create. Our small businesses can't compete against the multinational corporations that exploit cheap labor abroad. Our Nation's history is all about workers. As their productivity increases, they share in the wealth they create for their employers, creating a middle class, creating a rising standard of living.

The President also talked about wage increases for workers, but I am afraid that is where he lost us again. I would invite the President to sit down with a steelworker in Steubenville or a machinist in Toledo or a small tool-and-die shop owner in Dayton. Workers are not seeing their wages increase, nor are they seeing new job opportunities. Employers are not seeing trade policies that level the playing field. Our economic values are skewed toward a very select few in this country.

While it is true the President has pushed 10 free-trade agreements through the negotiation process, he has done so using a fundamentally flawed trade model. More of the same in this case is not such a good thing.

What the President did not say during his speech was that trade negotiations are falling apart. The Central American Free Trade Agreement pushed through the House of Representatives by one vote in the middle of the night still has not been fully implemented. The subsequent Andean Free Trade Agreement fell apart before it even began. Two years ago, thousands of workers in Central America took to the streets protesting this failed trade policy. Last week, tens of thousands of workers in Korea took to the streets protesting a pending free-trade agreement with our country. Why? Again, because the administration continues to use a failed trade model for these agreements. Revamping U.S. trade policy is not just about taking better hold of our economic health; it is about establishing priorities in Washington that reflect family values at home and building strong relationships with trading partners abroad.

While the administration continues to be out of touch with Main Street, I am pleased to say that finally in this Congress there is a bipartisan fair trade effort underway. I am working with Democratic Senator BYRON DORGAN of North Dakota and Republican Senator LINDSEY GRAHAM of South Carolina on a new direction for trade policy. It is not a question of if we trade but how we trade and who, in fact, benefits from trade.

While discussing the minimum wage this week, Senator KENNEDY used these charts to illustrate the development over time of drastic economic inequality in our country. From 1946 to 1973, economic opportunities for poor and working families grew. The lowest 20 percent actually had higher growth, percentagewise, than the top 20 percent in this country. The families who worked hard and played by the rules had a real chance of getting ahead.

From 1973 to 2000, things began to change dramatically. From 1973 to 2000, the lowest 20 percent had the lowest growth in their incomes; the top 20 percent had the fastest growth. It so happened in the year 1973, two things happened: the oil embargo, with the price of oil shooting up; second, 1973 was the year when the United States, historically with trade surpluses, fell into trade deficits, and we have been in trade deficit ever since 1973.

If we look again at this chart, from 1946 to 1973, for 26 years, economic growth was shared equally, with the lowest 20 percent actually growing at the fastest rate and the top 20 percent at the lowest rate. Since 1973, when our country went from persistent trade surpluses to persistent trade deficits, growing more and more and more every year, the lowest 20 percent now have the lowest growth rate, by far. The highest top 20 percent have the fastest growth rate, by far.

We should also look at what has happened to the trade deficit. In 1972, the year I first ran for Congress, our country had a $38 billion trade deficit. In 2006, when the numbers are finalized, our trade deficit will exceed $800 billion. We went from a $38 billion to a $800 billion trade deficit. As President Bush first pointed out, back in 1989–1990, $1 billion in trade deficit or trade surplus translates into 13,000 jobs. So do the math: $1 billion in trade deficit translates into 13,000 lost jobs. Our trade deficit is now $800 billion for the year 2006. Our trade deficit with China in 1992, the year I first ran for the House of Representatives, our trade deficit with China was barely into the double digits. Today our trade deficit with China has reached about $250 billion.

It is clear our trade policy has failed. We have given countries such as China, countries that exploit sweatshop labor and manipulate their currency, an unfair and unnecessary advantage.

If trade agreements can be crafted to protect drug patents and drug companies, those same trade agreements can protect the environment. If trade agreements can be crafted to protect international property rights and Hollywood films, the same trade agreements can protect workers, small American businesses and our communities.

Current U.S. trade policy allows for the inhumane exploitation of foreign workers; it exacerbates job losses in places such as Lima and Zanesville, OH. It puts local businesses—particularly small tool and die, machine shops, small manufacturers—at an unfair disadvantage, forcing thousands of them to close, as large corporations move to Mexico, China, and elsewhere overseas.

In my home State of Ohio, more than 40,000 jobs have been lost to China in the last decade, allowing foreign companies to pay slave wages, to abuse their workers, and to lie about their business practices hurts Americans. It hurts American workers. It hurts American businesses.

This country is already hard at work to change our trade policy to promote fair trade that works for U.S. businesses. We want trade defined differently. We want different trade practices. We want trade that will help small business, that will help workers, and that will stem the exploitation of workers in developing nations.

No longer are Democrats and Republicans in Congress going to stand idly by while businesses and workers in Ohio, businesses and workers in places such as Gallipolis and Springfield and Lima are penalized for playing by the rules.

In the last Congress, we changed the debate on trade. In this Congress, we will change the face of trade.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SALAZAR. Madam President, I ask to speak for up to 10 minutes as in morning business.

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

IRAQ

Mr. SALAZAR. Madam President, as we anticipate the beginning of the discussion and debate with respect to the future of the involvement of the United States in Iraq, it is important for Members always in this Chamber to remember we are all unified in honoring the men and women who serve in the Armed Forces and those men and women who continue to fight in Iraq with such bravery and such valor that we cannot forget what they do. Every Member in the Senate honors the sacrifice which our troops and their families have made over the past 4 years. That sacrifice will not, cannot, and will never be forgotten.

It is also important to remember that no matter how contentious the debate might become in the weeks and months ahead, every Senator shares the same basic goals: The goal is simply peace and stability in the Middle East and a safe return of our troops to their homeland.

We may disagree on the best path to the end. It is important to remember what binds us together as America so we will not be torn too far apart and we can help end the divisiveness which has occurred in our country over this issue and move forward in a bipartisan way to restore the greatness of America in the world.

It is my hope the anticipated debate that will occur will be with a spirit of bipartisanship and with a spirit of civility. I am especially pleased we have arrived at a bipartisan resolution

which plainly states Congress does, in fact, support a new direction in Iraq. I commend the efforts of the bipartisan group of Senators who worked together to provide a positive framework for protecting our national security, supporting our troops, and defining our mission in Iraq. That compromise resolution reflects the will of the American people that we must, in fact, chart a new course of success in Iraq.

I especially commend the leadership and the great efforts of Senator WARNER, Senator NELSON, Senator COLLINS, Senator LEVIN, Senator BIDEN, Senator HAGEL, and others who have been involved in this effort over the last several days.

Until now, the debate over our mission in Iraq has been dominated by essentially what has been a false choice. On the one hand, we have had before Congress and before the American people plan A, which is the President's plan, which essentially has been to say, stay the course, plus, add another 21,500 troops into the fight in Baghdad. This would be a mistake. It would put more American troops into the middle of a civil war and places too much faith in what has been, to us, an incompetent Iraqi Government that has failed to do its work in securing the peace for its people and their country.

On the other hand, we have plan B, which is advocated by some Members of Congress, both in the House and this Senate, which calls for a more or less precipitous withdrawal from Iraq. From my point of view, this, too, is a bad choice. It could open the door to even more bloodshed and to a dangerous regionwide military escalation not only in Iraq but throughout the Middle East.

In my view, what we need is a plan C. That plan C should reflect the bipartisan opposition to the President's proposal to send an additional 21,500 troops to Iraq and also propose an alternative strategy for success in Iraq. That is exactly what we have accomplished with this compromise resolution which would make clear the following: First, that a bipartisan majority of Senators disagrees with the President's plan to increase the number of United States troops in Iraq as he has proposed; second, that the primary objective of a United States strategy in Iraq should be to encourage the Iraqi leaders to make the political compromises that are necessary to improve security, foster reconciliation, strengthen the Government, and end the violence; third, that the United States has an important role to play in helping to maintain the territorial integrity of Iraq, conducting counterterrorism activities, promoting regional stability and training and equipping the Iraqi troops; and, finally, that the United States should engage the nations in the Middle East to develop a regional, internationally sponsored peace and reconciliation diplomatic process and initiative within Iraq and throughout the region.

I will briefly elaborate on some of these points. The President's plan to simply surge or increase the number of troops in Iraq by 21,500 would be a mistake. First, the violence in Iraq is becoming increasingly sectarian, even intrasectarian. I worry that the American troops we are sending there are being placed in what is the midst of a civil war.

Second, I also worry that the larger American military presence will discourage the Iraqis from taking responsibility for their own security. As General John Abizaid said in this Capitol last November:

> . . . it's easy for the Iraqis to rely upon us to do this work. I believe that more American forces prevent the Iraqis from taking more responsibility for their own future.

As we enter the debate over the next several days and weeks in this Senate, we should not forget those words:

> I believe that more American forces prevent the Iraqis from taking more responsibility for their own future.

Furthermore, I am concerned that the plan places too much faith in the present Iraqi Government, which has so far shown little willingness to make the difficult decisions necessary to stop the bloodshed and the violence within their own country.

Finally, we have recent experience where the additional troops who have been sent into Iraq indicate that the results of those operations of the last 7 to 8 months have not been successful. Last year, we tried two separate surges—one was named Operation Together Forward I and the other was Operation Together Forward II—and neither stopped or slowed the violence in Iraq.

In fact, the bipartisan Iraq Study Group found that the violence had escalated during that same time period by 43 percent.

Adding to this is all the additional strain that a troop increase will place on our service men and women and their families.

For these reasons, I oppose the President's plan to increase our troop presence in Iraq. I am proud to be a cosponsor of the resolution that will be before this Senate. This resolution is more than about opposing the President's plan. It proposes a new strategy by calling for an enhanced diplomatic effort, a new focus on maintaining the territorial integrity of Iraq, maintaining the territorial integrity of Iraq, so that the weapons that are flowing from Iran and from Syria into that country can, in fact, be stopped. Stopping the flow of weapons and terrorists into that country will be part of bringing about the security that is needed in that country.

It also calls for a renewed focus on helping the Iraqis achieve a political settlement which is, at the end, a precondition to any successful outcome in Iraq.

We need a new direction in Iraq. We need to speak in a bipartisan voice. We, as an institution, need to fulfill our constitutional duty as a coequal branch of Government as we move forward with what is one of the most important questions that today faces the American Nation.

The resolution I hope will be considered in the Senate this next week is a first step in that direction. I am proud to be a sponsor and a supporter of that resolution.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. SALAZAR. On behalf of the majority leader, I ask unanimous consent the Senate now stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 2:29 p.m., recessed until 3:26 p.m., and reassembled when called to order by the Presiding Officer (Ms. KLOBUCHAR).

Mr. KENNEDY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

FAIR MINIMUM WAGE ACT OF 2007—Continued

Mr. HARKIN. Madam President, I rise to discuss an amendment I have filed to eliminate a provision that was added to the minimum wage bill regarding employee leasing firms, also known as professional employer organizations, or PEOs.

I have fought for a clean minimum wage bill, on the grounds that workers have been waiting 10 long years for this raise. During that time, businesses have seen record profits and productivity—and that has been equally the case in States and regions that have raised the minimum wage. Yet now we are being asked to include this aggressively anti-worker PEO provision in order to pass a minimum wage increase in the Senate.

For my colleagues and others who may not know what a PEO is, let me explain. It is an organization that handles administrative details for workers who actually do work for another company. For example, I might technically be employed by Tristate PEO, but I actually show up to work every day at Main Street Construction Company. Companies use PEOs so they don't have to handle the tax-and-benefits paperwork for many of their workers.

The language in the PEO provision, however, seeks to make these PEOs the ''employer of record'' for tax purposes. PEOs have sought to become the ''employer of record'' under various laws because they would like to be able to tell employers that the PEOs can independently take care of payroll taxes, workers' compensation, unemployment

insurance, and the like. However, in the past, PEOs have misrepresented what jobs are covered by workman's compensation—for instance, by characterizing construction workers as clerical. Under current law, legal responsibility for employer obligations typically remains partly or wholly with the worksite employer.

Making a PEO the sole employer makes the evasion of labor and employment standards much easier. The National Employment Law Project and other worker-rights advocates have concluded that the language now in the bill would make it harder for employees to go to an arbiter and get unpaid overtime, unemployment insurance benefits, or workman's compensation benefits if the PEO collapses. And this is by no means hypothetical. Such collapses have happened not just with small, fly-by-night operations, but with large PEOs like Administaff and Simplified Employment Services, SES.

For example, when SES allowed health insurance premiums to go unpaid and then went bankrupt, it left employees like Melanie Martin out in the cold. She said ''We trusted him to pay our insurance premiums, and now I'm stuck with a $7,000 surgery bill. Every time I think about this, I cry.''

In 2004, when MidAtlantic Postal Express in Roanoke, VA, went bankrupt, the U.S. Treasury wasn't the only one left holding the bag. Employees were left wondering where to turn for thousands of dollars in back pay. Victory Compensation Services was the PEO handling the workers' pay and benefits, and admitted that workers had no workman's compensation coverage even though MidAtlantic had paid Victory premiums. But Victory blamed MidAtlantic for the unpaid payroll.

Now, let's say that you are newly unemployed trucker who is owed $7,000 in back pay. This is a complicated mess for a worker to try to navigate just to get a paycheck that he or she is owed.

This is part of a larger, systemic problem. Working people in the United States feel less and less empowered in our you're-on-your-own society. Seventy percent of families are headed by either dual-income couples or a single parent. The housing bubble is bursting. Globalization is sending American jobs overseas. Pensions are being frozen at an unprecedented pace. The national savings rate has actually gone into negative figures. Women are working an average of 500 more hours more per year than in 1979. But productivity has increased 70 percent since then. People are working harder and getting paid less.

In this context of economic anxiety, we shouldn't be making it even harder for workers to organize, negotiate or enforce contracts, or fight for their rights under law. But that will be the sure-fire result if the final bill has this PEO provision in it.

I urge my colleagues to strip this provision from the bill. We must not sacrifice worker rights in exchange for this modest and long-overdue increase in the wages for those at the lowest rungs of the economic ladder.

Mr. LEVIN. Madam President, I have long supported an increase in the minimum wage. I am pleased that, with the leadership of the new majority in Congress, this minimum wage increase will be passed by a bipartisan majority.

In 1996 Congress raised the minimum wage by 90 cents an hour in two steps to $5.15 an hour. That increase was enacted more than 10 years ago. Since then, the real value of that wage has eroded by 21 percent and the nearly 5.5 million workers earning the minimum wage have already lost all of the gains from the 1996–1997 increase. Since then, Gallup polls have shown that 86 percent of small business owners do not think that the minimum wage affects their business, and nearly half of small business owners think that the minimum wage should be increased. Since then, 29 States, including Michigan, as well as the District of Columbia have recognized the importance of keeping our working families out of poverty by increasing State minimum wages.

Unfortunately, since the 1970s, poverty has increased by 50 percent among full-time, year-round workers. Currently, 37 million Americans, including 13 million children, live in poverty. As the most prosperous nation in the world, our minimum wage should be a living wage, and it is not. When a father or mother works full time, 40 hours a week, year-round, they should be able to lift their family out of poverty. A full-time minimum wage laborer working 40 hours a week for 52 weeks earns $10,700 per year—more than $6,000 below the Federal poverty guidelines for a family of three.

I believe that a full-time minimum wage job should provide a minimum standard of living in addition to giving workers the dignity that comes with a paycheck. These lower paid workers, many of whom have entered the workforce due to the welfare reform, should be rewarded for entering the workforce, not penalized by a poverty wage. A higher minimum wage has the potential to ensure that lower paid workers will be protected from falling into poverty and possibly back on the welfare rolls. The minimum wage increase during the recession in 1991 provided much needed income to poor people and helped to increase spending in the economy. 58 percent of the benefit of the 1996 increase went to families in the bottom 40 percent of income groups. Over one-third of the benefit went to the poorest families—those in the bottom 20 percent of income groups.

Today the real value of the minimum wage is $4.00 below what it was in 1968. To have the purchasing power it had in 1968, the minimum wage would have to be at least $9.37 an hour today, not $5.15. According to the United States Department of Labor, over 60 percent of minimum wage earners are women; almost 40 percent are minorities, and nearly 80 percent are adults. These hardworking Americans deserve a fair deal.

In addition to the long overdue minimum wage provision, this bill contains a package of tax provisions. I am pleased that these include a number of measures to crack down on abusive tax dodges, including an improvement to current law to end the tax benefits received by companies that reincorporate and set up shell headquarters in offshore tax havens.

I am also pleased that the bill extends the work opportunity tax credit, which allows employers credit against wages for hiring workers from targeted groups such as recipients of public assistance, qualified veterans, and ''high risk'' youth. I have heard from a number of Michigan companies that the WOTC program is important to them in their hiring members of these targeted groups, and I am pleased that this provision will be extended through the end of 2012.

I am also pleased that the tax provisions would put in place a limit on the amount that corporate executives and other highly paid employees can place tax-free into deferred compensation plans. Under current law, public companies cannot deduct more than $1 million per year for compensation paid to their top officers. However, compensation that is ''deferred,'' meaning the employee doesn't have immediate access to it, is not subject to this $1 million limit; so deferred compensation packages have become a main way that company executives can get multi-million dollar compensation packages while their companies continue to take a tax write-off.

We have seen these excessive packages time and again in recent stories about runaway executive compensation totaling tens of millions of dollars. Tens and even hundreds of millions of dollars have been salted away in this fashion for corporate executives, and companies have simply found another way to game the system by excluding this ''deferred compensation'' from those individuals' income for the year. It is more than time for Congress to put an end to this game which has fueled excessive executive pay.

This bill would set a limit on the amount of compensation that could receive tax deferral at the lower of $1 million annually or the average of the previous 5 years compensation. The ability of corporate executives to defer tax on up to $1 million in compensation is still a significant benefit that stands in stark contrast to the minimum wage we are attempting to raise for those at the lowest end of the pay scale.

It is only right that those who are at the low end of the pay scale who work hard should receive a fair wage and be able to support their families. These people do not always have the leverage to negotiate a fair salary. This bill to increase the minimum wage will help to move them to a more livable wage.

Mr. INHOFE. Madam President, I will unavoidably miss the final vote on

the minimum wage bill but I come down here now to ask unanimous consent that the RECORD reflect, immediately after the vote, my announcement that I would have voted against this bill.

In so doing, I remain consistent on the issue. Government is best when it is does not pick winners and losers—when it does not competitively advantage one group of people over another or one set of States over another.

Senator DEMINT offered an amendment to equally and fairly increase the minimum wage by $2.10 for each State over what the wage is today.

The fact that the liberals voted against the DeMint amendment is proof that their bill as now constituted is really about damaging the competitiveness of middle America—the so-called red States, disparagingly called ''fly-over country'' by liberals—compared to the liberal fringe States.

Without this amendment, the underlying legislation would partially exempt minimum wage workers in higher-cost States that already have State minimum wage rates greater than the Federal level of $5.15 an hour, and completely exempt minimum wage workers in highest-cost States that have State minimum wage rates near $7.25 an hour.

The DeMint amendment would increase the Federal minimum wage equally for workers in all States at the same rate as H.R. 2 would increase the minimum wage from the current Federal minimum wage rate.

Senator KENNEDY's arguments against this amendment have been both confusing and contradictory. On the one hand, he said that we need a one-size-fits-all mandate, and then he said that Massachusetts has a higher cost of living.

I will not stand for people in Washington, DC, damaging the competitiveness of Oklahoma against other States. If Oklahomans vote to change our own laws, that is one thing, but we are not going to buckle under to DC and the liberal fringe States.

Thus I would vote nay.

I ask unanimous consent that the following chart be printed in the RECORD.

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

State	Current MinWage In Effect	Kennedy Proposal			$ Wage Hike	DeMint Proposal			$ Wage Hike
		2007 $5.85	2008 $6.55	2009 $7.25		2007 $0.70	2008 $1.40	2009 $2.10	
Alabama	$5.15	$5.85	$6.55	$7.25	$2.10	$5.85	$6.55	$7.25	$2.10
Alaska	7.15	7.15	7.15	7.25	0.10	7.85	8.55	9.25	2.10
Arizona	6.75	6.75	6.75	7.25	0.50	7.45	8.15	8.85	2.10
Arkansas	6.25	6.25	6.55	7.25	1.00	6.95	7.65	8.35	2.10
California	7.50	7.50	8.00	8.00	0.50	8.20	8.90	9.60	2.10
Colorado	6.85	6.85	6.85	7.25	0.40	7.55	8.25	8.95	2.10
Connecticut	7.65	7.65	7.65	7.65	—	8.39	9.10	9.80	2.15
Delaware	6.65	6.65	7.15	7.25	0.60	7.35	8.05	8.75	2.10
District of Columbia	7.00	7.00	7.55	8.25	1.25	8.70	9.40	10.10	3.10
Florida	6.67	6.67	6.67	7.25	0.58	7.37	8.07	8.77	2.10
Georgia	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Hawaii	7.25	7.25	7.25	7.25	—	7.95	8.65	9.35	2.10
Idaho	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Illinois	6.50	7.50	7.75	8.00	1.50	7.20	7.90	8.60	2.10
Indiana	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Iowa	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Kansas	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Kentucky	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Louisiana	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Maine	6.75	7.00	7.00	7.25	0.50	7.45	8.15	8.85	2.10
Maryland	6.15	6.15	6.55	7.25	1.10	6.85	7.55	8.25	2.10
Massachusetts	7.50	7.50	8.00	8.00	0.50	8.30	9.00	9.70	2.10
Michigan	6.95	7.15	7.40	7.40	0.45	7.65	8.35	9.05	2.10
Minnesota	6.15	6.15	6.55	7.25	1.10	6.85	7.55	8.25	2.10
Mississippi	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Missouri	6.50	6.50	6.55	7.25	0.75	7.20	7.90	8.60	2.10
Montana	6.15	6.15	6.55	7.25	1.10	6.85	7.55	8.25	2.10
Nebraska	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Nevada	6.15	6.85	7.65	8.25	2.10	7.85	8.55	9.25	2.10
New Hampshire	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
New Jersey	7.15	7.15	7.15	7.25	0.10	7.85	8.55	9.25	2.10
New Mexico	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
New York	7.15	7.15	7.15	7.25	0.10	7.85	8.55	9.25	2.10
North Carolina	6.15	6.15	6.55	7.25	1.10	6.85	7.55	8.25	2.10
North Dakota	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Ohio	6.85	6.85	6.85	7.25	0.40	7.55	8.25	8.95	2.10
Oklahoma	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Oregon	7.80	7.80	7.80	7.80	—	8.50	9.20	9.90	2.10
Pennsylvania	6.25	6.25	6.55	7.25	1.00	6.95	7.65	8.35	2.10
Rhode Island	7.40	7.40	7.40	7.40	—	8.10	8.80	9.50	2.10
South Carolina	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
South Dakota	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Tennessee	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Texas	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Utah	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Vermont	7.53	7.53	7.53	7.53	—	8.23	8.93	9.63	2.10
Virginia	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10
Washington	7.93	7.93	7.93	7.93	—	8.63	9.33	10.03	2.10
West Virginia	5.85	5.85	6.55	7.25	1.40	6.55	7.25	7.95	2.10
Wisconsin	6.50	6.50	6.55	7.25	0.75	7.20	7.90	8.60	2.10
Wyoming	5.15	5.85	6.55	7.25	2.10	5.85	6.55	7.25	2.10

22 States—Fully Impacted.
18 States—Partially Impacted.
10 States—Not Impacted.

Mr. FEINGOLD. Madam President, I speak today in support of passage of H.R. 2, the Fair Minimum Wage Act of 2007. The Federal minimum wage has not been increased in almost 10 years and an increase is long overdue. I have been a strong supporter of an increase in the Federal minimum wage for many years and I am delighted the Senate is finally about to vote for an increase in the Federal minimum wage.

This much-needed increase is projected to benefit close to 13 million Americans either with a direct increase in their minimum wage or indirectly by promoting higher wages for other working Americans earning more than the minimum wage. This increase is sorely needed because the current minimum wage cannot adequately support workers as its value has eroded significantly since the last increase in 1997. Furthermore, the Center on Budget and Policy Priorities notes that after adjusting for inflation, the value of the minimum wage is at its lowest level since 1955. As the costs of housing, health care, energy, and education continue to skyrocket, we must raise the minimum wage to provide millions of hard-working Americans the respect and dignity their work demands.

More and more of these working Americans find themselves mired in poverty or living on the cusp of poverty. Right now, there are 37 million Americans living in poverty, including 13 million children. Since the 1970s, poverty has increased by 50 percent for full-time, year-round workers. Minimum wage workers who work full time earn $10,700 a year, which is almost $6,000 below the Federal poverty guidelines for a family of three. No American should work full-time, year-

round, and still live in poverty. While this modest increase in the Federal minimum wage will not eliminate poverty, it will provide hard-working Americans with a well-deserved increase in their wages. This increase will provide more money for workers to purchase prescription drugs, to pay utilities and rent, to provide child care for their children, and to invest in higher education opportunities. This increase is needed because the majority of the low income people in our country are working and are holding down low-paying jobs with stagnant wages that do not allow them to break free from poverty.

Even with this increase in the Federal minimum wage, workers in Wisconsin and throughout the country will still struggle to afford housing. The National Low Income Housing Coalition estimates that the fair market rent for a two-bedroom apartment in Wisconsin is $666 a month and calculates that a worker in Wisconsin needs to make $12.80 an hour to avoid paying more than 30 percent of his or her income on housing. According to NLIHC data, a full-time minimum wage employee earning the current $5.15 an hour needs to work 79 hours a week, 52 weeks a year to afford a two-bedroom apartment. Madam President, 79 hours a week is almost the equivalent of two full-time minimum wage workers and the number of hours of work required to cover the costs of an apartment are even higher in States with higher housing costs. It is a disgrace that in many cases, minimum wage workers working full time cannot afford adequate housing or are forced to pay a huge share of their income to cover housing costs. While this increase will alleviate some of the housing affordability burdens facing workers, more needs to be done this year to promote affordable housing, including expanding rental assistance and affordable housing production.

Unfortunately hunger and food insecurity are also a reality for far too many minimum wage workers. Even in a State known for its diverse agricultural production, many Wisconsinites periodically face hunger. Food Stamps, or FoodShare as it is known in Wisconsin, serves over 25 million nationwide and 329,000 Wisconsinites. Even with this and other Federal nutrition assistance programs combined with the dedicated work of food pantries, soup kitchens and even many religious organizations, 9 percent—or 1 out of 11 of households in Wisconsin lack sufficient food. Many of these food assistance recipients are working at low-wage jobs, so increasing the minimum age is an important step. But even with this improvement, it will not fully solve this problem and I will continue to work to provide improved Federal support in the Farm Bill and elsewhere to reduce hunger.

Housing costs are not the only necessity of life that minimum wage workers have to provide for themselves and their families. They also have to purchase groceries, provide health care, pay for higher education, pay for increasingly expensive gas and electric costs, and provide child care for their children. Some Americans may think that the majority of minimum wage workers are teenagers in the first job; that perception is incorrect. The Economic Policy Institute notes that over 70 percent of minimum wage workers are adults and in Wisconsin, over 80 percent of minimum wage workers are adults. Moreover, of these adult minimum wage workers, over 30 percent are the sole breadwinners of their families.

I think it is unconscionable that in the almost 10 years that we have not raised the minimum wage, Congress has voted to increase its own pay by $31,600. People in Wisconsin find it hard to understand why Members of Congress received substantial pay raises at a time when the real value of the minimum wage has eroded by 20 percent since 1997. As my colleagues know, I have long fought against automatic congressional pay increases and will continue to do so. I have introduced legislation that would put an end to automatic cost-of-living adjustments for congressional pay. Mr. President, we have Americans who are working full time, 52 weeks a year and they cannot afford health care, housing, and child care. They don't have the power to automatically raise their pay—they are dependent on Congress to raise the Federal minimum wage. But instead of working to raise the minimum wage during the past 10 years, we in Congress worked to protect our automatic pay raises.

Opponents of increasing the minimum wage argue that it hurts the economy and job growth, but past increases in the minimum wage do not support that argument. In the 4 years after the previous minimum wage increase, nearly 12 million new jobs were created. A 1998 Economic Policy Institute study did not find significant job loss associated with the 1997 minimum wage increase. Additionally, the Center on Wisconsin Strategy examined job growth after the June 2005 increase in Wisconsin's minimum wage and found that Wisconsin had an average growth of 30,000 more jobs, not a job loss.

This increase is a great start, but more needs to be done for the American worker. I am pleased an amendment I offered was accepted into the underlying package that seeks to support American manufacturers. I thank my colleague, Senator KENNEDY, for his leadership in moving this bill through the Senate and both he and his staff for their assistance in getting my Buy American reporting requirement amendment accepted into the Senate package. This amendment is based on past Buy American reporting requirements that I have been successful in getting enacted in various appropriations bills from fiscal year 2004 through fiscal year 2006.

This Buy American reporting requirement requires Federal agencies to submit annual reports that include the following information: (a) the dollar value of any articles, materials, or supplies purchased that were manufactured outside of the United States; (b) an itemized list of all waivers of the Buy American Act granted with respect to such articles, materials, or supplies, and a citation to the treaty, international agreement, or other law under which each waiver was granted; (c) if any articles, materials, or supplies were acquired from entities that manufacture articles, materials, or supplies outside the United States, the specific exemption under the Buy American Act that was used to purchase such articles, materials, or supplies; and (d) a summary of total procurement funds spent on goods manufactured in the United States versus funds spent on goods manufactured outside of the United States.

The amendment also requires that these reports should be made publicly available to the maximum extent possible and contains a common sense exception for members of the intelligence community.

I have long believed that an important way Congress can support American manufacturers and workers is to ensure that the Federal Government buys American-made goods whenever reasonably possible. Congress enacted such a policy when it passed the Buy American Act of 1933. That act requires government agencies to purchase American-made goods but allows these requirements to be waived in certain specified cases. I am concerned that those waivers may be being used excessively. Unfortunately, right now, only the Department of Defense is required to permanently report on its use of waivers of domestic procurement laws. I hope that this Buy American reporting language can help ensure that the entire government buys American-made goods in every possible circumstance, and is able to explain its reasons when it does not do so. This is a straightforward way to help ensure that the Federal Government—and American taxpayer dollars—support American workers.

My State has suffered a huge loss of manufacturing jobs over the past 6 fyears. According to statistics from the Department of Labor, Wisconsin lost over 90,000 manufacturing jobs between January 2000 and November 2006. Unfortunately, many other manufacturing states around the country are facing similarly tough times. The Economic Policy Institute reported that the August 2006 level of manufacturing employment is ''at near lows not seen since the 1950s.'' The continued loss of high-paying manufacturing jobs underscores the need for the Federal Government to support American workers and businesses by buying American-made goods.

American workers need our support on a range of issues, whether it is by

increasing the minimum wage, fighting against bad trade policies, or encouraging the purchase of American-made goods. The Senate took a good first step with the passage of this legislation. I was proud to vote for the 1996–1997 increase bringing the minimum wage to its current level of $5.15 an hour and I am pleased to now support the increase in the Federal minimum wage from $5.15 to $7.25.

When the minimum wage was established in 1938, its purpose was to ensure that American workers were fairly compensated for a day's work. Despite the passage of this increase, far more work needs to be done to support hard-working American families. I look forward to working with my colleagues in this new Congress to promote housing, education, and health care policies that support the working men and women of this country. This is a great victory for families in Wisconsin and throughout the Nation and it is my hope that this first step paves the way for additional legislative victories for working Americans this year.

Mr. DOMENICI. Madam President, I rise today in support of the Fair Minimum Wage Act of 2007, H.R. 2.

It has been 10 years since Congress last voted to raise the minimum wage. In the meantime, our cost of living has increased annually and working families have struggled to meet their most basic needs. The current Federal minimum wage just isn't sufficient. Now is the time to raise the minimum wage. It is time to give America's hard-working, low-wage workers a raise.

This bill will increase the Federal minimum wage by $2.10 an hour to $7.25 an hour. This increase will be done in three phases over a 26 month period. The minimum wage has proven to be an important tool in fighting poverty in our country and I believe that this modest increase will help to improve the situation of low-wage workers and their families.

The Fair Minimum Wage Act also contains several key tax credits. These tax credits will encourage small businesses to continue to explore new investments and make improvements to their business property. This bill will extend the tax credit provided to employers who hire workers who have experienced barriers to entering the workforce, such as low-income workers welfare and food stamp recipients, and high-risk youth. The work opportunity tax credit will also apply to the hiring of veterans disabled after the September 11, 2001, attacks. I believe that these tax credits will be of benefit to our small businesses owners and I hope that my colleagues will support this package.

Mr. SMITH. Madam President, I rise today to support the Fair Minimum Wage Act of 2007 to increase the Federal minimum wage.

The Fair Minimum Wage Act of 2007 will increase the Federal minimum wage by $2.10 to $7.25. Oregon's minimum wage, which is $7.80 and adjusted annually for inflation, will not be impacted by this boost. Nevertheless, I support the increase of the Federal minimum wage for our Nation's employees. I also support the inclusion of the small business tax relief in the legislation. I believe this is a valuable legislative package, helping both our Nation's employees and small businesses and strengthening America's workforce and economy.

The bill before us today will have a positive impact on our low-income workers. An estimated 14 million workers will receive a pay increase if the minimum wage were raised from $5.15 to $7.25. There are roughly 3.9 million families with children under 18 that will benefit from this minimum wage increase, including 1.4 million single parents.

I am proud that we had this debate on the Senate floor. By engaging in this bipartisan discussion, we were able to reach a compromise that benefits low-income American workers. After 10 years, hard-working Americans, many of whom are working full-time jobs, will be in a better position to pay their bills, take care of their families, and reinvest in the economy.

I also support the tax relief included in this bill for our Nation's small businesses. As a small business owner, I know first hand what it takes to meet a payroll and to sign the front of a paycheck. Small businesses are the backbone of the American economy, employing more than half of all private sector employees and generating 60 to 80 percent of net new jobs annually. Targeted tax and regulatory relief is vital to helping these businesses continue to create new jobs, stay competitive, and keep our economy growing.

I applaud the Senate leadership for bringing forth the minimum wage bill to help our Nation's workers. I am honored to support the Fair Minimum Wage Act of 2007.

Mr. GRASSLEY. Madam President, I wish to speak briefly on a revenue provision contained in the minimum wage bill. Senator BAUCUS and I worked closely on the tax bill, both on the provisions providing relief to small businesses affected by the minimum wage but also the offsets that made sure the package was in balance.

One of the offsets, that dealing with limiting the amounts of annual deferrals under nonqualified deferred compensation plans, has attracted some concern and raised some questions.

I thought it would be useful to my colleagues for me to provide a brief sketch of where we have been on this issue. The issue of nonqualified deferred compensation came to the attention of the Finance Committee in response to the Joint Committee on Taxation's investigation into Enron—done at the request of the Finance Committee. The Enron report highlighted a number of abuses by top executives involving nonqualified deferred compensation.

In the American Jobs Creation Act that Congress passed in 2004, there were included provisions that limited deferred nonqualified compensation plans. In brief, the legislation limited when and under what circumstances distributions could be made.

More recently, in the Pension bill passed last year, Congress restricted funding of nonqualified deferred compensation plans if the employer had underfunded certain other retirement plans.

In addition, the Finance Committee last September had a hearing that looked closely at executive compensation that covered a wide range of pay issues involving top employees.

As my colleagues can see, the issue of executive compensation and particularly nonqualified deferred compensation has been of long-standing interest for the Finance Committee. I expect that these matters will continue to command the attention of the committee this Congress.

The majority of concerns that have been raised about this most recent provision contained in the minimum wage bill is its possible impact on middle management. I appreciate those calling for caution. The Finance Committee's Republican staff is reviewing the legislation and seeking to get more and better numbers about who is affected by this legislation. In addition, there have been bipartisan discussions at the staff level.

In discussions with Joint Committee on Taxation I have asked them what would be the impact of eliminating the 5-year average compensation limitation so that the aggregate amounts deferred under a nonqualified deferred compensation plan would be limited to $1 million annually.

JCT informs me that this would reduce the current $806 million score by less than $100 million—so it would only be a small shave off the score. This suggests to me, that the vast majority of individuals—90 percent—who would be affected by this reform are among the wealthiest—i.e., those individuals receiving more than $1 million annually in nonqualified deferrals. I hope this information will help inform members as we discuss this matter in the near future.

Finally, I think it is important for members to bear in mind that ERISA does not apply to so-called ''top hat'' plans, these top hat plans being those for top management. There is a concern that if a nonqualified plan is widely applicable, as widely applicable as some of the opponents of this provision contend, it raises other red flags.

The issue raised is the fact that a widely applicable plan should be treated as an ERISA plan. If these widely applicable nonqualified deferred compensation plans are actually ERISA plans, they then should come under the protections that Congress has put in place under ERISA to provide workers retirement security.

I will continue to look at this provision and bear in mind the issues raised by my colleagues.

Madam President, we are finishing up debate on the Senate minimum wage/small business tax relief bill.

The Senate invoked cloture on the Baucus substitute amendment. It contained two basic components. The first one is the proposed increase in the Federal minimum wage. The second component is tax incentives to assist workers and businesses burdened by the increased Federal minimum wage. That part of the package was approved, on a bipartisan basis, by the Finance Committee late last month.

Now, by approving the Baucus substitute on an overwhelmingly bipartisan vote, the Senate has made its will clear: a minimum wage increase must be linked to small business tax relief package.

In the normal course of events, after Senate passage, the amended House bill would either go into conference or go back to the House as amended. We call the latter procedure ''pingpong.''

Since tax matters were linked and the House bill doesn't have tax provisions, the House Democratic leadership and tax writers have threatened to send the Senate bill back to the Senate. They will claim that they are protecting prerogatives of the House.

We find ourselves stuck on minimum wage because the House Democrats have threatened to use the ''blue slip'' procedure.

So, no one should be mistaken. It is House Democrats, not Senate Republicans, who are delaying passage of the minimum wage.

If House Democrats send us a suitable revenue bill, Senate Republicans will be ready to move expeditiously to the next step. Right now, we can not move.

Now, if the House Democrats send us a minimum wage-related revenue bill, what happens next?

That is up to our Democratic and Republican leaders.

There are two basic avenues to take. One is a conference. The other is to amend the House revenue bill back with the Senate-passed bill and send it to the House.

On tax bills, we have used both approaches over the last few years. For instance, the Hurricane Katrina tax relief measures never went to conference. On the other hand, we had conferences on the tax relief reconciliation bill and the pension bill.

Still another approach would be for the House to combine its minimum wage bill with the Senate tax relief package and send it over here. That route, though unusual, has also worked.

In this case, I have indicated to my Republican leadership that I am wary about the conference option.

The Senate Democratic leadership only came to linking minimum wage with small business tax relief after Chairman BAUCUS relayed the Republican position to them. It took a cloture vote to prove Chairman BAUCUS right.

So, if we go to conference, the Senate Democratic leadership and House Democratic leadership might be perfectly willing to scrap the Senate's position.

Apparently, at a pen and pad session with reporters today, the majority leader indicated as much. He told reporters he wanted a ''clean'' minimum wage bill to come out of conference. Now, I am told the majority leader's press operation has attempted to change the impression those remarks left.

Let's just say I am reasonably suspicious of those kinds of ''clarifications.'' Apparently, the majority leader also said he would be prepared to dare Republicans to filibuster a clean minimum wage conference report. By ''clean,'' he appears to be referring to the term used by House and Senate Democratic leadership to mean no linked small business tax relief.

Make no mistake—the easiest and quickest way to send a minimum wage bill to the President would be for the House to send the Senate a bill identical to the Senate-passed bill.

An alternative quick option would be for the House to send us a revenue bill and the Senate would amend the bill and send it to the House. The House could then send the bill to the President's desk.

The conference option could be troublesome. It could be drawn out. Or, it could be a way for the House and Senate Democratic leadership to subvert the Senate position. That would not be a good way to start out the new session. In a conference setting, it would mean the Senate Democratic leadership acting in a manner that is at odds with how it said it was going to conduct business.

I counsel my leadership and the Democratic leadership to consider my concerns about the next step.

Mr. BAUCUS. Madam President, I am grateful to the people of Montana for sending me to Washington as their Senator. I never forget whom I am here to represent.

That is why my staff and I continually meet and talk with small business owners and CPAs from across the State. In anticipation of legislation to increase the minimum wage, I wanted to know how Montana's small businesses would be affected, I wanted to know what tax benefits would help small businesses, and I wanted to make sure that the Senate substitute to H.R. 2 would benefit Montanans.

In particular, I thank James McHugh of Hammer Jack's in Missoula; Robert Walter of Walter's IGA and ACE in Sheridan; James Whaley of Whaley & Associates in Missoula; Ken Walsh of Ruby Valley National Bank in Twin Bridges; Micki Frederikson of Bingham, Campbell, Amrine, and Nolan in Missoula; Dan Vuckovich of Hamilton Misfeldt & Company in Great Falls; Ronald Yates, Jr. of Eide Bailly in Billings; David Johnson of Anderson Zurmuehlen & Co. in Helena; and Leslee Tschida of M.A.R.S. Stout in Missoula.

I thank the men and women of Montana for their hard work, for their input into the formulation of this legislation, for their dedication to grow their companies, and for their confidence in me to deliver for Montana.

Madam President, today the Senate will increase the minimum wage and provide tax relief to the Nation's small businesses. This important legislation will help millions of working Americans and those who employ them. It has been a decade since the last minimum wage increase. It is long overdue.

I am very pleased we added a package of tax incentives for small businesses because many worry that a minimum wage increase will place a burden on small businesses. I want to take a moment to thank the individuals who worked so hard on the tax package.

First, I want to thank my good friend Senator GRASSLEY, the chairman of the Finance Committee, for his leadership on this bill. I also appreciate the hard work and cooperation of his staff, especially Kolan Davis, Mark Prater, Dean Zerbe, Elizabeth Paris, Chris Javens, Cathy Barre, Anne Freeman, Grant Menke, Stanford Swinton and Nick Wyatt.

Second, I thank the staff of the Joint Committee on Taxation and Senate Legislative Counsel for their service. I also want to recognize two staff members of the Joint Committee on Taxation who are leaving Congress, Patricia McDermott and Gray Fontenot.

Patricia McDermott will be retiring from her position as legislation counsel with the Joint Committee of Taxation and moving to the private sector. Tricia was qualified plans branch chief in the Office of Associate Chief Counsel at IRS before she came to Joint Tax as a detailee in July of 2000. She joined the JCT staff when the detail ended in 2001. Tricia has advised us on many projects, but I especially want to thank her for the expertise and tireless effort she brought to our work on the Pension Protection Act of 2006. Tricia's knowledge—and her patience—were invaluable and will not be easily replaced.

And we bid farewell to Gray Fontenot, an accountant with the Joint Tax Committee, who will be leaving this week to head to the private sector. Gray has been an essential adviser, particularly on the Katrina tax relief bills. As a native of New Orleans, whose extended family was personally affected by the hurricane, he truly understood the needs of the Gulf Zone, and his expertise was greatly appreciated by the members and staff of the Finance Committee.

Finally, I thank my staff for their tireless effort and dedication, including Russ Sullivan, Bill Dauster, Pat Heck, Rebecca Baxter, Melissa Mueller, Judy Miller, Pat Bousliman, Ryan Abraham, Carol Guthrie, and Erin Shields.

I also thank our dedicated fellows, Mary Baker, Thomas Louthan, and Sara Shepherd, and our talented interns, David Ashner, Larry Boyd, Sarah Butler, Gretchen Hector, Molly Keenan, and Ryan Majerus.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, as I have said during the course of the last 9 days, on this side of the aisle we are prepared to go ahead and vote. We have been prepared to vote since the first day we were on this legislation. It only took 4 hours for the House of Representatives to debate this issue and then to proceed to a vote. We have been on this for 9 days. We have debated an increase to the minimum wage 16 other days since the last increase. Twenty-five days of debate about the increase in the minimum wage. Imagine that, 25 days taking up the time of the United States Senate.

With all the challenges we face in education, in energy, in health, and jobs, all the challenges we are facing in terms of environmental issues and foreign policy issues, we have spent 25 days on whether we are going to increase the minimum wage. Twenty-five days during this period of time. On this side, we are prepared to move ahead. We are prepared to move ahead.

The President of the United States made this talk yesterday on Wall Street, and it was well received and cheered on Wall Street, as he talked about how well the economy has been proceeding. Well, I took a few moments earlier in the day to talk about the increase in the number of families who are living in poverty. We have close to 2 million more children living in poverty today than we had 5 years ago. Two million more families living in poverty than we had 5 years ago. That is according to the census. That is not some speech writer's concept, those are hard facts.

President John Adams, one of our great Founders, said facts are stubborn things. Those numbers are stubborn things. Facts speak. Increased numbers of Americans have gone into poverty over the last 5 years, with an increase in the number of children who have gone into poverty.

Other countries have addressed the problems of poverty and have lifted children out of poverty, lifted families out of poverty, and most of them have used an increase in the minimum wage to do it. You have to understand the problem in order to address it, and this President, evidently, doesn't understand the kinds of pressures that are on working families and middle-income families.

Members of some of our great churches in this country have strongly supported the increase in the minimum wage. We have over 1,000 different organizations that have supported the increase in the minimum wage. I have included most of their letters of support in the RECORD.

Here is one from the Urban League:

> Passing this wage hike represents a small but necessary step to help lift America's working poor out of the ditches of poverty and onto the road toward economic prosperity and will narrow the financial gap between Americans of color and whites.

That is the National Urban League president, President Morial.

Here we have an extraordinary group of business owners and executives for a higher minimum wage. They are some of the large companies in the country and some of the small companies. It is six pages long in terms of the companies themselves, ranging from Mr. Alex Von Bidder, president of the Four Seasons Restaurant in New York, a very high-cost restaurant, to some of the small mom-and-pop stores, but all of them expressing the view that:

> We expect an increased minimum wage to provide a boost to local economies. Businesses and communities will benefit as low-wage workers spend their much-needed pay raises at businesses in the neighborhoods where they live and work. Higher wages benefit business by increasing consumer purchasing power, reducing costly employee turnover, raising productivity, improving product quality, customer satisfaction, and company reputation.

In a recent National Consumers' League survey, 76 percent of American consumers said how well a company treats and pays its employees influences what they buy.

I also have a letter from the president of Catholic Charities, Father Larry Snyder, and included in his letter are these words:

> Over the last several years, our agencies have been coping with steady increases of 20 percent each year in requests for emergency assistance because low-wage workers simply cannot earn enough to cover rent, child care, food, utilities, and clothing for their families. Many people served by Catholic Charities agencies are poor despite full-time employment at the bottom of the labor market: cleaning houses and office buildings, harvesting and preparing food, watching over children of working parents. They contribute to our Nation's economic prosperity. Yet the current minimum wage leaves them nearly $6,000 below the poverty line. People who work full time should not live in poverty.

Then he continues:

> Our Catholic tradition teaches that society, acting through government, has a special obligation to consider first the needs of the poor. Catholic social teaching tells us that a just wage is not just an economic issue—it is a moral issue. The United States Conference of Catholic Bishops stated in its pastoral letter, Economic Justice for All, ''all economic institutions must support the bonds of community and solidarity that are essential to the dignity of persons.''

The dignity of persons, that is what the increase in the minimum wage is about. It will help those 6 million children get a chance to maybe buy a book and read a little more, maybe even participate in a birthday party, maybe have a chance to spend a little more time with their parent because their parent will not have to have two or three jobs. Here they are talking about the importance of dignity, ''essential to the dignity of persons.'' That is what this debate is about, the dignity of persons.

And the list goes on. Virtually all of the churches of faith have all recognized the importance of this issue, and interestingly, they have all pointed out what this letter says from Catholic Charities; that over the past several years their agencies have been coping with steady increases of 20 percent each year in requests for emergency assistance because low-income workers simply cannot afford the necessities.

That is true about my food bank in Boston. I was there just a few weeks ago talking to those who run it. It is an extraordinary institution. They have the same kinds of demands. We hear it all over the country. Yet we have the President talking on Wall Street about everything is fine.

So what are some of the facts? We are finding out what is happening. First of all, the Bush economy fails American families' wallets. This is the median household income: $47,599 in 2000 and $46,326 in 2005. These numbers are from the Bureau of the Census. Imagine people opening up their newspapers and seeing the pictures of the President being cheered on Wall Street talking about how well the economy is going.

No one is doubting that the economy is working well for Wall Street. We are not talking about that. If you are asking the Census Bureau, not a speech writer but the Census Bureau, these are their figures, and this is what has been happening to the median household income. It has declined $1,273. That is from the Bureau of the Census. That is what has happened to the median household income across this country.

We have those members of our various faiths talking about the increase in demand, the 20-percent increase in demand. Yet we are seeing these kinds of figures. We see this kind of drop in real income. Yet let's look at the cost of the things these individuals have to buy. We have the decline in the family income, but look at what has happened. Gas has gone up 36 percent; health insurance, 33 percent, which is a very modest estimate; nationwide college tuition, 35 percent; housing, 38 percent. And I would say, for the most part, these are rather modest. They come from the Kaiser Family Foundation and the College Board's Annual Survey of Colleges.

In my district, certainly in New England, those numbers are a great deal higher. But, nonetheless, it makes the point that real income has gone down and the cost of everything that a family has to buy, in terms of gasoline, health insurance for their family, college tuition, and housing has gone up. Look at the end of this chart. Wages stagnant across the way; up 1 percent. These are the figures. We haven't put the food in there, but these are strong indicators, and certainly food has gone up, although perhaps not as high as these indicators.

Let's look at the other side and see what has been happening down there on Wall Street. My goodness, look at

this chart. Look what has happened to corporate profits during this same time. While real family income has been going down, these corporate profits have grown by 80 percent, 80 percent they have gone up. Eighty percent. Real income for the family has gone down over the last 5 years, but corporate profits have gone up 80 percent.

No wonder the President was cheered on Wall Street. No wonder. And look on the bottom line. That is the minimum wage. It slows, the extraordinary explosion in corporate profits. Yet the minimum wage has not gone up because our Republican friends refuse to let it go up. This is not any mystery. The Democrats are ready to vote. We are ready to vote this afternoon. We were ready to vote when it first came up, or at any time, but we can't get an agreement to vote. We are going to have to get it because the time is going to run out sometime tonight.

So these are the corporate profits that have gone up. Here is the minimum wage worker that has to work more than a day just to fill up his tank with gasoline. These are the kinds of things that they are faced with. And as we have pointed out earlier, more than a thousand Christian, Jewish, and Muslim faith leaders say that minimum wage workers deserve a prompt, clean, minimum wage increase, with no strings attached. This is Let Justice Roll, January of this year.

I have given the statistics, the flow lines, the charts, and so, Madam President, let me wind up this part of my presentation by mentioning what it means in real people's terms.

An increase in the minimum wage helps Constance Martin of Pittsburgh, PA. Constance used to have a good job that paid a decent wage. Then her son got cancer. She was forced to choose between that job and taking care of her child. So now she works for $5.50 an hour at Kentucky Fried Chicken. Her job has no health care or other health benefits. She can barely afford to pay the rent and utilities, much less to give her son the care he needs. When Pennsylvania raised its minimum wage at the State level last year, it was a help but still not enough to keep pace with the cost of living. A Federal raise would allow her to pay off her bills and provide for her son's future instead of living day to day and hand to mouth just to get by.

A raise in the minimum wage would help Tonya Schmidt. Tonya is a single mother with two children, ages 8 and 11. She works at Little Caesar's pizza. It is hard work, but she likes her job and is good at it. Tonya talked about how hard it is for her to get by each month. Her family lives in a converted motel room, but she has trouble making rent. She doesn't have a car but relies on friends and family to take her to the grocery store to buy food for her children.

Tonya can't afford the basic necessities for her children. She often cannot afford to buy her children the clothes they need to go to school. Tonya says a higher minimum wage would help her provide her kids with these basic necessities, and it might help her get a few steps ahead to buy a used car or pay for car insurance so that she could go to the grocery store on her own.

A raise in the minimum wage would help Gina Walter from Ohio. Gina, a 44-year-old single mother, works in a retail job at a thrift store. Gina earns $6.25 an hour, just over $12,000 per year. She has no car or health insurance and hasn't taken a vacation in 6 years. It takes Gina 2 full days of work just to pay her gas bill every month. She cuts her own hair because she can't afford to get a haircut. But Gina goes to work every day. She works hard and tries to build a better life for her family.

That is the typical statement: working hard, trying to provide for their family.

This bill will help Gina provide better opportunities for her 18-year-old daughter. It will help pay her gas bill and be able to go get a haircut. It might even help her finally take that vacation she so richly deserves.

Madam President, this is what we are talking about on the floor of the Senate. I will speak later about what I really think about this increase in the minimum wage in terms of it being the defining aspect of our country's humanity and a reflection of our sense of decency and our sense of fairness. But it is a scandal that we have not increased our minimum wage over a 10-year period. Hopefully we will have an opportunity to do it before the day is out.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming.

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

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

Mr. ENZI. Madam President, I rise today to speak in support of final passage of H.R. 2, as amended. I think it is a very exciting time. I appreciate the wise direction this body has decided upon with regard to the minimum wage. Yesterday, 88 Members of the Senate correctly concluded that raising the minimum wage, without providing relief for small business that must pay for that increase, is simply not an option. Rather the option we did strongly decide on included tax benefits to help offset the impact on small business.

I wish to reiterate my hope that our colleagues in the House will not derail this bipartisan approach to offering real support and relief to the middle class and to the minimum wage earner. The minimum wage increase will shortly be in their hands. I hope they will be judicious and perhaps even forgo some of their jurisdictional concerns in order to see that this is done for the people of America.

The Senate's reasonable approach recognizes that small businesses have been the steady engine of our growing economy and that they have been a source of new job creation, and a source of job training. People with no skills often go to work at minimum wage and get the training they need to advance to higher levels of pay and to other more skilled jobs. That is all training which is done for free by small business.

The Senate's approach also recognizes that small businesses are middle-class families, too. I am proud that this body has chosen a path which attempts to preserve this segment of the economy, which employs so many working men and women. The Senate has acknowledged the simple fact that a raise in the minimum wage is of no benefit to a worker who doesn't have a job or a job seeker who doesn't have a prospect.

As this Congress moves forward, we will need to confront a range of issues facing working families: the rising cost of health insurance and the availability of such insurance, the necessity and costs of education and job training, and the desire to achieve an appropriate balance between work and family life. The lessons we have learned in this debate should not be forgotten as we approach new and equally complex issues.

In addressing minimum wage, we have rejected the notion that it will be a clean bill. Ultimately, we did so because it is not a clean issue, it is a very complicated issue, and around here, clean more often than not means ''do it my way'' and doesn't respect the democratic process of the Senate and allow the Senate to work its will.

There were claims that no Democrats offered amendments to the bill. That is false. The chairman of the Committee on Small Business, Senator John Kerry, offered two amendments, and the Senator from Wisconsin, Mr. FEINGOLD, offered an amendment on ''Buy American'' standards. In fact, it is my understanding that part of the delay we are experiencing on final passage is that a Democrat was trying to figure out a way to get a vote for a third cloture and a Republican is also trying to do something very similar. While I believe these have now been resolved, that is kind of what has been holding us up here in waiting for a final vote. Throughout this debate, Members on both sides of the aisle were not aiming to delay passage but were offering amendments to improve the bill.

I remember when I first went into the Wyoming Legislature and presented my first bill, I thought it was a pretty simple bill. It only had three sentences in it. It dealt with unemployment insurance for business owners. Well, this little, simple, three-sentence bill, when it went to committee, got

two amendments, and when it went to the floor, it got three more amendments. When it went to the Senate, it made it out of committee without any additional amendments but had two more added on the floor. However, what I realized through the process was we had all of these different people from different backgrounds looking at the same problem from different perspectives, and every one of those amendments improved the bill. They looked at the bill and saw things that I hadn't seen.

Afterwards I hoped that in the future, as I went through the process of legislating, I would see those things and see bills from other people's perspective. But that is the beauty of the system we have here—100 Senators take a look at a bill and 435 people in the House take a look at a bill and that should result in some changes. No bill I have ever seen winds up the same as it started.

Of course, sometimes the biggest animosity around here is between the House and the Senate, and that is true in State legislatures, too. I finally figured out the reason for that is we here in the Senate work on a bill, we make it perfect, we send it over there, and they decide something else has to be done to it. That creates animosity. And they do bills and send them here, and we decide there ought to be changes to them, and that creates animosity here. Fortunately, we have a conference committee process that is supposed to get the two sides together to work out the differences. That also works, although it takes more time. So we are not the fastest in governing, but I think we are the most inclusive in governing. I think this bill has gone through a very similar process.

I am pleased we have proven to the American people that we can indeed work together and provide solutions to complex and difficult problems. The Senate chose the right course of coupling an increased minimum wage with provisions that will assist small business employers who will face the greatest difficulties in paying such increased costs. I hope we do not forget the wisdom of this approach as we address other workplace, economic, and social issues.

It has been mentioned that 10 years ago when the last minimum wage raise was done, that was the first time there were things put on the bill to offset the impact on small businesses. I was running for office and in Washington at the time that bill was being conferenced and finally debated, and I was pleased to see the former Senator from Wyoming, Mr. Simpson, was the chair on the conference committee, along with Senator KENNEDY. The two of them worked out a package that had a raise in the minimum wage and some offsetting things for small business. When the bill was signed in the Rose Garden, then-President Clinton commented on what a great compromise it was that it would drive our economy. Senator KENNEDY received a lot of the compliments for that, as he will this time. Senator BAUCUS and Senator GRASSLEY will be complimented as well.

I can't emphasize enough how pleased I am that the two of them worked together to put this tax package together. It is not an easy job. In fact, I think tax provisions are some of the most difficult and complex matters there are to work on. The Senator from Montana, Mr. BAUCUS, and the Senator from Iowa, Mr. GRASSLEY, have worked together on most of the Finance Committee issues. I have noticed through the years that they are most successful when they work together.

I tried to build on that knowledge when I became the chairman of the Health, Education, Labor, and Pensions Committee. It worked well for us for the last 2 years, to work in a very bipartisan way. Almost every issue the Committee had came through this body unanimously. Oh, we had the pension bill, which was a 980-page bill and very complicated and very difficult. And that one wasn't unanimous; it was only 98 to 2. I think my colleagues can see my point on this—that when we work together, we have amazing things happen in fairly short order. That bill took an hour of debate with two amendments and a final vote, and that was all agreed to before it was even brought to the floor. So when we work together, there can be good things, such as the bill we have right now.

The Senate has chosen the right course of coupling an increased wage with provisions that will assist those small business employers who will face the greatest difficulty in paying those increased costs. I hope we don't forget the wisdom of that approach, as I mentioned before. I am also heartened that in the course of this debate, we have begun to recognize what I know from my own life to be true; that is, that working families are not only those who are employed by businesses, they are also those who own the businesses.

I know from personal experience that all small businesses have two families—their own and the people who work for them. I also know that small business owners feel the pressure of rising costs, the dilemma of difficult options, and the uncomfortable squeeze of modern life in both of their families, as many workers do on their own. And I know that the smaller the business, the more likely it is that the employees and the employers recognize each other's difficulties and how interdependent and sometimes fragile their businesses and their jobs actually are. I think there is a greater tendency for them to work together under those circumstances.

America has heard a lot of partisan rhetoric during the course of this debate, such as the talk of the so-called war on the middle class and the claim of leaving people out. I would like to note for the record that such rhetoric got us nowhere. There wasn't an attempt to leave anybody out. The middle class is actually made up of those small businessmen who we are trying to help, and in some cases the employees who are working for them.

We didn't try to start a war over statistics, although we were tempted. I do have to mention there were some charts out here to show that wages used to be pretty close together, and the chart had five quintiles. I am more used to quartiles than quintiles, but this had five quintiles. So each 20 percent of the wage capability of the population was shown on the chart, and it showed that from 1943 until 1980, the numbers were pretty close together. Then we saw another chart, and it had this bar on the end which extended far beyond any of the quintiles. I paid a little bit of attention to that chart. It didn't just have quintiles on it; it had quintiles, plus one. If you look at the quintiles, they were almost the same today as they were at the time of the 1943 chart. However this big bar graph at the end—made it look so skewed that it made people look really rich and I guess by association holding the rest of the people down.

Well, instead of just having quintiles on there, the chart had quintiles plus the top 1 percent earners in the United States. I am pretty sure that if you go back to 1943 through whatever date you want and you take the top 1 percent earners in the United States, you will find that they earn drastically more than even the highest quintile. So the chart doesn't treat the wage data equally. I suspect that Bill Gates himself skewed that chart pretty badly. The top 1 percent always makes a lot more money than everybody else and I think that is pretty much the case through the history of the United States. So if we are going to talk about quintiles, we need to talk about the quintiles equally.

That is just one example of how we could have spent more time concentrating on the charts and arguing back and forth. But our point wasn't whether to increase the minimum wage; our point was whether we could do it and keep the economy moving by eliminating some of the impact of the increase on the small businesses that employ those minimum wage workers.

We are ending the consideration of this issue basically where it began and for many of us where we have been for the last few years—with the majority of the Senate supporting a minimum wage increase as long as there are provisions to soften the impact of that increase on the small businesses which create minimum wage jobs. Every time I have had to debate this, I have had a bill that had an increase in the minimum wage and it also had some amendments that offset the impact. Now, I didn't take the Finance Committee offsets; I took some other offsets to do it.

One of the things I have noticed around here is that if you ever do an amendment on a bill like this, it will

be considered a poison pill, and the second time you try to do that bill, even if you have changed the wording, the arguments will be exactly the same as before you changed the wording. So we sometimes get locked into the concept and the history of what has gone on around here.

We could have had this increase done earlier had there been some willingness to offset it with a package, as was done the last time the minimum wage was increased and as I suspect will happen every time in the future that the minimum wage is increased because a higher wage is of no use when the job itself is gone.

The Senate chose to look at the whole picture this time around. The minimum wage could have been raised years ago had some on the other side been willing to accept the important role that working families and small businesses—those are a lot of the same people—play in providing employment in this country. Some people like to talk about two Americas. What the Senate is preparing to do today recognizes that there is one America. We are all in this together, and we don't need to do great injury to one group of Americans just to aid another. That kind of partisan rhetoric isn't accurate, and it is aimed at spreading a very skewed view of America. It is aimed to divide rather than unite Americans around the simple solution.

Mandating the wage increase without proper relief to the working families who employee many of America's low-skilled workers is an assault on the middle class. Let's get our facts straight. Passing the Senate's bipartisan minimum wage and small business relief package is good for low-skilled workers and it is good for the middle class working families of America.

It is time we did this. I hope we will have the vote soon. I look forward to the speeches we can do afterwards, thanking all of the people that have made this possible. I am very confident that is exactly what is going to happen.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. Madam President, I ask unanimous consent that the time until 5 p.m. today be equally divided and controlled between Senators KENNEDY and ENZI or their designees; that at 5 p.m., all time postcloture be considered yielded back; and without further intervening action or debate, the Senate proceed to vote on passage of H.R. 2, the minimum wage bill, as amended; that upon passage of the bill, the motion to reconsider be laid upon the table; that there then be 4 minutes of debate, equally divided and controlled between the two leaders or their designees, prior to a vote on the motion to invoke cloture on the motion to proceed to S. Con. Res. 2.

I would say to all Senators, prior to the Chair considering the unanimous-consent request, that we may not have the second vote. Unless there is unanimous consent that we not have it, we will have it. We will make that decision during the vote that takes place beginning at 5 o'clock.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Chair recognizes the Republican leader.

Mr. MCCONNELL. Madam President, let me just echo the remarks of the majority leader. We are continuing to discuss the consent request under which we would consider various options for our Iraq debate beginning next week. We are making substantial progress and, hopefully, we will have something soon to announce on that issue.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Madam President, I want to say, Senator KENNEDY is not here, and I am sorry that is the case. But he spent the last week or two on the Senate floor. I want to express how much I appreciate the attitude and demonstration of bipartisanship shown by Senator KENNEDY and Senator ENZI. I have said before they are an example of how people with different political philosophies can do things constructive in nature to get us to a point where we are today. They are both outstanding legislators, and they are very fine individuals, as indicated by their ability to get along on the most contentious issues.

A person does not have to be disagreeable to disagree. And these two gentlemen certainly epitomize, in my estimation, how we should all work together in spite of our political differences, to work toward a common good to do things that are good for the American people.

So, Senator ENZI, who is here, thank you very much.

Senator KENNEDY, who is not here, I appreciate very much his work.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. MCCONNELL. Madam President, I, too, commend the distinguished Senator from Wyoming for an outstanding job in helping to craft this bill and representing our side very skillfully in putting together this package.

I also want to extend my thanks on behalf of all of our colleagues to Senator GRASSLEY, the ranking member of the Finance Committee, for his important contribution to this bill that we think made it significantly better than it might otherwise have been.

So I commend them both for their outstanding work.

I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Madam President, Senator MCCONNELL certainly jogs my memory that I should have mentioned my friend Senator BAUCUS. He and Senator GRASSLEY also have an exemplary relationship. This bill is half from the HELP Committee and half from the Finance Committee, and Senator BAUCUS certainly has lifted a big load for us over here.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Madam President, I would like to thank both the leaders for their kind words. I thank them on behalf of both Senator KENNEDY and myself. We do have a philosophy of working together, and it does work. I am pleased we are at this point today. The bill the Senate has crafted is the right approach to take on this issue. The approach is combining an increase in the minimum wage with provisions that will assist those small business employers who face the greatest difficulties in paying such increased costs. The Senate has not forgotten that while we may be able to mandate a wage, we cannot mandate the existence of a job. I hope our colleagues in the House will not forget that either.

In legislating, it is often important to find a third way. The third way is represented by the substitute amendment that was the product of extensive bipartisan cooperation. Democrats and Republicans working together acknowledged the fact that mandated cost increases can have negative economic effects, and together we developed a means of addressing those concerns in the form of the bipartisan substitute amendment. It will affect millions of Americans. I am glad we are at this point.

I would like to thank all of the staffs who have been involved in this issue, doing research and getting information that will help us to be as sure as we can be that we have made the right decisions on the best information possible.

From my staff, that includes my staff director, Katherine McGuire, and Brian Hayes, Kyle Hicks, Ilyse Schuman, Amy Shank, Shana Christrup, Andrew Patzman, Randi Reid, Tara Ord, Greg Dean, Craig Orfield, and Michael Mahaffey. That is a lot of people, but it takes a lot of people to do something like the tax package and the bill we have before us, plus all of the other things that were considered during the process.

From the Republican leader's office, I thank Mike Solon, Malloy McDaniel, and Rohit Kumar. I also thank Ed Egee with Senator ISAKSON. From the Finance committee, I thank Russ Sullivan and Mark Prater; and from the Republican whip's office, Manny Rossman and John O'Neill.

But I would be very remiss if I did not thank those in Senator KENNEDY's office and his staff: Michael Myers, Holly Fechner, Portia Wu, Missy Rohrbach, and Lauren McGarity. They have

done just an outstanding job of keeping us on track and also searching through all of the different things we have had to consider, even those that nobody ever saw discussed here on the Senate floor. It was tireless work, which often goes on late into the nights, well beyond the time Senators are around here—of course, I do not want to give you the impression that Senators are necessarily going home. Sometimes they are working late as well, just in a different building. We get to spend our days here and our nights in our office building. But without the help of all of those people, this bill would not be at the point it is now. We really appreciate their work.

I yield the floor and suggest the absence of a quorum, with the time equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Madam President, in just a few moments the Senate will vote on the issue of increasing the minimum wage. We have been debating this issue for some time. At the final moments here, I, first of all, thank my friend and colleague from Wyoming, Senator ENZI, for his willingness to work together. We do not always agree, but we agree more often than one might expect, and we have gotten good things done in our committee.

I always enjoy working with him. We have had some differences on this issue, but we always know we have a good deal of respect for each other; I certainly for him. I know it is not appropriate to make personal comments on the floor of the Senate, but I am, in any event. It is Senator ENZI's birthday today, and we wish him the very best on this particular occasion.

Mr. ENZI. Thank you.

Mr. KENNEDY. Just finally, I think those of us who are in this Chamber understand we want to be one country with one history and one destiny. We want to make sure that for all people, in all parts of our Nation, they are going to have a part of the American dream. We, as a nation, do not want to have a subclass, a subclass of workers who cannot emerge out of a minimum wage for themselves or for their families. We recognize that work has to pay.

What we are trying to do with the increase in the minimum wage is to say to men and women of dignity—primarily to women because women are the greatest recipients of the minimum wage, to their families and their children, to men and women of color—that we understand if you work hard in the country that has the strongest economy in the world, you should not have to live in poverty. You should not have to live in poverty. And raising the minimum wage is going to help to make sure that particularly those children—those 6 million children—are going to have a more hopeful future.

Additionally, we want to send a very important message to all of those children. This is really just the beginning. We have a change in direction in this country, as we have seen in the House of Representatives and here in the Senate. And we want to give assurances to those families that hopefully are going to get some boost in the minimum wage that we are going to work on the education for those children. We are going to work to make sure they are going to get the kind of help and assistance so that education is going to be available to them. We are going to work to make sure we get a reauthorization of the SCHIP program, an expansion of the Medicaid Programs, because we want to make sure they are going to be healthy, they are going to have the opportunities for education. We are going to make sure as well, to the extent we can, they are going to be able to live in safe and secure neighborhoods.

We have a responsibility in this country of ours to make sure—particularly for children in this Nation, but for workers in this country—that their work is going to be recognized, respected, and they are going to be treated justly and fairly. That is what the minimum wage is all about. It is a moral issue, as the members of the church have all told us about. And we, hopefully, will get a resounding vote of support for a long-awaited increase in the minimum wage.

Mr. KENNEDY. Madam President, we have now spent 8 long days debating whether to raise the minimum wage by $2.10 per hour. During this time, we have had quite a bit to say about quite a variety of issues. We have talked about education. We have talked about heath care. We have talked about tax policy and immigration policy. We have actually talked very little about raising the minimum wage.

We have not had nearly enough debate about what this bill would actually do, so I can honestly say that I am pleased when my colleagues on the other side of the aisle come down the floor with the intent of actually talking about the Fair Minimum Wage Act.

Unfortunately, while I applaud them for addressing the issue at hand, their criticisms of the Fair Minimum Wage Act are woefully misplaced. My Republican colleagues are perpetuating some of the most common misconceptions about raising the minimum wage, and it is important to set the record straight.

My colleague from Tennessee, Senator ALEXANDER, raised concerns about the private sector costs of raising the minimum wage. He argued that an increase will prove detrimental to the economy in general, or to the business community in specific. He is correct that the Congressional Budget Office has estimated that the bill will cost the private sector more than $10 billion over 5 years. However, this is a mere drop in the bucket of the national payroll. All Americans combined earn $5.4 trillion a year. A minimum wage increase to $7.25 would be less than one-fifth of 1 percent of this national payroll—far too trivial to cause inflation or other economic harm.

The simple fact is that employers can afford to increase wages in the current economy. Workers are producing more, but earning less. Productivity has increased by 31 percent since 1997, yet minimum-wage workers have not received a raise. This increase ensures that minimum-wage workers, not just employers, benefit from the fruits of their labor.

Now Senator ALEXANDER also suggests that we shouldn't interfere with the market forces that set wages for low-wage workers. But we need to intervene when there's a market failure that needs correcting, and that's clearly the case with our stagnant minimum wage. Low-skilled workers, unlike high-skilled workers, do not generally have the bargaining power to demand wage increases. Even if they work harder, all their extra efforts are going into profits. Corporate profits have grown by 80 percent since Bush took office, while wages are stagnant. We need to act to make sure minimum wage workers don't get left behind.

My colleague also expresses concern about the effect of a minimum wage on small business. He claims that the majority of minimum wage workers are employed by small businesses, and that small businesses will suffer if the minimum wage is raised.

But the small business community doesn't agree. A recent Gallup poll found that 80 percent of small business owners do not think that the minimum wage affects their business, and three out of four small businesses said that a 10 percent increase in the minimum wage would have no effect on their company. Additionally, nearly half of small business owners think that the minimum wage should be increased, and only 16 percent of owners think the minimum wage should be reduced or eliminated entirely.

In fact, historical evidence suggests that a minimum wage increase can actually be beneficial to small business. A 2005 study by the Fiscal Policy Institute found States with minimum wages above the Federal level are generating more small businesses than states with a minimum wage at the Federal level. Between 1998 and 2003, the number of small businesses rose 5.4 percent in the ten States, including at had a minimum wage higher than the Federal level, compared to 4.2 percent in the other 40 States. The number of small retail businesses also grew faster in these States.

I appreciate Senator ALEXANDER's concerns about the economic impacts of a minimum wage raise, those concerns are misguided. The economic

doomsday scenario that Senator ALEXANDER predicts simply will not materialize from this long-overdue increase in the minimum wage. The Senator doesn't have to take my word for it—over 650 prominent economists, including 5 Nobel Prize winners, agree that a modest increase in the minimum wage—like the one proposed in the Fair Minimum Wage Act—''can significantly improve the lives of low-income workers and their families, without the adverse effects that critics have claimed.''

In addition to arguing about the economic impacts this bill, several of my colleagues have argued that raising the minimum wage is not an effective antipoverty program, but instead will benefit primarily secondary earners and families well above the poverty line. This counterintuitive assertion is not borne out by the facts. The vast majority of minimum wage workers are hard-working Americans struggling to get by on what the minimum wage pays them for their contribution to our economy. And that is not easy.

A minimum wage increase benefits poor American families. According to the Economic Policy Institute, almost 70 percent of those who would benefit are adult workers, not teenagers seeking pocket change. Nearly half of these adults are sole breadwinners for their families. Nearly 40 percent of the benefits from a minimum wage increase would go to households with an average annual income of less than $17,000.

It is important to remember that those earning the minimum wage are not just starting out in the workforce. Many hardworking people become trapped in low-paying jobs and have trouble getting ahead. A report from the Center for Economic Policy Research shows a third of minimum wage earners from ages 25 and 54 will still be earning the minimum wage three years later. Only 40 percent of them will have moved out of the low-wage workforce 3 years later.

Certainly raising the minimum wage is only one of many steps that we should take to address the problem of poverty in this nation. Several of my Republican colleagues have suggested that we should examine ways to improve the Earned Income Tax Credit, and I look forward to working with them on this issue.

But none of this changes the fundamental fact that the Federal minimum wage is at its lowest real value in 50 years and continues to fall further and further behind each day. Minimum wage workers have been waiting longer than ever before in history for an increase, and a raise is long-overdue.

Now, my colleague from South Carolina, Senator DEMINT, went so far as to suggest that raising the minimum wage will actually harm poor workers, because it will cause them to lose other government benefits. That's just not the case.

The Fair Minimum Wage Act will bring working families out of poverty. The minimum wage increase—plus food stamps and the earned income tax credit—brings a family of four with one minimum wage earner from 11 percent below the poverty line to 5 percent above the poverty line.

Now it's true that some minimum wage workers may lose a portion of their food stamp benefits, but their increased earnings and the increased benefits they receive through the earned income tax credit will more than offset any loss of benefits and provide them with additional flexibility to meet their family's needs. They will also remain eligible for housing assistance and other essential government programs.

Minimum wage workers will also benefit from a raise in the long run. They will be earning higher wages, paying more into Social Security, and ultimately receiving more in retirement and disability benefits.

Finally, I'd like to address some comments made just this morning by my colleague from Iowa, Senator GRASSLEY. Now as Senator GRASSLEY knows, I have always taken the position that we should do this minimum wage bill ''clean''—without any add-ons or tax giveaways. Because it's just a myth that minimum wage increases hurt the business community, there is certainly no need to pay off the business community when we give minimum wage workers a raise. We've raised the minimum wage nine times since the Fair Minimum Wage act was enacted in 1938, and only once have we included a tax package for business. That was during the Clinton administration—an era when we had substantial government surpluses, not the dramatic deficits we're facing now. It's just not responsible to pass unnecessary tax giveaways in the current fiscal environment. Democrats are united in this position. While Senator GRASSLEY suggested this morning that Democrats wanted taxes added to this bill, I remind him that every Democrat in the Senate voted for cloture on the underlying bill—a clean increase in the minimum wage with no tax giveaways.

I admit that the tax package contained in the Baucus substitute is not particularly large or offensive, and I understand that it's something we'll likely have to take to get this bill done. But I don't support it, and I certainly don't support any additional tax giveaways being added to this bill.

Senator GRASSLEY suggested this morning that tax breaks are a necessary part of any increase in the minimum wage. I would remind the Senator that an overwhelming bipartisan majority in both Houses of the Iowa State Legislature just voted to increase the Iowa state minimum wage to $7.25—the same level provided in this bill—with no tax breaks included. The Senator's State leaders hold the same views as a majority of the U.S. Congress—that minimum wage workers deserve an immediate raise, with no strings attached.

I hope that these comments lay to rest the fears of my Republican colleagues. I hope that they can join me in supporting a fair increase in the minimum wage for hardworking Americans across the country.

Madam President, I understand the time has expired. Is it necessary to ask for the yeas and nays?

It is necessary.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. One minute remains on the Republican side.

Mr. ENZI. Madam President, I yield back.

The PRESIDING OFFICER. All time has been yielded back.

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

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

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from South Dakota (Mr. JOHNSON) and the Senator from New York (Mr. SCHUMER) are necessarily absent.

Mr. LOTT. The following Senator was necessarily absent: the Senator from Oklahoma (Mr. INHOFE).

Further, if present and voting, the Senator from Oklahoma (Mr. INHOFE) would have voted ''nay.''

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

The result was announced—yeas 94, nays 3, as follows:

[Rollcall Vote No. 42 Leg.]

YEAS—94

Akaka	Craig	Levin
Alexander	Crapo	Lieberman
Allard	Dodd	Lincoln
Baucus	Dole	Lott
Bayh	Domenici	Lugar
Bennett	Dorgan	Martinez
Biden	Durbin	McCain
Bingaman	Ensign	McCaskill
Bond	Enzi	McConnell
Boxer	Feingold	Menendez
Brown	Feinstein	Mikulski
Brownback	Graham	Murkowski
Bunning	Grassley	Murray
Burr	Gregg	Nelson (FL)
Byrd	Hagel	Nelson (NE)
Cantwell	Harkin	Obama
Cardin	Hatch	Pryor
Carper	Hutchison	Reed
Casey	Inouye	Reid
Chambliss	Isakson	Roberts
Clinton	Kennedy	Rockefeller
Cochran	Kerry	Salazar
Coleman	Klobuchar	Sanders
Collins	Kohl	Sessions
Conrad	Landrieu	Shelby
Corker	Lautenberg	Smith
Cornyn	Leahy	Snowe

Specter	Thomas	Webb
Stabenow	Thune	Whitehouse
Stevens	Vitter	Wyden
Sununu	Voinovich	
Tester	Warner	

NAYS—3

Coburn	DeMint	Kyl

NOT VOTING—3

Inhofe	Johnson	Schumer

The bill (H.R. 2), as amended, was passed, as follows:

H.R. 2

Resolved, That the bill from the House of Representatives (H.R. 2) entitled ''An Act to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.'', do pass with the following amendment:

Strike out all after the enacting clause and insert:

TITLE I—FAIR MINIMUM WAGE

SEC. 100. SHORT TITLE.

This title may be cited as the ''Fair Minimum Wage Act of 2007''.

SEC. 101. MINIMUM WAGE.

(a) IN GENERAL.—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

''(1) except as otherwise provided in this section, not less than—

''(A) $5.85 an hour, beginning on the 60th day after the date of enactment of the Fair Minimum Wage Act of 2007;

''(B) $6.55 an hour, beginning 12 months after that 60th day; and

''(C) $7.25 an hour, beginning 24 months after that 60th day;''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 60 days after the date of enactment of this Act.

SEC. 102. APPLICABILITY OF MINIMUM WAGE TO THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) IN GENERAL.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

(b) TRANSITION.—Notwithstanding subsection (a), the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) shall be—

(1) $3.55 an hour, beginning on the 60th day after the date of enactment of this Act; and

(2) increased by $0.50 an hour (or such lesser amount as may be necessary to equal the minimum wage under section 6(a)(1) of such Act), beginning 6 months after the date of enactment of this Act and every 6 months thereafter until the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under this subsection is equal to the minimum wage set forth in such section.

TITLE II—SMALL BUSINESS TAX INCENTIVES

SEC. 200. SHORT TITLE; AMENDMENT OF CODE.

(a) SHORT TITLE.—This title may be cited as the ''Small Business and Work Opportunity Act of 2007''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Small Business Tax Relief Provisions

PART I—GENERAL PROVISIONS

SEC. 201. EXTENSION OF INCREASED EXPENSING FOR SMALL BUSINESSES.

Section 179 (relating to election to expense certain depreciable business assets) is amended by striking ''2010'' each place it appears and inserting ''2011''.

SEC. 202. EXTENSION AND MODIFICATION OF 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT IMPROVEMENTS; 15-YEAR STRAIGHT-LINE COST RECOVERY FOR CERTAIN IMPROVEMENTS TO RETAIL SPACE.

(a) EXTENSION OF LEASEHOLD AND RESTAURANT IMPROVEMENTS.—

(1) IN GENERAL.—Clauses (iv) and (v) of section 168(e)(3)(E) (relating to 15-year property) are each amended by striking ''January 1, 2008'' and inserting ''April 1, 2008''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property placed in service after December 31, 2007.

(b) MODIFICATION OF TREATMENT OF QUALIFIED RESTAURANT PROPERTY AS 15-YEAR PROPERTY FOR PURPOSES OF DEPRECIATION DEDUCTION.—

(1) TREATMENT TO INCLUDE NEW CONSTRUCTION.—Paragraph (7) of section 168(e) (relating to classification of property) is amended to read as follows:

''(7) QUALIFIED RESTAURANT PROPERTY.—The term 'qualified restaurant property' means any section 1250 property which is a building (or its structural components) or an improvement to such building if more than 50 percent of such building's square footage is devoted to preparation of, and seating for on-premises consumption of, prepared meals.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to any property placed in service after the date of the enactment of this Act, the original use of which begins with the taxpayer after such date.

(c) RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN IMPROVEMENTS TO RETAIL SPACE.—

(1) 15-YEAR RECOVERY PERIOD.—Section 168(e)(3)(E) (relating to 15-year property) is amended by striking ''and'' at the end of clause (vii), by striking the period at the end of clause (viii) and inserting '', and'', and by adding at the end the following new clause:

''(ix) any qualified retail improvement property placed in service before April 1, 2008.''.

(2) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—Section 168(e) is amended by adding at the end the following new paragraph:

''(8) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—

''(A) IN GENERAL.—The term 'qualified retail improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

''(i) such portion is open to the general public and is used in the retail trade or business of selling tangible personal property to the general public, and

''(ii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

''(B) IMPROVEMENTS MADE BY OWNER.—In the case of an improvement made by the owner of such improvement, such improvement shall be qualified retail improvement property (if at all) only so long as such improvement is held by such owner. Rules similar to the rules under paragraph (6)(B) shall apply for purposes of the preceding sentence.

''(C) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

''(i) the enlargement of the building,

''(ii) any elevator or escalator,

''(iii) any structural component benefitting a common area, or

''(iv) the internal structural framework of the building.''.

(3) REQUIREMENT TO USE STRAIGHT LINE METHOD.—Section 168(b)(3) is amended by adding at the end the following new subparagraph:

''(I) Qualified retail improvement property described in subsection (e)(8).''.

(4) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) is amended by inserting after the item relating to subparagraph (E)(viii) the following new item:

''(E)(ix) ..... 39''.

(5) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 203. CLARIFICATION OF CASH ACCOUNTING RULES FOR SMALL BUSINESS.

(a) CASH ACCOUNTING PERMITTED.—

(1) IN GENERAL.—Section 446 (relating to general rule for methods of accounting) is amended by adding at the end the following new subsection:

''(g) CERTAIN SMALL BUSINESS TAXPAYERS PERMITTED TO USE CASH ACCOUNTING METHOD WITHOUT LIMITATION.—

''(1) IN GENERAL.—An eligible taxpayer shall not be required to use an accrual method of accounting for any taxable year.

''(2) ELIGIBLE TAXPAYER.—For purposes of this subsection, a taxpayer is an eligible taxpayer with respect to any taxable year if—

''(A) for each of the prior taxable years ending on or after the date of the enactment of this subsection, the taxpayer (or any predecessor) met the gross receipts test in effect under section 448(c) for such taxable year, and

''(B) the taxpayer is not subject to section 447 or 448.''.

(2) EXPANSION OF GROSS RECEIPTS TEST.—

(A) IN GENERAL.—Paragraph (3) of section 448(b) (relating to entities with gross receipts of not more than $5,000,000) is amended to read as follows:

''(3) ENTITIES MEETING GROSS RECEIPTS TEST.—Paragraphs (1) and (2) of subsection (a) shall not apply to any corporation or partnership for any taxable year if, for each of the prior taxable years ending on or after the date of the enactment of the Small Business and Work Opportunity Act of 2007, the entity (or any predecessor) met the gross receipts test in effect under subsection (c) for such prior taxable year.''.

(B) CONFORMING AMENDMENTS.—Section 448(c) of such Code is amended—

(i) by striking ''$5,000,000'' in the heading thereof,

(ii) by striking ''$5,000,000'' each place it appears in paragraph (1) and inserting ''$10,000,000'', and

(iii) by adding at the end the following new paragraph:

''(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2008, the dollar amount contained in paragraph (1) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2007' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under this subparagraph is not a multiple of $100,000, such amount shall be rounded to the nearest multiple of $100,000.''.

(b) CLARIFICATION OF INVENTORY RULES FOR SMALL BUSINESS.—

(1) IN GENERAL.—Section 471 (relating to general rule for inventories) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

''(c) SMALL BUSINESS TAXPAYERS NOT REQUIRED TO USE INVENTORIES.—

''(1) IN GENERAL.—A qualified taxpayer shall not be required to use inventories under this section for a taxable year.

''(2) TREATMENT OF TAXPAYERS NOT USING INVENTORIES.—If a qualified taxpayer does not use inventories with respect to any property for any taxable year beginning after the date of the enactment of this subsection, such property shall be treated as a material or supply which is not incidental.

''(3) QUALIFIED TAXPAYER.—For purposes of this subsection, the term 'qualified taxpayer' means—

''(A) any eligible taxpayer (as defined in section 446(g)(2)), and

''(B) any taxpayer described in section 448(b)(3).''.

(2) CONFORMING AMENDMENTS.—

(A) Subpart D of part II of subchapter E of chapter 1 is amended by striking section 474.

(B) The table of sections for subpart D of part II of subchapter E of chapter 1 is amended by striking the item relating to section 474.

(c) EFFECTIVE DATE AND SPECIAL RULES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer changing the taxpayer's method of accounting for any taxable year under the amendments made by this section—

(A) such change shall be treated as initiated by the taxpayer;

(B) such change shall be treated as made with the consent of the Secretary of the Treasury; and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such taxable year.

SEC. 204. EXTENSION AND MODIFICATION OF COMBINED WORK OPPORTUNITY TAX CREDIT AND WELFARE-TO-WORK CREDIT.

(a) EXTENSION.—Section 51(c)(4)(B) (relating to termination) is amended by striking ''2007'' and inserting ''2012''.

(b) INCREASE IN MAXIMUM AGE FOR DESIGNATED COMMUNITY RESIDENTS.—

(1) IN GENERAL.—Paragraph (5) of section 51(d) is amended to read as follows:

''(5) DESIGNATED COMMUNITY RESIDENTS.—

''(A) IN GENERAL.—The term 'designated community resident' means any individual who is certified by the designated local agency—

''(i) as having attained age 18 but not age 40 on the hiring date, and

''(ii) as having his principal place of abode within an empowerment zone, enterprise community, or renewal community.

''(B) INDIVIDUAL MUST CONTINUE TO RESIDE IN ZONE OR COMMUNITY.—In the case of a designated community resident, the term 'qualified wages' shall not include wages paid or incurred for services performed while the individual's principal place of abode is outside an empowerment zone, enterprise community, or renewal community.''.

(2) CONFORMING AMENDMENT.—Subparagraph (D) of section 51(d)(1) is amended to read as follows:

''(D) a designated community resident,''.

(c) CLARIFICATION OF TREATMENT OF INDIVIDUALS UNDER INDIVIDUAL WORK PLANS.—Subparagraph (B) of section 51(d)(6) (relating to vocational rehabilitation referral) is amended by striking ''or'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting '', or'', and by adding at the end the following new clause:

''(iii) an individual work plan developed and implemented by an employment network pursuant to subsection (g) of section 1148 of the Social Security Act with respect to which the requirements of such subsection are met.''.

(d) TREATMENT OF DISABLED VETERANS UNDER THE WORK OPPORTUNITY TAX CREDIT.—

(1) DISABLED VETERANS TREATED AS MEMBERS OF TARGETED GROUP.—

(A) IN GENERAL.—Subparagraph (A) of section 51(d)(3) (relating to qualified veteran) is amended by striking ''agency as being a member of a family'' and all that follows and inserting ''agency as—

''(i) being a member of a family receiving assistance under a food stamp program under the Food Stamp Act of 1977 for at least a 3-month period ending during the 12-month period ending on the hiring date, or

''(ii) entitled to compensation for a service-connected disability incurred after September 10, 2001.''.

(B) DEFINITIONS.—Paragraph (3) of section 51(d) is amended by adding at the end the following new subparagraph:

''(C) OTHER DEFINITIONS.—For purposes of subparagraph (A), the terms 'compensation' and 'service-connected' have the meanings given such terms under section 101 of title 38, United States Code.''.

(2) INCREASE IN AMOUNT OF WAGES TAKEN INTO ACCOUNT FOR DISABLED VETERANS.—Paragraph (3) of section 51(b) is amended—

(A) by inserting ''($12,000 per year in the case of any individual who is a qualified veteran by reason of subsection (d)(3)(A)(ii))'' before the period at the end, and

(B) by striking ''ONLY FIRST $6,000 OF'' in the heading and inserting ''LIMITATION ON''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 205. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.

(a) EMPLOYMENT TAXES.—Chapter 25 (relating to general provisions relating to employment taxes) is amended by adding at the end the following new section:

''SEC. 3511. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.

''(a) GENERAL RULES.—For purposes of the taxes, and other obligations, imposed by this subtitle—

''(1) a certified professional employer organization shall be treated as the employer (and no other person shall be treated as the employer) of any work site employee performing services for any customer of such organization, but only with respect to remuneration remitted by such organization to such work site employee, and

''(2) exclusions, definitions, and other rules which are based on the type of employer and which would (but for paragraph (1)) apply shall apply with respect to such taxes imposed on such remuneration.

''(b) SUCCESSOR EMPLOYER STATUS.—For purposes of sections 3121(a)(1), 3231(e)(2)(C), and 3306(b)(1)—

''(1) a certified professional employer organization entering into a service contract with a customer with respect to a work site employee shall be treated as a successor employer and the customer shall be treated as a predecessor employer during the term of such service contract, and

''(2) a customer whose service contract with a certified professional employer organization is terminated with respect to a work site employee shall be treated as a successor employer and the certified professional employer organization shall be treated as a predecessor employer.

''(c) LIABILITY OF CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION.—Solely for purposes of its liability for the taxes, and other obligations, imposed by this subtitle—

''(1) a certified professional employer organization shall be treated as the employer of any individual (other than a work site employee or a person described in subsection (f)) who is performing services covered by a contract meeting the requirements of section 7705(e)(2), but only with respect to remuneration remitted by such organization to such individual, and

''(2) exclusions, definitions, and other rules which are based on the type of employer and which would (but for paragraph (1)) apply shall apply with respect to such taxes imposed on such remuneration.

''(d) TREATMENT OF CREDITS.—

''(1) IN GENERAL.—For purposes of any credit specified in paragraph (2)—

''(A) such credit with respect to a work site employee performing services for the customer applies to the customer, not the certified professional employer organization,

''(B) the customer, and not the certified professional employer organization, shall take into account wages and employment taxes—

''(i) paid by the certified professional employer organization with respect to the work site employee, and

''(ii) for which the certified professional employer organization receives payment from the customer, and

''(C) the certified professional employer organization shall furnish the customer with any information necessary for the customer to claim such credit.

''(2) CREDITS SPECIFIED.—A credit is specified in this paragraph if such credit is allowed under—

''(A) section 41 (credit for increasing research activity),

''(B) section 45A (Indian employment credit),

''(C) section 45B (credit for portion of employer social security taxes paid with respect to employee cash tips),

''(D) section 45C (clinical testing expenses for certain drugs for rare diseases or conditions),

''(E) section 51 (work opportunity credit),

''(F) section 51A (temporary incentives for employing long-term family assistance recipients),

''(G) section 1396 (empowerment zone employment credit),

''(H) 1400(d) (DC Zone employment credit),

''(I) Section 1400H (renewal community employment credit), and

''(J) any other section as provided by the Secretary.

''(e) SPECIAL RULE FOR RELATED PARTY.—This section shall not apply in the case of a customer which bears a relationship to a certified professional employer organization described in section 267(b) or 707(b). For purposes of the preceding sentence, such sections shall be applied by substituting '10 percent' for '50 percent'.

''(f) SPECIAL RULE FOR CERTAIN INDIVIDUALS.—For purposes of the taxes imposed under this subtitle, an individual with net earnings from self-employment derived from the customer's trade or business is not a work site employee with respect to remuneration paid by a certified professional employer organization.

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

(b) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION DEFINED.—Chapter 79 (relating to definitions) is amended by adding at the end the following new section:

''SEC. 7705. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS DEFINED.

''(a) IN GENERAL.—For purposes of this title, the term 'certified professional employer organization' means a person who has been certified by the Secretary for purposes of section 3511 as meeting the requirements of subsection (b).

''(b) GENERAL REQUIREMENTS.—A person meets the requirements of this subsection if such person—

''(1) demonstrates that such person (and any owner, officer, and such other persons as may be specified in regulations) meets such requirements as the Secretary shall establish with respect to tax status, background, experience, business location, and annual financial audits,

''(2) computes its taxable income using an accrual method of accounting unless the Secretary approves another method,

''(3) agrees that it will satisfy the bond and independent financial review requirements of subsection (c) on an ongoing basis,

''(4) agrees that it will satisfy such reporting obligations as may be imposed by the Secretary,

''(5) agrees to verify on such periodic basis as the Secretary may prescribe that it continues to meet the requirements of this subsection, and

''(6) agrees to notify the Secretary in writing within such time as the Secretary may prescribe

of any change that materially affects whether it continues to meet the requirements of this subsection.

''(c) BOND AND INDEPENDENT FINANCIAL REVIEW REQUIREMENTS.—

''(1) IN GENERAL.—An organization meets the requirements of this paragraph if such organization—

''(A) meets the bond requirements of paragraph (2), and

''(B) meets the independent financial review requirements of paragraph (3).

''(2) BOND.—

''(A) IN GENERAL.—A certified professional employer organization meets the requirements of this paragraph if the organization has posted a bond for the payment of taxes under subtitle C (in a form acceptable to the Secretary) in an amount at least equal to the amount specified in subparagraph (B).

''(B) AMOUNT OF BOND.—For the period April 1 of any calendar year through March 31 of the following calendar year, the amount of the bond required is equal to the greater of—

''(i) 5 percent of the organization's liability under section 3511 for taxes imposed by subtitle C during the preceding calendar year (but not to exceed $1,000,000), or

''(ii) $50,000.

''(3) INDEPENDENT FINANCIAL REVIEW REQUIREMENTS.—A certified professional employer organization meets the requirements of this paragraph if such organization—

''(A) has, as of the most recent review date, caused to be prepared and provided to the Secretary (in such manner as the Secretary may prescribe) an opinion of an independent certified public accountant that the certified professional employer organization's financial statements are presented fairly in accordance with generally accepted accounting principles, and

''(B) provides, not later than the last day of the second month beginning after the end of each calendar quarter, to the Secretary from an independent certified public accountant an assertion regarding Federal employment tax payments and an examination level attestation on such assertion.

Such assertion shall state that the organization has withheld and made deposits of all taxes imposed by chapters 21, 22, and 24 of the Internal Revenue Code in accordance with regulations imposed by the Secretary for such calendar quarter and such examination level attestation shall state that such assertion is fairly stated, in all material respects.

''(4) CONTROLLED GROUP RULES.—For purposes of the requirements of paragraphs (2) and (3), all professional employer organizations that are members of a controlled group within the meaning of sections 414(b) and (c) shall be treated as a single organization.

''(5) FAILURE TO FILE ASSERTION AND ATTESTATION.—If the certified professional employer organization fails to file the assertion and attestation required by paragraph (3) with respect to any calendar quarter, then the requirements of paragraph (3) with respect to such failure shall be treated as not satisfied for the period beginning on the due date for such attestation.

''(6) REVIEW DATE.—For purposes of paragraph (3)(A), the review date shall be 6 months after the completion of the organization's fiscal year.

''(d) SUSPENSION AND REVOCATION AUTHORITY.—The Secretary may suspend or revoke a certification of any person under subsection (b) for purposes of section 3511 if the Secretary determines that such person is not satisfying the representations or requirements of subsections (b) or (c), or fails to satisfy applicable accounting, reporting, payment, or deposit requirements.

''(e) WORK SITE EMPLOYEE.—For purposes of this title—

''(1) IN GENERAL.—The term 'work site employee' means, with respect to a certified professional employer organization, an individual who—

''(A) performs services for a customer pursuant to a contract which is between such customer and the certified professional employer organization and which meets the requirements of paragraph (2), and

''(B) performs services at a work site meeting the requirements of paragraph (3).

''(2) SERVICE CONTRACT REQUIREMENTS.—A contract meets the requirements of this paragraph with respect to an individual performing services for a customer if such contract is in writing and provides that the certified professional employer organization shall—

''(A) assume responsibility for payment of wages to such individual, without regard to the receipt or adequacy of payment from the customer for such services,

''(B) assume responsibility for reporting, withholding, and paying any applicable taxes under subtitle C, with respect to such individual's wages, without regard to the receipt or adequacy of payment from the customer for such services,

''(C) assume responsibility for any employee benefits which the service contract may require the organization to provide, without regard to the receipt or adequacy of payment from the customer for such services,

''(D) assume responsibility for hiring, firing, and recruiting workers in addition to the customer's responsibility for hiring, firing and recruiting workers,

''(E) maintain employee records relating to such individual, and

''(F) agree to be treated as a certified professional employer organization for purposes of section 3511 with respect to such individual.

''(3) WORK SITE COVERAGE REQUIREMENT.—The requirements of this paragraph are met with respect to an individual if at least 85 percent of the individuals performing services for the customer at the work site where such individual performs services are subject to 1 or more contracts with the certified professional employer organization which meet the requirements of paragraph (2) (but not taking into account those individuals who are excluded employees within the meaning of section 414(q)(5)).

''(f) DETERMINATION OF EMPLOYMENT STATUS.—Except to the extent necessary for purposes of section 3511, nothing in this section shall be construed to affect the determination of who is an employee or employer for purposes of this title.

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 3302 is amended by adding at the end the following new subsection:

''(h) TREATMENT OF CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—If a certified professional employer organization (as defined in section 7705), or a customer of such organization, makes a contribution to the State's unemployment fund with respect to a work site employee, such organization shall be eligible for the credits available under this section with respect to such contribution.''.

(2) Section 3303(a) is amended—

(A) by striking the period at the end of paragraph (3) and inserting ''; and'' and by inserting after paragraph (3) the following new paragraph:

''(4) if the taxpayer is a certified professional employer organization (as defined in section 7705) that is treated as the employer under section 3511, such certified professional employer organization is permitted to collect and remit, in accordance with paragraphs (1), (2), and (3), contributions during the taxable year to the State unemployment fund with respect to a work site employee.'', and

(B) in the last sentence—

(i) by striking ''paragraphs (1), (2), and (3)'' and inserting ''paragraphs (1), (2), (3), and (4)'', and

(ii) by striking ''paragraph (1), (2), or (3)'' and inserting ''paragraph (1), (2), (3), or (4)''.

(3) Section 6053(c) (relating to reporting of tips) is amended by adding at the end the following new paragraph:

''(8) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—For purposes of any report required by this subsection, in the case of a certified professional employer organization that is treated under section 3511 as the employer of a work site employee, the customer with respect to whom a work site employee performs services shall be the employer for purposes of reporting under this section and the certified professional employer organization shall furnish to the customer any information necessary to complete such reporting no later than such time as the Secretary shall prescribe.''.

(d) CLERICAL AMENDMENTS.—

(1) The table of sections for chapter 25 is amended by adding at the end the following new item:

''Sec. 3511. Certified professional employer organizations.''.

(2) The table of sections for chapter 79 is amended by inserting after the item relating to section 7704 the following new item:

''Sec. 7705. Certified professional employer organizations defined.''.

(e) REPORTING REQUIREMENTS AND OBLIGATIONS.—The Secretary of the Treasury shall develop such reporting and recordkeeping rules, regulations, and procedures as the Secretary determines necessary or appropriate to ensure compliance with the amendments made by this section with respect to entities applying for certification as certified professional employer organizations or entities that have been so certified. Such rules shall be designed in a manner which streamlines, to the extent possible, the application of requirements of such amendments, the exchange of information between a certified professional employer organization and its customers, and the reporting and recordkeeping obligations of the certified professional employer organization.

(f) USER FEES.—Subsection (b) of section 7528 (relating to Internal Revenue Service user fees) is amended by adding at the end the following new paragraph:

''(4) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—The fee charged under the program in connection with the certification by the Secretary of a professional employer organization under section 7705 shall not exceed $500.''.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to wages for services performed on or after January 1 of the first calendar year beginning more than 12 months after the date of the enactment of this Act.

(2) CERTIFICATION PROGRAM.—The Secretary of the Treasury shall establish the certification program described in section 7705(b) of the Internal Revenue Code of 1986, as added by subsection (b), not later than 6 months before the effective date determined under paragraph (1).

(h) NO INFERENCE.—Nothing contained in this section or the amendments made by this section shall be construed to create any inference with respect to the determination of who is an employee or employer—

(1) for Federal tax purposes (other than the purposes set forth in the amendments made by this section), or

(2) for purposes of any other provision of law.

PART II—SUBCHAPTER S PROVISIONS

SEC. 211. CAPITAL GAIN OF S CORPORATION NOT TREATED AS PASSIVE INVESTMENT INCOME.

(a) IN GENERAL.—Section 1362(d)(3) is amended by striking subparagraphs (B), (C), (D), (E), and (F) and inserting the following new subparagraph:

''(B) PASSIVE INVESTMENT INCOME DEFINED.—

''(i) IN GENERAL.—Except as otherwise provided in this subparagraph, the term 'passive investment income' means gross receipts derived from royalties, rents, dividends, interest, and annuities.

''(ii) EXCEPTION FOR INTEREST ON NOTES FROM SALES OF INVENTORY.—The term 'passive investment income' shall not include interest on any obligation acquired in the ordinary course of the corporation's trade or business from its sale of property described in section 1221(a)(1).

''(iii) TREATMENT OF CERTAIN LENDING OR FINANCE COMPANIES.—If the S corporation meets the requirements of section 542(c)(6) for the taxable year, the term 'passive investment income' shall not include gross receipts for the taxable year which are derived directly from the active and regular conduct of a lending or finance business (as defined in section 542(d)(1)).

''(iv) TREATMENT OF CERTAIN DIVIDENDS.—If an S corporation holds stock in a C corporation meeting the requirements of section 1504(a)(2), the term 'passive investment income' shall not include dividends from such C corporation to the extent such dividends are attributable to the earnings and profits of such C corporation derived from the active conduct of a trade or business.

''(v) EXCEPTION FOR BANKS, ETC.—In the case of a bank (as defined in section 581) or a depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1)), the term 'passive investment income' shall not include—

''(I) interest income earned by such bank or company, or

''(II) dividends on assets required to be held by such bank or company, including stock in the Federal Reserve Bank, the Federal Home Loan Bank, or the Federal Agricultural Mortgage Bank or participation certificates issued by a Federal Intermediate Credit Bank.''.

(b) CONFORMING AMENDMENT.—Clause (i) of section 1042(c)(4)(A) is amended by striking ''section 1362(d)(3)(C)'' and inserting ''section 1362(d)(3)(B)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 212. TREATMENT OF BANK DIRECTOR SHARES.

(a) IN GENERAL.—Section 1361 (defining S corporation) is amended by adding at the end the following new subsection:

''(f) RESTRICTED BANK DIRECTOR STOCK.—

''(1) IN GENERAL.—Restricted bank director stock shall not be taken into account as outstanding stock of the S corporation in applying this subchapter (other than section 1368(f)).

''(2) RESTRICTED BANK DIRECTOR STOCK.—For purposes of this subsection, the term 'restricted bank director stock' means stock in a bank (as defined in section 581) or a depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1)), if such stock—

''(A) is required to be held by an individual under applicable Federal or State law in order to permit such individual to serve as a director, and

''(B) is subject to an agreement with such bank or company (or a corporation which controls (within the meaning of section 368(c)) such bank or company) pursuant to which the holder is required to sell back such stock (at the same price as the individual acquired such stock) upon ceasing to hold the office of director.

''(3) CROSS REFERENCE.—

''For treatment of certain distributions with respect to restricted bank director stock, see section 1368(f)''.

(b) DISTRIBUTIONS.—Section 1368 (relating to distributions) is amended by adding at the end the following new subsection:

''(f) RESTRICTED BANK DIRECTOR STOCK.—If a director receives a distribution (not in part or full payment in exchange for stock) from an S corporation with respect to any restricted bank director stock (as defined in section 1361(f)), the amount of such distribution—

''(1) shall be includible in gross income of the director, and

''(2) shall be deductible by the corporation for the taxable year of such corporation in which or with which ends the taxable year in which such amount in included in the gross income of the director.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

(2) SPECIAL RULE FOR TREATMENT AS SECOND CLASS OF STOCK.—In the case of any taxable year beginning after December 31, 1996, restricted bank director stock (as defined in section 1361(f) of the Internal Revenue Code of 1986, as added by this section) shall not be taken into account in determining whether an S corporation has more than 1 class of stock.

SEC. 213. SPECIAL RULE FOR BANK REQUIRED TO CHANGE FROM THE RESERVE METHOD OF ACCOUNTING ON BECOMING S CORPORATION.

(a) IN GENERAL.—Section 1361, as amended by this Act, is amended by adding at the end the following new subsection:

''(g) SPECIAL RULE FOR BANK REQUIRED TO CHANGE FROM THE RESERVE METHOD OF ACCOUNTING ON BECOMING S CORPORATION.—In the case of a bank which changes from the reserve method of accounting for bad debts described in section 585 or 593 for its first taxable year for which an election under section 1362(a) is in effect, the bank may elect to take into account any adjustments under section 481 by reason of such change for the taxable year immediately preceding such first taxable year.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 214. TREATMENT OF THE SALE OF INTEREST IN A QUALIFIED SUBCHAPTER S SUBSIDIARY.

(a) IN GENERAL.—Subparagraph (C) of section 1361(b)(3) (relating to treatment of terminations of qualified subchapter S subsidiary status) is amended—

(1) by striking ''For purposes of this title,'' and inserting the following:

''(i) IN GENERAL.—For purposes of this title,'', and

(2) by inserting at the end the following new clause:

''(ii) TERMINATION BY REASON OF SALE OF STOCK.—If the failure to meet the requirements of subparagraph (B) is by reason of the sale of stock of a corporation which is a qualified subchapter S subsidiary, the sale of such stock shall be treated as if—

''(I) the sale were a sale of an undivided interest in the assets of such corporation (based on the percentage of the corporation's stock sold), and

''(II) the sale were followed by an acquisition by such corporation of all of its assets (and the assumption by such corporation of all of its liabilities) in a transaction to which section 351 applies.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006 .

SEC. 215. ELIMINATION OF ALL EARNINGS AND PROFITS ATTRIBUTABLE TO PRE-1983 YEARS FOR CERTAIN CORPORATIONS.

In the case of a corporation which is—

(1) described in section 1311(a)(1) of the Small Business Job Protection Act of 1996, and

(2) not described in section 1311(a)(2) of such Act,

the amount of such corporation's accumulated earnings and profits (for the first taxable year beginning after the date of the enactment of this Act) shall be reduced by an amount equal to the portion (if any) of such accumulated earnings and profits which were accumulated in any taxable year beginning before January 1, 1983, for which such corporation was an electing small business corporation under subchapter S of the Internal Revenue Code of 1986.

SEC. 216. EXPANSION OF QUALIFYING BENEFICIARIES OF AN ELECTING SMALL BUSINESS TRUST.

(a) NO LOOK THROUGH FOR ELIGIBILITY PURPOSES.—Clause (v) of section 1361(c)(2)(B) is amended by adding at the end the following new sentence: ''This clause shall not apply for purposes of subsection (b)(1)(C).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

Subtitle B—Revenue Provisions

SEC. 221. MODIFICATION OF EFFECTIVE DATE OF LEASING PROVISIONS OF THE AMERICAN JOBS CREATION ACT OF 2004.

(a) LEASES TO FOREIGN ENTITIES.—Section 849(b) of the American Jobs Creation Act of 2004 is amended by adding at the end the following new paragraph:

''(5) LEASES TO FOREIGN ENTITIES.—In the case of tax-exempt use property leased to a tax-exempt entity which is a foreign person or entity, the amendments made by this part shall apply to taxable years beginning after December 31, 2006, with respect to leases entered into on or before March 12, 2004.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the American Jobs Creation Act of 2004.

SEC. 222. APPLICATION OF RULES TREATING INVERTED CORPORATIONS AS DOMESTIC CORPORATIONS TO CERTAIN TRANSACTIONS OCCURRING AFTER MARCH 20, 2002.

(a) IN GENERAL.—Section 7874(b) (relating to inverted corporations treated as domestic corporations) is amended to read as follows:

''(b) INVERTED CORPORATIONS TREATED AS DOMESTIC CORPORATIONS.—

''(1) IN GENERAL.—Notwithstanding section 7701(a)(4), a foreign corporation shall be treated for purposes of this title as a domestic corporation if such corporation would be a surrogate foreign corporation if subsection (a)(2) were applied by substituting '80 percent' for '60 percent'.

''(2) SPECIAL RULE FOR CERTAIN TRANSACTIONS OCCURRING AFTER MARCH 20, 2002.—

''(A) IN GENERAL.—If—

''(i) paragraph (1) does not apply to a foreign corporation, but

''(ii) paragraph (1) would apply to such corporation if, in addition to the substitution under paragraph (1), subsection (a)(2) were applied by substituting 'March 20, 2002' for 'March 4, 2003' each place it appears,

then paragraph (1) shall apply to such corporation but only with respect to taxable years of such corporation beginning after December 31, 2006.

''(B) SPECIAL RULES.—Subject to such rules as the Secretary may prescribe, in the case of a corporation to which paragraph (1) applies by reason of this paragraph—

''(i) the corporation shall be treated, as of the close of its last taxable year beginning before January 1, 2007, as having transferred all of its assets, liabilities, and earnings and profits to a domestic corporation in a transaction with respect to which no tax is imposed under this title,

''(ii) the bases of the assets transferred in the transaction to the domestic corporation shall be the same as the bases of the assets in the hands of the foreign corporation, subject to any adjustments under this title for built-in losses,

''(iii) the basis of the stock of any shareholder in the domestic corporation shall be the same as the basis of the stock of the shareholder in the foreign corporation for which it is treated as exchanged, and

''(iv) the transfer of any earnings and profits by reason of clause (i) shall be disregarded in

determining any deemed dividend or foreign tax creditable to the domestic corporation with respect to such transfer.

''(C) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this paragraph, including regulations to prevent the avoidance of the purposes of this paragraph.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 223. DENIAL OF DEDUCTION FOR PUNITIVE DAMAGES.

(a) DISALLOWANCE OF DEDUCTION.—

(1) IN GENERAL.—Section 162(g) (relating to treble damage payments under the antitrust laws) is amended—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(B) by striking ''If'' and inserting:

''(1) TREBLE DAMAGES.—If'', and

(C) by adding at the end the following new paragraph:

''(2) PUNITIVE DAMAGES.—No deduction shall be allowed under this chapter for any amount paid or incurred for punitive damages in connection with any judgment in, or settlement of, any action. This paragraph shall not apply to punitive damages described in section 104(c).''.

(2) CONFORMING AMENDMENT.—The heading for section 162(g) is amended by inserting ''OR PUNITIVE DAMAGES'' after ''LAWS''.

(b) INCLUSION IN INCOME OF PUNITIVE DAMAGES PAID BY INSURER OR OTHERWISE.—

(1) IN GENERAL.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end the following new section:

''SEC. 91. PUNITIVE DAMAGES COMPENSATED BY INSURANCE OR OTHERWISE.

''Gross income shall include any amount paid to or on behalf of a taxpayer as insurance or otherwise by reason of the taxpayer's liability (or agreement) to pay punitive damages.''.

(2) REPORTING REQUIREMENTS.—Section 6041 (relating to information at source) is amended by adding at the end the following new subsection:

''(h) SECTION TO APPLY TO PUNITIVE DAMAGES COMPENSATION.—This section shall apply to payments by a person to or on behalf of another person as insurance or otherwise by reason of the other person's liability (or agreement) to pay punitive damages.''.

(3) CONFORMING AMENDMENT.—The table of sections for part II of subchapter B of chapter 1 is amended by adding at the end the following new item:

''Sec. 91. Punitive damages compensated by insurance or otherwise.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to damages paid or incurred on or after the date of the enactment of this Act.

SEC. 224. DENIAL OF DEDUCTION FOR CERTAIN FINES, PENALTIES, AND OTHER AMOUNTS.

(a) IN GENERAL.—Subsection (f) of section 162 (relating to trade or business expenses) is amended to read as follows:

''(f) FINES, PENALTIES, AND OTHER AMOUNTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no deduction otherwise allowable shall be allowed under this chapter for any amount paid or incurred (whether by suit, agreement, or otherwise) to, or at the direction of, a government or entity described in paragraph (4) in relation to the violation of any law or the investigation or inquiry by such government or entity into the potential violation of any law.

''(2) EXCEPTION FOR AMOUNTS CONSTITUTING RESTITUTION OR PAID TO COME INTO COMPLIANCE WITH LAW.—Paragraph (1) shall not apply to any amount which—

''(A) the taxpayer establishes—

''(i) constitutes restitution (including remediation of property) for damage or harm caused by or which may be caused by the violation of any law or the potential violation of any law, or

''(ii) is paid to come into compliance with any law which was violated or involved in the investigation or inquiry, and

''(B) is identified as restitution or as an amount paid to come into compliance with the law, as the case may be, in the court order or settlement agreement.

A taxpayer shall not meet the requirements of subparagraph (A) solely by reason an identification under subparagraph (B). This paragraph shall not apply to any amount paid or incurred as reimbursement to the government or entity for the costs of any investigation or litigation.

''(3) EXCEPTION FOR AMOUNTS PAID OR INCURRED AS THE RESULT OF CERTAIN COURT ORDERS.—Paragraph (1) shall not apply to any amount paid or incurred by order of a court in a suit in which no government or entity described in paragraph (4) is a party.

''(4) CERTAIN NONGOVERNMENTAL REGULATORY ENTITIES.—An entity is described in this paragraph if it is—

''(A) a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) in connection with a qualified board or exchange (as defined in section 1256(g)(7)), or

''(B) to the extent provided in regulations, a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) as part of performing an essential governmental function.

''(5) EXCEPTION FOR TAXES DUE.—Paragraph (1) shall not apply to any amount paid or incurred as taxes due.''.

(b) REPORTING OF DEDUCTIBLE AMOUNTS.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 is amended by inserting after section 6050V the following new section:

''SEC. 6050W. INFORMATION WITH RESPECT TO CERTAIN FINES, PENALTIES, AND OTHER AMOUNTS.

''(a) REQUIREMENT OF REPORTING.—

''(1) IN GENERAL.—The appropriate official of any government or entity which is described in section 162(f)(4) which is involved in a suit or agreement described in paragraph (2) shall make a return in such form as determined by the Secretary setting forth—

''(A) the amount required to be paid as a result of the suit or agreement to which paragraph (1) of section 162(f) applies,

''(B) any amount required to be paid as a result of the suit or agreement which constitutes restitution or remediation of property, and

''(C) any amount required to be paid as a result of the suit or agreement for the purpose of coming into compliance with any law which was violated or involved in the investigation or inquiry.

''(2) SUIT OR AGREEMENT DESCRIBED.—

''(A) IN GENERAL.—A suit or agreement is described in this paragraph if—

''(i) it is—

''(I) a suit with respect to a violation of any law over which the government or entity has authority and with respect to which there has been a court order, or

''(II) an agreement which is entered into with respect to a violation of any law over which the government or entity has authority, or with respect to an investigation or inquiry by the government or entity into the potential violation of any law over which such government or entity has authority, and

''(ii) the aggregate amount involved in all court orders and agreements with respect to the violation, investigation, or inquiry is $600 or more.

''(B) ADJUSTMENT OF REPORTING THRESHOLD.—The Secretary may adjust the $600 amount in subparagraph (A)(ii) as necessary in order to ensure the efficient administration of the internal revenue laws.

''(3) TIME OF FILING.—The return required under this subsection shall be filed not later than—

''(A) 30 days after the date on which a court order is issued with respect to the suit or the date the agreement is entered into, as the case may be, or

''(B) the date specified Secretary.

''(b) STATEMENTS TO BE FURNISHED TO INDIVIDUALS INVOLVED IN THE SETTLEMENT.—Every person required to make a return under subsection (a) shall furnish to each person who is a party to the suit or agreement a written statement showing—

''(1) the name of the government or entity, and

''(2) the information supplied to the Secretary under subsection (a)(1).

The written statement required under the preceding sentence shall be furnished to the person at the same time the government or entity provides the Secretary with the information required under subsection (a).

''(c) APPROPRIATE OFFICIAL DEFINED.—For purposes of this section, the term 'appropriate official' means the officer or employee having control of the suit, investigation, or inquiry or the person appropriately designated for purposes of this section.''.

(2) CONFORMING AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6050V the following new item:

''Sec. 6050W. Information with respect to certain fines, penalties, and other amounts.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred on or after the date of the enactment of this Act, except that such amendments shall not apply to amounts paid or incurred under any binding order or agreement entered into before such date. Such exception shall not apply to an order or agreement requiring court approval unless the approval was obtained before such date.

SEC. 225. REVISION OF TAX RULES ON EXPATRIATION OF INDIVIDUALS.

(a) IN GENERAL.—Subpart A of part II of subchapter N of chapter 1 is amended by inserting after section 877 the following new section:

''SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

''(a) GENERAL RULES.—For purposes of this subtitle—

''(1) MARK TO MARKET.—Except as provided in subsections (d) and (f), all property of a covered expatriate to whom this section applies shall be treated as sold on the day before the expatriation date for its fair market value.

''(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

''(A) notwithstanding any other provision of this title, any gain arising from such sale shall be taken into account for the taxable year of the sale, and

''(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

Proper adjustment shall be made in the amount of any gain or loss subsequently realized for gain or loss taken into account under the preceding sentence.

''(3) EXCLUSION FOR CERTAIN GAIN.—

''(A) IN GENERAL.—The amount which, but for this paragraph, would be includible in the gross income of any individual by reason of this section shall be reduced (but not below zero) by $600,000. For purposes of this paragraph, allocable expatriation gain taken into account under subsection (f)(2) shall be treated in the same manner as an amount required to be includible in gross income.

''(B) COST-OF-LIVING ADJUSTMENT.—

''(i) IN GENERAL.—In the case of an expatriation date occurring in any calendar year after 2007, the $600,000 amount under subparagraph (A) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting 'calendar year 2006' for 'calendar year 1992' in subparagraph (B) thereof.

''(ii) ROUNDING RULES.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.

''(4) ELECTION TO CONTINUE TO BE TAXED AS UNITED STATES CITIZEN.—

''(A) IN GENERAL.—If a covered expatriate elects the application of this paragraph—

''(i) this section (other than this paragraph and subsection (i)) shall not apply to the expatriate, but

''(ii) in the case of property to which this section would apply but for such election, the expatriate shall be subject to tax under this title in the same manner as if the individual were a United States citizen.

''(B) REQUIREMENTS.—Subparagraph (A) shall not apply to an individual unless the individual—

''(i) provides security for payment of tax in such form and manner, and in such amount, as the Secretary may require,

''(ii) consents to the waiver of any right of the individual under any treaty of the United States which would preclude assessment or collection of any tax which may be imposed by reason of this paragraph, and

''(iii) complies with such other requirements as the Secretary may prescribe.

''(C) ELECTION.—An election under subparagraph (A) shall apply to all property to which this section would apply but for the election and, once made, shall be irrevocable. Such election shall also apply to property the basis of which is determined in whole or in part by reference to the property with respect to which the election was made.

''(b) ELECTION TO DEFER TAX.—

''(1) IN GENERAL.—If the taxpayer elects the application of this subsection with respect to any property treated as sold by reason of subsection (a), the payment of the additional tax attributable to such property shall be postponed until the due date of the return for the taxable year in which such property is disposed of (or, in the case of property disposed of in a transaction in which gain is not recognized in whole or in part, until such other date as the Secretary may prescribe).

''(2) DETERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraph (1), the additional tax attributable to any property is an amount which bears the same ratio to the additional tax imposed by this chapter for the taxable year solely by reason of subsection (a) as the gain taken into account under subsection (a) with respect to such property bears to the total gain taken into account under subsection (a) with respect to all property to which subsection (a) applies.

''(3) TERMINATION OF POSTPONEMENT.—No tax may be postponed under this subsection later than the due date for the return of tax imposed by this chapter for the taxable year which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

''(4) SECURITY.—

''(A) IN GENERAL.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided to the Secretary with respect to such property.

''(B) ADEQUATE SECURITY.—For purposes of subparagraph (A), security with respect to any property shall be treated as adequate security if—

''(i) it is a bond in an amount equal to the deferred tax amount under paragraph (2) for the property, or

''(ii) the taxpayer otherwise establishes to the satisfaction of the Secretary that the security is adequate.

''(5) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) unless the taxpayer consents to the waiver of any right under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

''(6) ELECTIONS.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable. An election may be made under paragraph (1) with respect to an interest in a trust with respect to which gain is required to be recognized under subsection (f)(1).

''(7) INTEREST.—For purposes of section 6601—

''(A) the last date for the payment of tax shall be determined without regard to the election under this subsection, and

''(B) section 6621(a)(2) shall be applied by substituting '5 percentage points' for '3 percentage points' in subparagraph (B) thereof.

''(c) COVERED EXPATRIATE.—For purposes of this section—

''(1) IN GENERAL.—Except as provided in paragraph (2), the term 'covered expatriate' means an expatriate.

''(2) EXCEPTIONS.—An individual shall not be treated as a covered expatriate if—

''(A) the individual—

''(i) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

''(ii) has not been a resident of the United States (as defined in section 7701(b)(1)(A)(ii)) during the 5 taxable years ending with the taxable year during which the expatriation date occurs, or

''(B)(i) the individual's relinquishment of United States citizenship occurs before such individual attains age 18½, and

''(ii) the individual has been a resident of the United States (as so defined) for not more than 5 taxable years before the date of relinquishment.

''(d) EXEMPT PROPERTY; SPECIAL RULES FOR PENSION PLANS.—

''(1) EXEMPT PROPERTY.—This section shall not apply to the following:

''(A) UNITED STATES REAL PROPERTY INTERESTS.—Any United States real property interest (as defined in section 897(c)(1)), other than stock of a United States real property holding corporation which does not, on the day before the expatriation date, meet the requirements of section 897(c)(2).

''(B) SPECIFIED PROPERTY.—Any property or interest in property not described in subparagraph (A) which the Secretary specifies in regulations.

''(2) SPECIAL RULES FOR CERTAIN RETIREMENT PLANS.—

''(A) IN GENERAL.—If a covered expatriate holds on the day before the expatriation date any interest in a retirement plan to which this paragraph applies—

''(i) such interest shall not be treated as sold for purposes of subsection (a)(1), but

''(ii) an amount equal to the present value of the expatriate's nonforfeitable accrued benefit shall be treated as having been received by such individual on such date as a distribution under the plan.

''(B) TREATMENT OF SUBSEQUENT DISTRIBUTIONS.—In the case of any distribution on or after the expatriation date to or on behalf of the covered expatriate from a plan from which the expatriate was treated as receiving a distribution under subparagraph (A), the amount otherwise includible in gross income by reason of the subsequent distribution shall be reduced by the excess of the amount includible in gross income under subparagraph (A) over any portion of such amount to which this subparagraph previously applied.

''(C) TREATMENT OF SUBSEQUENT DISTRIBUTIONS BY PLAN.—For purposes of this title, a retirement plan to which this paragraph applies, and any person acting on the plan's behalf, shall treat any subsequent distribution described in subparagraph (B) in the same manner as such distribution would be treated without regard to this paragraph.

''(D) APPLICABLE PLANS.—This paragraph shall apply to—

''(i) any qualified retirement plan (as defined in section 4974(c)),

''(ii) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A), and

''(iii) to the extent provided in regulations, any foreign pension plan or similar retirement arrangements or programs.

''(e) DEFINITIONS.—For purposes of this section—

''(1) EXPATRIATE.—The term 'expatriate' means—

''(A) any United States citizen who relinquishes citizenship, and

''(B) any long-term resident of the United States who—

''(i) ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)), or

''(ii) commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country and who does not waive the benefits of such treaty applicable to residents of the foreign country.

''(2) EXPATRIATION DATE.—The term 'expatriation date' means—

''(A) the date an individual relinquishes United States citizenship, or

''(B) in the case of a long-term resident of the United States, the date of the event described in clause (i) or (ii) of paragraph (1)(B).

''(3) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing United States citizenship on the earliest of—

''(A) the date the individual renounces such individual's United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

''(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)–(4)),

''(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

''(D) the date a court of the United States cancels a naturalized citizen's certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the issuance to the individual of a certificate of loss of nationality by the United States Department of State.

''(4) LONG-TERM RESIDENT.—The term 'long-term resident' has the meaning given to such term by section 877(e)(2).

''(f) SPECIAL RULES APPLICABLE TO BENEFICIARIES' INTERESTS IN TRUST.—

''(1) IN GENERAL.—Except as provided in paragraph (2), if an individual is determined under paragraph (3) to hold an interest in a trust on the day before the expatriation date—

''(A) the individual shall not be treated as having sold such interest,

''(B) such interest shall be treated as a separate share in the trust, and

''(C)(i) such separate share shall be treated as a separate trust consisting of the assets allocable to such share,

''(ii) the separate trust shall be treated as having sold its assets on the day before the expatriation date for their fair market value and

as having distributed all of its assets to the individual as of such time, and

''(iii) the individual shall be treated as having recontributed the assets to the separate trust.

Subsection (a)(2) shall apply to any income, gain, or loss of the individual arising from a distribution described in subparagraph (C)(ii). In determining the amount of such distribution, proper adjustments shall be made for liabilities of the trust allocable to an individual's share in the trust.

''(2) SPECIAL RULES FOR INTERESTS IN QUALIFIED TRUSTS.—

''(A) IN GENERAL.—If the trust interest described in paragraph (1) is an interest in a qualified trust—

''(i) paragraph (1) and subsection (a) shall not apply, and

''(ii) in addition to any other tax imposed by this title, there is hereby imposed on each distribution with respect to such interest a tax in the amount determined under subparagraph (B).

''(B) AMOUNT OF TAX.—The amount of tax under subparagraph (A)(ii) shall be equal to the lesser of—

''(i) the highest rate of tax imposed by section 1(e) for the taxable year which includes the day before the expatriation date, multiplied by the amount of the distribution, or

''(ii) the balance in the deferred tax account immediately before the distribution determined without regard to any increases under subparagraph (C)(ii) after the 30th day preceding the distribution.

''(C) DEFERRED TAX ACCOUNT.—For purposes of subparagraph (B)(ii)—

''(i) OPENING BALANCE.—The opening balance in a deferred tax account with respect to any trust interest is an amount equal to the tax which would have been imposed on the allocable expatriation gain with respect to the trust interest if such gain had been included in gross income under subsection (a).

''(ii) INCREASE FOR INTEREST.—The balance in the deferred tax account shall be increased by the amount of interest determined (on the balance in the account at the time the interest accrues), for periods after the 90th day after the expatriation date, by using the rates and method applicable under section 6621 for underpayments of tax for such periods, except that section 6621(a)(2) shall be applied by substituting '5 percentage points' for '3 percentage points' in subparagraph (B) thereof.

''(iii) DECREASE FOR TAXES PREVIOUSLY PAID.—The balance in the tax deferred account shall be reduced—

''(I) by the amount of taxes imposed by subparagraph (A) on any distribution to the person holding the trust interest, and

''(II) in the case of a person holding a nonvested interest, to the extent provided in regulations, by the amount of taxes imposed by subparagraph (A) on distributions from the trust with respect to nonvested interests not held by such person.

''(D) ALLOCABLE EXPATRIATION GAIN.—For purposes of this paragraph, the allocable expatriation gain with respect to any beneficiary's interest in a trust is the amount of gain which would be allocable to such beneficiary's vested and nonvested interests in the trust if the beneficiary held directly all assets allocable to such interests.

''(E) TAX DEDUCTED AND WITHHELD.—

''(i) IN GENERAL.—The tax imposed by subparagraph (A)(ii) shall be deducted and withheld by the trustees from the distribution to which it relates.

''(ii) EXCEPTION WHERE FAILURE TO WAIVE TREATY RIGHTS.—If an amount may not be deducted and withheld under clause (i) by reason of the distributee failing to waive any treaty right with respect to such distribution—

''(I) the tax imposed by subparagraph (A)(ii) shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax, and

''(II) any other beneficiary of the trust shall be entitled to recover from the distributee the amount of such tax imposed on the other beneficiary.

''(F) DISPOSITION.—If a trust ceases to be a qualified trust at any time, a covered expatriate disposes of an interest in a qualified trust, or a covered expatriate holding an interest in a qualified trust dies, then, in lieu of the tax imposed by subparagraph (A)(ii), there is hereby imposed a tax equal to the lesser of—

''(i) the tax determined under paragraph (1) as if the day before the expatriation date were the date of such cessation, disposition, or death, whichever is applicable, or

''(ii) the balance in the tax deferred account immediately before such date.

Such tax shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax and any other beneficiary of the trust shall be entitled to recover from the covered expatriate or the estate the amount of such tax imposed on the other beneficiary.

''(G) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

''(i) QUALIFIED TRUST.—The term 'qualified trust' means a trust which is described in section 7701(a)(30)(E).

''(ii) VESTED INTEREST.—The term 'vested interest' means any interest which, as of the day before the expatriation date, is vested in the beneficiary.

''(iii) NONVESTED INTEREST.—The term 'nonvested interest' means, with respect to any beneficiary, any interest in a trust which is not a vested interest. Such interest shall be determined by assuming the maximum exercise of discretion in favor of the beneficiary and the occurrence of all contingencies in favor of the beneficiary.

''(iv) ADJUSTMENTS.—The Secretary may provide for such adjustments to the bases of assets in a trust or a deferred tax account, and the timing of such adjustments, in order to ensure that gain is taxed only once.

''(v) COORDINATION WITH RETIREMENT PLAN RULES.—This subsection shall not apply to an interest in a trust which is part of a retirement plan to which subsection (d)(2) applies.

''(3) DETERMINATION OF BENEFICIARIES' INTEREST IN TRUST.—

''(A) DETERMINATIONS UNDER PARAGRAPH (1).—For purposes of paragraph (1), a beneficiary's interest in a trust shall be based upon all relevant facts and circumstances, including the terms of the trust instrument and any letter of wishes or similar document, historical patterns of trust distributions, and the existence of and functions performed by a trust protector or any similar adviser.

''(B) OTHER DETERMINATIONS.—For purposes of this section—

''(i) CONSTRUCTIVE OWNERSHIP.—If a beneficiary of a trust is a corporation, partnership, trust, or estate, the shareholders, partners, or beneficiaries shall be deemed to be the trust beneficiaries for purposes of this section.

''(ii) TAXPAYER RETURN POSITION.—A taxpayer shall clearly indicate on its income tax return—

''(I) the methodology used to determine that taxpayer's trust interest under this section, and

''(II) if the taxpayer knows (or has reason to know) that any other beneficiary of such trust is using a different methodology to determine such beneficiary's trust interest under this section.

''(g) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—

''(1) any period during which recognition of income or gain is deferred shall terminate on the day before the expatriation date, and

''(2) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

''(h) IMPOSITION OF TENTATIVE TAX.—

''(1) IN GENERAL.—If an individual is required to include any amount in gross income under subsection (a) for any taxable year, there is hereby imposed, immediately before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed if the taxable year were a short taxable year ending on the expatriation date.

''(2) DUE DATE.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expatriation date.

''(3) TREATMENT OF TAX.—Any tax paid under paragraph (1) shall be treated as a payment of the tax imposed by this chapter for the taxable year to which subsection (a) applies.

''(4) DEFERRAL OF TAX.—The provisions of subsection (b) shall apply to the tax imposed by this subsection to the extent attributable to gain includible in gross income by reason of this section.

''(i) SPECIAL LIENS FOR DEFERRED TAX AMOUNTS.—

''(1) IMPOSITION OF LIEN.—

''(A) IN GENERAL.—If a covered expatriate makes an election under subsection (a)(4) or (b) which results in the deferral of any tax imposed by reason of subsection (a), the deferred amount (including any interest, additional amount, addition to tax, assessable penalty, and costs attributable to the deferred amount) shall be a lien in favor of the United States on all property of the expatriate located in the United States (without regard to whether this section applies to the property).

''(B) DEFERRED AMOUNT.—For purposes of this subsection, the deferred amount is the amount of the increase in the covered expatriate's income tax which, but for the election under subsection (a)(4) or (b), would have occurred by reason of this section for the taxable year including the expatriation date.

''(2) PERIOD OF LIEN.—The lien imposed by this subsection shall arise on the expatriation date and continue until—

''(A) the liability for tax by reason of this section is satisfied or has become unenforceable by reason of lapse of time, or

''(B) it is established to the satisfaction of the Secretary that no further tax liability may arise by reason of this section.

''(3) CERTAIN RULES APPLY.—The rules set forth in paragraphs (1), (3), and (4) of section 6324A(d) shall apply with respect to the lien imposed by this subsection as if it were a lien imposed by section 6324A.

''(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

(b) INCLUSION IN INCOME OF GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—Section 102 (relating to gifts, etc. not included in gross income) is amended by adding at the end the following new subsection:

''(d) GIFTS AND INHERITANCES FROM COVERED EXPATRIATES.—

''(1) TREATMENT OF GIFTS AND INHERITANCES.—

''(A) IN GENERAL.—Subsection (a) shall not exclude from gross income the value of any property acquired by gift, bequest, devise, or inheritance from a covered expatriate after the expatriation date.

''(B) DETERMINATION OF BASIS.—Notwithstanding sections 1015 or 1022, the basis of any property described in subparagraph (A) in the hands of the donee or the person acquiring such property from the decedent shall be equal to the fair market value of the property at the time of the gift, bequest, devise, or inheritance.

''(2) EXCEPTIONS FOR TRANSFERS OTHERWISE SUBJECT TO ESTATE OR GIFT TAX.—Paragraph (1) shall not apply to any property if either—

''(A) the gift, bequest, devise, or inheritance is—

''(i) shown on a timely filed return of tax imposed by chapter 12 as a taxable gift by the covered expatriate, or

''(ii) included in the gross estate of the covered expatriate for purposes of chapter 11 and shown on a timely filed return of tax imposed by chapter 11 of the estate of the covered expatriate, or

''(B) no such return was timely filed but no such return would have been required to be filed even if the covered expatriate were a citizen or long-term resident of the United States.

''(3) DEFINITIONS.—For purposes of this subsection, any term used in this subsection which is also used in section 877A shall have the same meaning as when used in section 877A.''.

(c) DEFINITION OF TERMINATION OF UNITED STATES CITIZENSHIP.—Section 7701(a) is amended by adding at the end the following new paragraph:

''(50) TERMINATION OF UNITED STATES CITIZENSHIP.—

''(A) IN GENERAL.—An individual shall not cease to be treated as a United States citizen before the date on which the individual's citizenship is treated as relinquished under section 877A(e)(3).

''(B) DUAL CITIZENS.—Under regulations prescribed by the Secretary, subparagraph (A) shall not apply to an individual who became at birth a citizen of the United States and a citizen of another country.''.

(d) INELIGIBILITY FOR VISA OR ADMISSION TO UNITED STATES.—

(1) IN GENERAL.—Section 212(a)(10)(E) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)(E)) is amended to read as follows:

''(E) FORMER CITIZENS NOT IN COMPLIANCE WITH EXPATRIATION REVENUE PROVISIONS.—Any alien who is a former citizen of the United States who relinquishes United States citizenship (within the meaning of section 877A(e)(3) of the Internal Revenue Code of 1986) and who is not in compliance with section 877A of such Code (relating to expatriation) is inadmissible.''.

(2) AVAILABILITY OF INFORMATION.—

(A) IN GENERAL.—Section 6103(l) (relating to disclosure of returns and return information for purposes other than tax administration) is amended by adding at the end the following new paragraph:

''(21) DISCLOSURE TO DENY VISA OR ADMISSION TO CERTAIN EXPATRIATES.—Upon written request of the Attorney General or the Attorney General's delegate, the Secretary shall disclose whether an individual is in compliance with section 877A (and if not in compliance, any items of noncompliance) to officers and employees of the Federal agency responsible for administering section 212(a)(10)(E) of the Immigration and Nationality Act solely for the purpose of, and to the extent necessary in, administering such section 212(a)(10)(E).''.

(B) SAFEGUARDS.—Section 6103(p)(4) (relating to safeguards) is amended by striking ''or (20)'' each place it appears and inserting ''(20), or (21)''.

(3) EFFECTIVE DATES.—The amendments made by this subsection shall apply to individuals who relinquish United States citizenship on or after the date of the enactment of this Act.

(e) CONFORMING AMENDMENTS.—

(1) Section 877 is amended by adding at the end the following new subsection:

''(h) APPLICATION.—This section shall not apply to an expatriate (as defined in section 877A(e)) whose expatriation date (as so defined) occurs on or after the date of the enactment of this subsection.''.

(2) Section 2107 is amended by adding at the end the following new subsection:

''(f) APPLICATION.—This section shall not apply to any expatriate subject to section 877A.''.

(3) Section 2501(a)(3) is amended by adding at the end the following new subparagraph:

''(C) APPLICATION.—This paragraph shall not apply to any expatriate subject to section 877A.''.

(4) Section 6039G(a) is amended by inserting ''or 877A'' after ''section 877(b)''.

(5) The second sentence of section 6039G(d) is amended by inserting ''or who relinquishes United States citizenship (within the meaning of section 877A(e)(3))'' after ''section 877(a))''.

(f) CLERICAL AMENDMENT.—The table of sections for subpart A of part II of subchapter N of chapter 1 is amended by inserting after the item relating to section 877 the following new item:

''Sec. 877A. Tax responsibilities of expatriation.''.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to expatriates (within the meaning of section 877A(e) of the Internal Revenue Code of 1986, as added by this section) whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

(2) GIFTS AND BEQUESTS.—Section 102(d) of the Internal Revenue Code of 1986 (as added by subsection (b)) shall apply to gifts and bequests received on or after the date of the enactment of this Act, from an individual or the estate of an individual whose expatriation date (as so defined) occurs after such date.

(3) DUE DATE FOR TENTATIVE TAX.—The due date under section 877A(h)(2) of the Internal Revenue Code of 1986, as added by this section, shall in no event occur before the 90th day after the date of the enactment of this Act.

SEC. 226. LIMITATION ON ANNUAL AMOUNTS WHICH MAY BE DEFERRED UNDER NONQUALIFIED DEFERRED COMPENSATION ARRANGEMENTS.

(a) IN GENERAL.—Section 409A(a) of the Internal Revenue Code of 1986 (relating to inclusion of gross income under nonqualified deferred compensation plans) is amended—

(1) by striking ''and (4)'' in subclause (I) of paragraph (1)(A)(i) and inserting ''(4), and (5)'', and

(2) by adding at the end the following new paragraph:

''(5) ANNUAL LIMITATION ON AGGREGATE DEFERRED AMOUNTS.—

''(A) LIMITATION.—The requirements of this paragraph are met if the plan provides that the aggregate amount of compensation which is deferred for any taxable year with respect to a participant under the plan may not exceed the applicable dollar amount for the taxable year.

''(B) INCLUSION OF FUTURE EARNINGS.—If an amount is includible under paragraph (1) in the gross income of a participant for any taxable year by reason of any failure to meet the requirements of this paragraph, any income (whether actual or notional) for any subsequent taxable year shall be included in gross income under paragraph (1)(A) in such subsequent taxable year to the extent such income—

''(i) is attributable to compensation (or income attributable to such compensation) required to be included in gross income by reason of such failure (including by reason of this subparagraph), and

''(ii) is not subject to a substantial risk of forfeiture and has not been previously included in gross income.

''(C) AGGREGATION RULE.—For purposes of this paragraph, all nonqualified deferred compensation plans maintained by all employers treated as a single employer under subsection (d)(6) shall be treated as 1 plan.

''(D) APPLICABLE DOLLAR AMOUNT.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'applicable dollar amount' means, with respect to any participant, the lesser of—

''(I) the average annual compensation which was payable during the base period to the participant by the employer maintaining the nonqualified deferred compensation plan (or any predecessor of the employer) and which was includible in the participant's gross income for taxable years in the base period, or

''(II) $1,000,000.

''(ii) BASE PERIOD.—

''(I) IN GENERAL.—The term 'base period' means, with respect to any computation year, the 5-taxable year period ending with the taxable year preceding the computation year.

''(II) ELECTIONS MADE BEFORE COMPUTATION YEAR.—If, before the beginning of the computation year, an election described in paragraph (4)(B) is made by the participant to have compensation for services performed in the computation year deferred under a nonqualified deferred compensation plan, the base period shall be the 5-taxable year period ending with the taxable year preceding the taxable year in which the election is made.

''(III) COMPUTATION YEAR.—For purposes of this clause, the term 'computation year' means any taxable year of the participant for which the limitation under subparagraph (A) is being determined.

''(IV) SPECIAL RULE FOR EMPLOYEES OF LESS THAN 5 YEARS.—If a participant did not perform services for the employer maintaining the nonqualified deferred compensation plan (or any predecessor of the employer) during the entire 5-taxable year period referred to in subparagraph (A) or (B), only the portion of such period during which the participant performed such services shall be taken into account.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006, except that—

(A) the amendments shall only apply to amounts deferred after December 31, 2006 (and to earnings on such amounts), and

(B) taxable years beginning on or before December 31, 2006, shall be taken into account in determining the average annual compensation of a participant during any base period for purposes of section 409A(a)(5)(D) of the Internal Revenue Code of 1986 (as added by such amendments).

(2) GUIDANCE RELATING TO CERTAIN EXISTING ARRANGEMENTS.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance providing a limited period during which a nonqualified deferred compensation plan adopted before December 31, 2006, may, without violating the requirements of section 409A(a) of such Code, be amended—

(A) to provide that a participant may, no later than December 31, 2007, cancel or modify an outstanding deferral election with regard to all or a portion of amounts deferred after December 31, 2006, to the extent necessary for the plan to meet the requirements of section 409A(a)(5) of such Code (as added by the amendments made by this section), but only if amounts subject to the cancellation or modification are, to the extent not previously included in gross income, includible in income of the participant when no longer subject to substantial risk of forfeiture, and

(B) to conform to the requirements of section 409A(a)(5) of such Code (as added by the amendments made by this section) with regard to amounts deferred after December 31, 2006.

SEC. 227. INCREASE IN CRIMINAL MONETARY PENALTY LIMITATION FOR THE UNDERPAYMENT OR OVERPAYMENT OF TAX DUE TO FRAUD.

(a) IN GENERAL.—Section 7206 (relating to fraud and false statements) is amended—

(1) by striking ''Any person who—'' and inserting ''(a) IN GENERAL.—'', and

(2) by adding at the end the following new subsection:

''(b) INCREASE IN MONETARY LIMITATION FOR UNDERPAYMENT OR OVERPAYMENT OF TAX DUE TO FRAUD.—If any portion of any underpayment (as defined in section 6664(a)) or overpayment (as defined in section 6401(a)) of tax required to be shown on a return is attributable to fraudulent action described in subsection (a), the applicable dollar amount under subsection (a) shall in no event be less than an amount equal to such portion. A rule similar to the rule under section 6663(b) shall apply for purposes of determining the portion so attributable.''.

(b) INCREASE IN PENALTIES.—

(1) ATTEMPT TO EVADE OR DEFEAT TAX.—Section 7201 is amended—

(A) by striking ''$100,000'' and inserting ''$500,000'',

(B) by striking ''$500,000'' and inserting ''$1,000,000'', and

(C) by striking ''5 years'' and inserting ''10 years''.

(2) WILLFUL FAILURE TO FILE RETURN, SUPPLY INFORMATION, OR PAY TAX.—Section 7203 is amended—

(A) in the first sentence—

(i) by striking ''Any person'' and inserting the following:

''(a) IN GENERAL.—Any person'', and

(ii) by striking ''$25,000'' and inserting ''$50,000'',

(B) in the third sentence, by striking ''section'' and inserting ''subsection'', and

(C) by adding at the end the following new subsection:

''(b) AGGRAVATED FAILURE TO FILE.—

''(1) IN GENERAL.—In the case of any failure described in paragraph (2), the first sentence of subsection (a) shall be applied by substituting—

''(A) 'felony' for 'misdemeanor',

''(B) '$500,000 ($1,000,000' for '$25,000 ($100,000', and

''(C) '10 years' for '1 year'.''.

''(2) FAILURE DESCRIBED.—A failure described in this paragraph is a failure to make a return described in subsection (a) for a period of 3 or more consecutive taxable years if the aggregate tax liability for such period is not less than $100,000.''.

(3) FRAUD AND FALSE STATEMENTS.—Section 7206(a) (as redesignated by subsection (a)) is amended—

(A) by striking ''$100,000'' and inserting ''$500,000'',

(B) by striking ''$500,000'' and inserting ''$1,000,000'', and

(C) by striking ''3 years'' and inserting ''5 years''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions, and failures to act, occurring after the date of the enactment of this Act.

SEC. 228. DOUBLING OF CERTAIN PENALTIES, FINES, AND INTEREST ON UNDERPAYMENTS RELATED TO CERTAIN OFFSHORE FINANCIAL ARRANGEMENTS.

(a) DETERMINATION OF PENALTY.—

(1) IN GENERAL.—Notwithstanding any other provision of law, in the case of an applicable taxpayer—

(A) the determination as to whether any interest or applicable penalty is to be imposed with respect to any arrangement described in paragraph (2), or to any underpayment of Federal income tax attributable to items arising in connection with any such arrangement, shall be made without regard to the rules of subsections (b), (c), and (d) of section 6664 of the Internal Revenue Code of 1986, and

(B) if any such interest or applicable penalty is imposed, the amount of such interest or penalty shall be equal to twice that determined without regard to this section.

(2) APPLICABLE TAXPAYER.—For purposes of this subsection—

(A) IN GENERAL.—The term ''applicable taxpayer'' means a taxpayer which—

(i) has underreported its United States income tax liability with respect to any item which directly or indirectly involves—

(I) any financial arrangement which in any manner relies on the use of offshore payment mechanisms (including credit, debit, or charge cards) issued by banks or other entities in foreign jurisdictions, or

(II) any offshore financial arrangement (including any arrangement with foreign banks, financial institutions, corporations, partnerships, trusts, or other entities), and

(ii) has neither signed a closing agreement pursuant to the Voluntary Offshore Compliance Initiative established by the Department of the Treasury under Revenue Procedure 2003–11 nor voluntarily disclosed its participation in such arrangement by notifying the Internal Revenue Service of such arrangement prior to the issue being raised by the Internal Revenue Service during an examination.

(B) AUTHORITY TO WAIVE.—The Secretary of the Treasury or the Secretary's delegate may waive the application of paragraph (1) to any taxpayer if the Secretary or the Secretary's delegate determines that the use of such offshore payment mechanisms is incidental to the transaction and, in addition, in the case of a trade or business, such use is conducted in the ordinary course of the type of trade or business of the taxpayer.

(C) ISSUES RAISED.—For purposes of subparagraph (A)(ii), an item shall be treated as an issue raised during an examination if the individual examining the return—

(i) communicates to the taxpayer knowledge about the specific item, or

(ii) has made a request to the taxpayer for information and the taxpayer could not make a complete response to that request without giving the examiner knowledge of the specific item.

(b) APPLICABLE PENALTY.—For purposes of this section, the term ''applicable penalty'' means any penalty, addition to tax, or fine imposed under chapter 68 of the Internal Revenue Code of 1986.

(c) EFFECTIVE DATE.—The provisions of this section shall apply to interest, penalties, additions to tax, and fines with respect to any taxable year if, as of the date of the enactment of this Act, the assessment of any tax, penalty, or interest with respect to such taxable year is not prevented by the operation of any law or rule of law.

SEC. 229. INCREASE IN PENALTY FOR BAD CHECKS AND MONEY ORDERS.

(a) IN GENERAL.—Section 6657 (relating to bad checks) is amended—

(1) by striking ''$750'' and inserting ''$1,250'', and

(2) by striking ''$15'' and inserting ''$25''.

(b) EFFECTIVE DATE.—The amendments made by this section apply to checks or money orders received after the date of the enactment of this Act.

SEC. 230. TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE DEBT INSTRUMENTS.

(a) IN GENERAL.—Section 1275(d) (relating to regulation authority) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary'', and

(2) by adding at the end the following new paragraph:

''(2) TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE DEBT.—

''(A) IN GENERAL.—In the case of a debt instrument which—

''(i) is convertible into stock of the issuing corporation, into stock or debt of a related party (within the meaning of section 267(b) or 707(b)(1)), or into cash or other property in an amount equal to the approximate value of such stock or debt, and

''(ii) provides for contingent payments,

any regulations which require original issue discount to be determined by reference to the comparable yield of a noncontingent fixed-rate debt instrument shall be applied as if the regulations require that such comparable yield be determined by reference to a noncontingent fixed-rate debt instrument which is convertible into stock.

''(B) SPECIAL RULE.—For purposes of subparagraph (A), the comparable yield shall be determined without taking into account the yield resulting from the conversion of a debt instrument into stock.''.

(b) CROSS REFERENCE.—Section 163(e)(6) (relating to cross references) is amended by adding at the end the following:

''For the treatment of contingent payment convertible debt, see section 1275(d)(2).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to debt instruments issued on or after the date of the enactment of this Act.

SEC. 231. EXTENSION OF IRS USER FEES.

Subsection (c) of section 7528 (relating to Internal Revenue Service user fees) is amended by striking ''September 30, 2014'' and inserting ''September 30, 2016''.

SEC. 232. MODIFICATION OF COLLECTION DUE PROCESS PROCEDURES FOR EMPLOYMENT TAX LIABILITIES.

(a) IN GENERAL.—Section 6330(f) (relating to jeopardy and State refund collection) is amended—

(1) by striking ''; or'' at the end of paragraph (1) and inserting a comma,

(2) by adding ''or'' at the end of paragraph (2), and

(3) by inserting after paragraph (2) the following new paragraph:

''(3) the Secretary has served a levy in connection with the collection of taxes under chapter 21, 22, 23, or 24,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued on or after the date that is 120 days after the date of the enactment of this Act.

SEC. 233. MODIFICATIONS TO WHISTLEBLOWER REFORMS.

(a) MODIFICATION OF TAX THRESHOLD FOR AWARDS.—Subparagraph (B) of section 7623(b)(5), as added by the Tax Relief and Health Care Act of 2006, is amended by striking ''$2,000,000'' and inserting ''$20,000''.

(b) WHISTLEBLOWER OFFICE.—

(1) IN GENERAL.—Section 7623 is amended by adding at the end the following new subsections:

''(c) WHISTLEBLOWER OFFICE.—

''(1) IN GENERAL.—There is established in the Internal Revenue Service an office to be known as the 'Whistleblower Office' which—

''(A) shall at all times operate at the direction of the Commissioner and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner,

''(B) shall analyze information received from any individual described in subsection (b) and either investigate the matter itself or assign it to the appropriate Internal Revenue Service office,

''(C) shall monitor any action taken with respect to such matter,

''(D) shall inform such individual that it has accepted the individual's information for further review,

''(E) may require such individual and any legal representative of such individual to not disclose any information so provided,

''(F) in its sole discretion, may ask for additional assistance from such individual or any legal representative of such individual, and

''(G) shall determine the amount to be awarded to such individual under subsection (b).

''(2) FUNDING FOR OFFICE.—There is authorized to be appropriated $10,000,000 for each fiscal year for the Whistleblower Office. These funds shall be used to maintain the Whistleblower Office and also to reimburse other Internal Revenue Service offices for related costs, such as costs of investigation and collection.

''(3) REQUEST FOR ASSISTANCE.—

''(A) IN GENERAL.—Any assistance requested under paragraph (1)(F) shall be under the direction and control of the Whistleblower Office or the office assigned to investigate the matter under subparagraph (A). No individual or legal representative whose assistance is so requested may by reason of such request represent himself or herself as an employee of the Federal Government.

''(B) FUNDING OF ASSISTANCE.—From the amounts available for expenditure under subsection (b), the Whistleblower Office may, with the agreement of the individual described in

subsection (b), reimburse the costs incurred by any legal representative of such individual in providing assistance described in subparagraph (A).

''(d) REPORTS.—The Secretary shall each year conduct a study and report to Congress on the use of this section, including—

''(1) an analysis of the use of this section during the preceding year and the results of such use, and

''(2) any legislative or administrative recommendations regarding the provisions of this section and its application.''.

(2) CONFORMING AMENDMENT.—Section 406 of division A of the Tax Relief and Health Care Act of 2006 is amended by striking subsections (b) and (c).

(3) REPORT ON IMPLEMENTATION.—Not later than 6 months after the date of the enactment of this Act, the Secretary of the Treasury shall submit to Congress a report on the establishment and operation of the Whistleblower Office under section 7623(c) of the Internal Revenue Code of 1986.

(c) PUBLICITY OF AWARD APPEALS.—Paragraph (4) of section 7623(b), as added by the Tax Relief and Health Care Act of 2006, is amended to read as follows:

''(4) APPEAL OF AWARD DETERMINATION.—

''(A) IN GENERAL.—Any determination regarding an award under paragraph (1), (2), or (3) may, within 30 days of such determination, be appealed to the Tax Court (and the Tax Court shall have jurisdiction with respect to such matter).

''(B) PUBLICITY OF APPEALS.—Notwithstanding sections 7458 and 7461, the Tax Court may, in order to preserve the anonymity, privacy, or confidentiality of any person under this subsection, provide by rules adopted under section 7453 that portions of filings, hearings, testimony, evidence, and reports in connection with proceedings under this subsection may be closed to the public or to inspection by the public.''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to information provided on or after the date of the enactment of this Act.

(2) PUBLICITY OF AWARD APPEALS.—The amendment made by subsection (c) shall take effect as if included in the amendments made by section 406 of the Tax Relief and Health Care Act of 2006.

SEC. 234. MODIFICATIONS OF DEFINITION OF EMPLOYEES COVERED BY DENIAL OF DEDUCTION FOR EXCESSIVE EMPLOYEE REMUNERATION.

(a) IN GENERAL.—Paragraph (3) of section 162(m) is amended to read as follows:

''(3) COVERED EMPLOYEE.—For purposes of this subsection, the term 'covered employee' means, with respect to any taxpayer for any taxable year, an individual who—

''(A) was the chief executive officer of the taxpayer, or an individual acting in such a capacity, at any time during the taxable year,

''(B) is 1 of the 4 highest compensated officers of the taxpayer for the taxable year (other than the individual described in subparagraph (A)), or

''(C) was a covered employee of the taxpayer (or any predecessor) for any preceding taxable year beginning after December 31, 2006.

In the case of an individual who was a covered employee for any taxable year beginning after December 31, 2006, the term 'covered employee' shall include a beneficiary of such employee with respect to any remuneration for services performed by such employee as a covered employee (whether or not such services are performed during the taxable year in which the remuneration is paid).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

Subtitle C—General Provisions

SEC. 241. ENHANCED COMPLIANCE ASSISTANCE FOR SMALL BUSINESSES.

(a) IN GENERAL.—Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) is amended by striking subsection (a) and inserting the following:

''(a) COMPLIANCE GUIDE.—

''(1) IN GENERAL.—For each rule or group of related rules for which an agency is required to prepare a final regulatory flexibility analysis under section 605(b) of title 5, United States Code, the agency shall publish 1 or more guides to assist small entities in complying with the rule and shall entitle such publications 'small entity compliance guides'.

''(2) PUBLICATION OF GUIDES.—The publication of each guide under this subsection shall include—

''(A) the posting of the guide in an easily identified location on the website of the agency; and

''(B) distribution of the guide to known industry contacts, such as small entities, associations, or industry leaders affected by the rule.

''(3) PUBLICATION DATE.—An agency shall publish each guide (including the posting and distribution of the guide as described under paragraph (2))—

''(A) on the same date as the date of publication of the final rule (or as soon as possible after that date); and

''(B) not later than the date on which the requirements of that rule become effective.

''(4) COMPLIANCE ACTIONS.—

''(A) IN GENERAL.—Each guide shall explain the actions a small entity is required to take to comply with a rule.

''(B) EXPLANATION.—The explanation under subparagraph (A)—

''(i) shall include a description of actions needed to meet the requirements of a rule, to enable a small entity to know when such requirements are met; and

''(ii) if determined appropriate by the agency, may include a description of possible procedures, such as conducting tests, that may assist a small entity in meeting such requirements, except that, compliance with any procedures described pursuant to this section does not establish compliance with the rule, or establish a presumption or inference of such compliance.

''(C) PROCEDURES.—Procedures described under subparagraph (B)(ii)—

''(i) shall be suggestions to assist small entities; and

''(ii) shall not be additional requirements, or diminish requirements, relating to the rule.

''(5) AGENCY PREPARATION OF GUIDES.—The agency shall, in its sole discretion, taking into account the subject matter of the rule and the language of relevant statutes, ensure that the guide is written using sufficiently plain language likely to be understood by affected small entities. Agencies may prepare separate guides covering groups or classes of similarly affected small entities and may cooperate with associations of small entities to develop and distribute such guides. An agency may prepare guides and apply this section with respect to a rule or a group of related rules.

''(6) REPORTING.—Not later than 1 year after the date of enactment of the Fair Minimum Wage Act of 2007, and annually thereafter, the head of each agency shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate, the Committee on Small Business of the House of Representatives, and any other committee of relevant jurisdiction describing the status of the agency's compliance with paragraphs (1) through (5).''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 211(3) of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) is amended by inserting ''and entitled'' after ''designated''.

SEC. 242. SMALL BUSINESS CHILD CARE GRANT PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services (referred to in this section as the ''Secretary'') shall establish a program to award grants to States, on a competitive basis, to assist States in providing funds to encourage the establishment and operation of employer-operated child care programs.

(b) APPLICATION.—To be eligible to receive a grant under this section, a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that the funds required under subsection (e) will be provided.

(c) AMOUNT AND PERIOD OF GRANT.—The Secretary shall determine the amount of a grant to a State under this section based on the population of the State as compared to the population of all States receiving grants under this section. The Secretary shall make the grant for a period of 3 years.

(d) USE OF FUNDS.—

(1) IN GENERAL.—A State shall use amounts provided under a grant awarded under this section to provide assistance to small businesses (or consortia formed in accordance with paragraph (3)) located in the State to enable the small businesses (or consortia) to establish and operate child care programs. Such assistance may include—

(A) technical assistance in the establishment of a child care program;

(B) assistance for the startup costs related to a child care program;

(C) assistance for the training of child care providers;

(D) scholarships for low-income wage earners;

(E) the provision of services to care for sick children or to provide care to school-aged children;

(F) the entering into of contracts with local resource and referral organizations or local health departments;

(G) assistance for care for children with disabilities;

(H) payment of expenses for renovation or operation of a child care facility; or

(I) assistance for any other activity determined appropriate by the State.

(2) APPLICATION.—In order for a small business or consortium to be eligible to receive assistance from a State under this section, the small business involved shall prepare and submit to the State an application at such time, in such manner, and containing such information as the State may require.

(3) PREFERENCE.—

(A) IN GENERAL.—In providing assistance under this section, a State shall give priority to an applicant that desires to form a consortium to provide child care in a geographic area within the State where such care is not generally available or accessible.

(B) CONSORTIUM.—For purposes of subparagraph (A), a consortium shall be made up of 2 or more entities that shall include small businesses and that may include large businesses, nonprofit agencies or organizations, local governments, or other appropriate entities.

(4) LIMITATIONS.—With respect to grant funds received under this section, a State may not provide in excess of $500,000 in assistance from such funds to any single applicant.

(e) MATCHING REQUIREMENT.—To be eligible to receive a grant under this section, a State shall provide assurances to the Secretary that, with respect to the costs to be incurred by a covered entity receiving assistance in carrying out activities under this section, the covered entity will make available (directly or through donations from public or private entities) non-Federal contributions to such costs in an amount equal to—

(1) for the first fiscal year in which the covered entity receives such assistance, not less than 50 percent of such costs ($1 for each $1 of assistance provided to the covered entity under the grant);

(2) for the second fiscal year in which the covered entity receives such assistance, not less

than 66⅔ percent of such costs ($2 for each $1 of assistance provided to the covered entity under the grant); and

(3) for the third fiscal year in which the covered entity receives such assistance, not less than 75 percent of such costs ($3 for each $1 of assistance provided to the covered entity under the grant).

(f) REQUIREMENTS OF PROVIDERS.—To be eligible to receive assistance under a grant awarded under this section, a child care provider—

(1) who receives assistance from a State shall comply with all applicable State and local licensing and regulatory requirements and all applicable health and safety standards in effect in the State; and

(2) who receives assistance from an Indian tribe or tribal organization shall comply with all applicable regulatory standards.

(g) STATE-LEVEL ACTIVITIES.—A State may not retain more than 3 percent of the amount described in subsection (c) for State administration and other State-level activities.

(h) ADMINISTRATION.—

(1) STATE RESPONSIBILITY.—A State shall have responsibility for administering a grant awarded for the State under this section and for monitoring covered entities that receive assistance under such grant.

(2) AUDITS.—A State shall require each covered entity receiving assistance under the grant awarded under this section to conduct an annual audit with respect to the activities of the covered entity. Such audits shall be submitted to the State.

(3) MISUSE OF FUNDS.—

(A) REPAYMENT.—If the State determines, through an audit or otherwise, that a covered entity receiving assistance under a grant awarded under this section has misused the assistance, the State shall notify the Secretary of the misuse. The Secretary, upon such a notification, may seek from such a covered entity the repayment of an amount equal to the amount of any such misused assistance plus interest.

(B) APPEALS PROCESS.—The Secretary shall by regulation provide for an appeals process with respect to repayments under this paragraph.

(i) REPORTING REQUIREMENTS.—

(1) 2-YEAR STUDY.—

(A) IN GENERAL.—Not later than 2 years after the date on which the Secretary first awards grants under this section, the Secretary shall conduct a study to determine—

(i) the capacity of covered entities to meet the child care needs of communities within States;

(ii) the kinds of consortia that are being formed with respect to child care at the local level to carry out programs funded under this section; and

(iii) who is using the programs funded under this section and the income levels of such individuals.

(B) REPORT.—Not later than 28 months after the date on which the Secretary first awards grants under this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(2) 4-YEAR STUDY.—

(A) IN GENERAL.—Not later than 4 years after the date on which the Secretary first awards grants under this section, the Secretary shall conduct a study to determine the number of child care facilities that are funded through covered entities that received assistance through a grant awarded under this section and that remain in operation, and the extent to which such facilities are meeting the child care needs of the individuals served by such facilities.

(B) REPORT.—Not later than 52 months after the date on which the Secretary first awards grants under this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(j) DEFINITIONS.—In this section:

(1) COVERED ENTITY.—The term ''covered entity'' means a small business or a consortium formed in accordance with subsection (d)(3).

(2) INDIAN COMMUNITY.—The term ''Indian community'' means a community served by an Indian tribe or tribal organization.

(3) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms ''Indian tribe'' and ''tribal organization'' have the meanings given the terms in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

(4) SMALL BUSINESS.—The term ''small business'' means an employer who employed an average of at least 2 but not more than 50 employees on the business days during the preceding calendar year.

(5) STATE.—The term ''State'' has the meaning given the term in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

(k) APPLICATION TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—In this section:

(1) IN GENERAL.—Except as provided in subsection (f)(1), and in paragraphs (2) and (3), the term ''State'' includes an Indian tribe or tribal organization.

(2) GEOGRAPHIC REFERENCES.—The term ''State'' includes an Indian community in subsections (c) (the second and third place the term appears), (d)(1) (the second place the term appears), (d)(3)(A) (the second place the term appears), and (i)(1)(A)(i).

(3) STATE-LEVEL ACTIVITIES.—The term ''State-level activities'' includes activities at the tribal level.

(l) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section, $50,000,000 for the period of fiscal years 2008 through 2012.

(2) STUDIES AND ADMINISTRATION.—With respect to the total amount appropriated for such period in accordance with this subsection, not more than $2,500,000 of that amount may be used for expenditures related to conducting studies required under, and the administration of, this section.

(m) TERMINATION OF PROGRAM.—The program established under subsection (a) shall terminate on September 30, 2012.

SEC. 243. STUDY OF UNIVERSAL USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall report to Congress on a study of the benefits, costs, risks, and barriers to workers and to businesses (with a special emphasis on small businesses) if the advance earned income tax credit program (under section 3507 of the Internal Revenue Code of 1986) included all recipients of the earned income tax credit (under section 32 of such Code) and what steps would be necessary to implement such inclusion.

SEC. 244. SENSE OF THE SENATE CONCERNING PERSONAL SAVINGS.

(a) FINDINGS.—The Senate finds that—

(1) the personal saving rate in the United States is at its lowest point since the Great Depression, with the rate having fallen into negative territory;

(2) the United States ranks at the bottom of the Group of Twenty (G–20) nations in terms of net national saving rate;

(3) approximately half of all the working people of the United States work for an employer that does not offer any kind of retirement plan;

(4) existing savings policies enacted by Congress provide limited incentives to save for low- and moderate-income families; and

(5) the Social Security program was enacted to serve as the safest component of a retirement system that also includes employer-sponsored retirement plans and personal savings.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) Congress should enact policies that promote savings vehicles for retirement that are simple, easily accessible and provide adequate financial security for all the people of the United States;

(2) it is important to begin retirement saving as early as possible to take full advantage of the power of compound interest; and

(3) regularly contributing money to a financially-sound investment account is one important method for helping to achieve one's retirement goals.

SEC. 245. RENEWAL GRANTS FOR WOMEN'S BUSINESS CENTERS.

(a) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended by adding at the end the following:

''(m) CONTINUED FUNDING FOR CENTERS.—

''(1) IN GENERAL.—A nonprofit organization described in paragraph (2) shall be eligible to receive, subject to paragraph (3), a 3-year grant under this subsection.

''(2) APPLICABILITY.—A nonprofit organization described in this paragraph is a nonprofit organization that has received funding under subsection (b) or (l).

''(3) APPLICATION AND APPROVAL CRITERIA.—

''(A) CRITERIA.—Subject to subparagraph (B), the Administrator shall develop and publish criteria for the consideration and approval of applications by nonprofit organizations under this subsection.

''(B) CONTENTS.—Except as otherwise provided in this subsection, the conditions for participation in the grant program under this subsection shall be the same as the conditions for participation in the program under subsection (l), as in effect on the date of enactment of this Act.

''(C) NOTIFICATION.—Not later than 60 days after the date of the deadline to submit applications for each fiscal year, the Administrator shall approve or deny any application under this subsection and notify the applicant for each such application.

''(4) AWARD OF GRANTS.—

''(A) IN GENERAL.—Subject to the availability of appropriations, the Administrator shall make a grant for the Federal share of the cost of activities described in the application to each applicant approved under this subsection.

''(B) AMOUNT.—A grant under this subsection shall be for not more than $150,000, for each year of that grant.

''(C) FEDERAL SHARE.—The Federal share under this subsection shall be not more than 50 percent.

''(D) PRIORITY.—In allocating funds made available for grants under this section, the Administrator shall give applications under this subsection or subsection (l) priority over first-time applications under subsection (b).

''(5) RENEWAL.—

''(A) IN GENERAL.—The Administrator may renew a grant under this subsection for additional 3-year periods, if the nonprofit organization submits an application for such renewal at such time, in such manner, and accompanied by such information as the Administrator may establish.

''(B) UNLIMITED RENEWALS.—There shall be no limitation on the number of times a grant may be renewed under subparagraph (A).

''(n) PRIVACY REQUIREMENTS.—

''(1) IN GENERAL.—A women's business center may not disclose the name, address, or telephone number of any individual or small business concern receiving assistance under this section without the consent of such individual or small business concern, unless—

''(A) the Administrator is ordered to make such a disclosure by a court in any civil or criminal enforcement action initiated by a Federal or State agency; or

''(B) the Administrator considers such a disclosure to be necessary for the purpose of conducting a financial audit of a women's business center, but a disclosure under this subparagraph shall be limited to the information necessary for such audit.

''(2) ADMINISTRATION USE OF INFORMATION.—This subsection shall not—

''(A) restrict Administration access to program activity data; or

''(B) prevent the Administration from using client information (other than the information described in subparagraph (A)) to conduct client surveys.

''(3) REGULATIONS.—The Administrator shall issue regulations to establish standards for requiring disclosures during a financial audit under paragraph (1)(B).''.

(b) REPEAL.—Section 29(l) of the Small Business Act (15 U.S.C. 656(l)) is repealed effective October 1 of the first full fiscal year after the date of enactment of this Act.

(c) TRANSITIONAL RULE.—Notwithstanding any other provision of law, a grant or cooperative agreement that was awarded under subsection (l) of section 29 of the Small Business Act (15 U.S.C. 656), on or before the day before the date described in subsection (b) of this section, shall remain in full force and effect under the terms, and for the duration, of such grant or agreement.

SEC. 246. REPORTS ON ACQUISITIONS OF ARTICLES, MATERIALS, AND SUPPLIES MANUFACTURED OUTSIDE THE UNITED STATES.

Section 2 of the Buy American Act (41 U.S.C. 10a) is amended—

(1) by striking ''Notwithstanding'' and inserting the following:

''(a) IN GENERAL.—Notwithstanding''; and

(2) by adding at the end the following:

''(b) REPORTS.—

''(1) IN GENERAL.—Not later than 180 days after the end of each of fiscal years 2007 through 2011, the head of each Federal agency shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Government Reform of the House of Representatives a report on the amount of the acquisitions made by the agency in that fiscal year of articles, materials, or supplies purchased from entities that manufacture the articles, materials, or supplies outside of the United States.

''(2) CONTENTS OF REPORT.—The report required by paragraph (1) shall separately include, for the fiscal year covered by such report—

''(A) the dollar value of any articles, materials, or supplies that were manufactured outside the United States;

''(B) an itemized list of all waivers granted with respect to such articles, materials, or supplies under this Act, and a citation to the treaty, international agreement, or other law under which each waiver was granted;

''(C) if any articles, materials, or supplies were acquired from entities that manufacture articles, materials, or supplies outside the United States, the specific exception under this section that was used to purchase such articles, materials, or supplies; and

''(D) a summary of—

''(i) the total procurement funds expended on articles, materials, and supplies manufactured inside the United States; and

''(ii) the total procurement funds expended on articles, materials, and supplies manufactured outside the United States.

''(3) PUBLIC AVAILABILITY.—The head of each Federal agency submitting a report under paragraph (1) shall make the report publicly available to the maximum extent practicable.

''(4) EXCEPTION FOR INTELLIGENCE COMMUNITY.—This subsection shall not apply to acquisitions made by an agency, or component thereof, that is an element of the intelligence community as specified in, or designated under, section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).''.

SEC. 247. SENSE OF THE SENATE REGARDING REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.

It is the sense of the Senate that Congress should repeal the 1993 tax increase on Social Security benefits and eliminate wasteful spending, such as spending on unnecessary tax loopholes, in order to fully offset the cost of such repeal and avoid forcing taxpayers to pay substantially more interest to foreign creditors.

SEC. 248. SENSE OF THE SENATE REGARDING PERMANENT TAX INCENTIVES TO MAKE EDUCATION MORE AFFORDABLE AND MORE ACCESSIBLE FOR AMERICAN FAMILIES.

It is the sense of the Senate that Congress should make permanent the tax incentives to make education more affordable and more accessible for American families and eliminate wasteful spending, such as spending on unnecessary tax loopholes, in order to fully offset the cost of such incentives and avoid forcing taxpayers to pay substantially more interest to foreign creditors.

SEC. 249. RESPONSIBLE GOVERNMENT CONTRACTOR REQUIREMENTS.

Section 274A(e) of the Immigration and Nationality Act (8 U.S.C. 1324a(e)) is amended by adding at the end the following new paragraph:

''(10) PROHIBITION ON AWARD OF GOVERNMENT CONTRACTS, GRANTS, AND AGREEMENTS.—

''(A) EMPLOYERS WITH NO CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subparagraph (C), if an employer who does not hold a Federal contract, grant, or cooperative agreement is determined to have violated this section, the employer shall be debarred from the receipt of a Federal contract, grant, or cooperative agreement for a period of 7 years.

''(ii) PLACEMENT ON EXCLUDED LIST.—The Secretary of Homeland Security or the Attorney General shall advise the Administrator of General Services of the debarment of an employer under clause (i) and the Administrator of General Services shall list the employer on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs for a period of 7 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—The Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of a debarment under clause (i) if such waiver or limitation is necessary to national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternative action under this clause shall not be judicially reviewed.

''(B) EMPLOYERS WITH CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subclause (C), an employer who holds a Federal contract, grant, or cooperative agreement and is determined to have violated this section shall be debarred from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(ii) NOTICE TO AGENCIES.—Prior to debarring the employer under clause (i), the Secretary of Homeland Security, in cooperation with the Administrator of General Services, shall advise any agency or department holding a contract, grant, or cooperative agreement with the employer of the Government's intention to debar the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—After consideration of the views of any agency or department that holds a contract, grant, or cooperative agreement with the employer, the Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of the debarment under clause (i) if such waiver or limitation is necessary to the national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternate action under this clause shall not be judicially reviewed.

''(C) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition on an employer of a debarment from the receipt of a Federal contract, grant, or cooperative agreement under subparagraph (A) or (B), that penalty shall be waived if the employer establishes that the employer was voluntarily participating in the basic pilot program under section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) at the time of the violations of this section that resulted in the debarment.''.

Mr. DURBIN. Madam President, I move to reconsider the vote.

Mrs. FEINSTEIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRASSLEY. Madam President, after great effort by many people, the Senate has adopted the Fair Minimum Wage Act as amended by the Baucus substitute amendment containing the Small Business and Work Opportunity Act of 2007. This bipartisan small business package will help ensure that small businesses are able to cope with an increase in the minimum wage.

Credit must go to the dedicated members of my staff, who spent many hours helping to put this package together. Kolan Davis, Mark Prater, Dean Zerbe, Elizabeth Paris, Chris Javens, Cathy Barre, Anne Freeman, Grant Menke, Stanford Swinton, and Nick Wyatt showed great dedication to the tasks before them.

Of course this package could not have been put together without the efforts of Chairman BAUCUS and his staff. I particularly want to thank Russ Sullivan, Bill Dauster, Pat Heck, Judy Miller, Rebecca Baxter, Melissa Mueller, Pat Bousliman, and Ryan Abraham.

Mr. MCCONNELL. Madam President, I rise to applaud the Senate for its keen sense of balance and judgment in passing H.R. 2, a bill to increase the minimum wage. After important input from both sides, we have met the needs of both America's workers, who will earn a higher wage, and America's small businesses, which fuel our economy.

The President and the Republican Congress were clear on the need to couple an increase in the minimum wage with small-business tax relief, and this legislation does just that. This is a testament to what we can accomplish when we work together to move critical legislation forward.

The American people that keep this economy running have created more than 7.2 million new jobs since August 2003—that's 40 months straight of job growth. The economy added 167,000 new jobs last December, exceeding market expectations.

Our unemployment rate is a staggeringly low 4.5 percent or as I like to put it, our employment rate is 95.5 percent. A 4.5 percent unemployment rate is lower than the 5.1 percent average unemployment rate of 2005, which was already a great year.

And a low rate of 4.5 percent is lower than the average unemployment rate of the 1960s, the 1970s, the 1980s, and even lower than the average unemployment rate of the boom years my friends on the other side of the aisle like to point to, the 1990s.

America's small businesses are the key to unlocking this economic success. Small businesses employ half of all private-sector employees and have generated between 60 to 80 percent of net new jobs annually over the last 10 years.

Here's the bottom line. Since August 2003, the American people have created over 7.2 million new jobs, more than the entire European Union plus Japan combined.

So understandably, this side of the aisle had this objective in mind regarding this bill: What is the best way to raise the minimum wage while keeping our high-flying economy aloft?

How could we encourage economic growth and not hinder it? How could we make sure that an increase in wages wouldn't create a decrease in jobs?

This Senate has successfully done that, by linking an increase in the hourly minimum wage, from $5.15 to $7.25 over slightly more than 2 years, with targeted tax and regulatory relief to small businesses, so that the small businesses that create the lion's share of new jobs in this country can remain competitive and employ even more people.

The President last December emphasized the need to pair minimum wage increase legislation with just this kind of targeted tax and regulatory relief.

In my initial speech to the Senate of the 110th Congress last month, I said we Republicans were open and willing to get things done with Democrats. And I said one of the first goals we should accomplish, working together, was increasing the minimum wage while providing relief for small businesses.

Around the same time, the distinguished majority leader struck a similar note, pledging that when it came to a wage increase plus small-business tax relief, ''we are going to do it.''

I am pleased to report that we have done it. An overwhelming majority of Senators acknowledged that creating new jobs and expanding the economy are more important than partisan wrangling.

And most importantly, we have taken care of the workers who will benefit from a higher wage and the small businesses that grow the economy at the same time.

I am pleased this Senate is doing that, and in doing so reinforcing a vital precedent. I note that the last time the minimum wage was increased, under a Republican Congress and a Democrat President, the same precedent was set.

We look forward to working with the House of Representatives to send a final bill to the President that will be a victory for both those who earn the minimum wage and those who pay it.

When that happens, we will prove that the words of bipartisanship and comity during this Senate's first days were more than empty rhetoric.

We will demonstrate that this Senate can come together to exercise balance and judgment, and improve the lives of both the workers who earn the minimum wage and the small businesses that employ them and keep America's economy running.

And we will show that divided government need not be divisive.

The PRESIDING OFFICER. Under the previous order, the majority leader is recognized.

BIPARTISAN CONCURRENT RESOLUTION ON IRAQ—MOTION TO PROCEED

Mr. REID. Madam President, first of all, I ask unanimous consent that the next cloture vote be vitiated.

Mr. MCCONNELL. Madam President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Madam President, this next vote is not necessary. As a result of yesterday's breakthrough in negotiations, the base bill for the Iraq debate will be the Warner-Levin legislation and not S. Con. Res. 2. So I will vote against cloture and urge both sides of the aisle to do likewise.

The most important question that I have been asked, by popular demand, is when are we going to have a vote on Monday. I have conferred with the Republican leader on more than one occasion. We can still vote at 4:30 and complete the 30 hours prior to Wednesday, which would be our goal. So we are going to vote at 4:30 on Monday on cloture on the Levin-Warner measure, unless we work something out beforehand. Again, that is 4:30 Monday.

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

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close the debate on the motion to proceed to Calendar No. 12, S. Con. Res. 2, a bipartisan concurrent resolution on Iraq.

Harry Reid, Patty Murray, Herb Kohl, Jeff Bingaman, Benjamin L. Cardin, Frank R. Lautenberg, Charles E. Schumer, Dick Durbin, Christopher J. Dodd, Bernard Sanders, Jack Reed, Joseph R. Biden, Chuck Hagel, Robert Menendez, Olympia Snowe, Ron Wyden, Debbie Stabenow.

The PRESIDING OFFICER. Under the previous order, there will now be 4 minutes of debate equally divided between the leaders or their designees.

Who yields time?

Mr. REID. Madam President, we yield back our time.

Mr. MCCONNELL. Madam President, we yield back our time.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, is it the sense of the Senate that debate on the motion to proceed to S. Con. Res. 2, a concurrent resolution expressing a bipartisan resolution on Iraq, shall be brought to a close?

The yeas and nays are mandatory under the rule. The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from South Dakota (Mr. JOHNSON) and the Senator from New York (Mr. SCHUMER) are necessarily absent.

Mr. LOTT. The following Senator was necessarily absent: the Senator from Oklahoma (Mr. INHOFE).

Further, if present and voting, the Senator from Oklahoma (Mr. INHOFE) would have voted ''nay.''

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

The yeas and nays resulted—yeas 0, nays 97, as follows:

[Rollcall Vote No. 43 Leg.]

NAYS—97

Akaka	Domenici	Menendez
Alexander	Dorgan	Mikulski
Allard	Durbin	Murkowski
Baucus	Ensign	Murray
Bayh	Enzi	Nelson (FL)
Bennett	Feingold	Nelson (NE)
Biden	Feinstein	Obama
Bingaman	Graham	Pryor
Bond	Grassley	Reed
Boxer	Gregg	Reid
Brown	Hagel	Roberts
Brownback	Harkin	Rockefeller
Bunning	Hatch	Salazar
Burr	Hutchison	Sanders
Byrd	Inouye	Sessions
Cantwell	Isakson	Shelby
Cardin	Kennedy	Smith
Carper	Kerry	Snowe
Casey	Klobuchar	Specter
Chambliss	Kohl	Stabenow
Clinton	Kyl	Stevens
Coburn	Landrieu	Sununu
Cochran	Lautenberg	Tester
Coleman	Leahy	Thomas
Collins	Levin	Thune
Conrad	Lieberman	Vitter
Corker	Lincoln	Voinovich
Cornyn	Lott	Warner
Craig	Lugar	Webb
Crapo	Martinez	Whitehouse
DeMint	McCain	Wyden
Dodd	McCaskill	
Dole	McConnell	

NOT VOTING—3

Inhofe	Johnson	Schumer

The motion was rejected.

The PRESIDING OFFICER. On this vote, the yeas are 0, the nays are 97. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. LEVIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

SIOUX FALLS COUGARS

Mr. THUNE. Mr. President, today I rise to recognize the University of Sioux Falls Cougars football team for winning the 2006 NAIA National Football Championship. I would also like to recognize their coach, Kalen DeBoer, for being named the NAIA Football Coach of the Year. The Cougars championship victory in December marked the second national football title for the school in the past 10 years.

This group of young men had an extraordinary season capped by a 23-to-19 victory over the previously unbeaten University of Saint Francis. That championship victory ensured the Cougars an undefeated season and the first football title since 1996. The University of Sioux Falls did not achieve a No. 1 ranking throughout the entirety of the 2006 season. Their championship was won on the field, not in the polls.

Coach DeBoer was able to achieve this victory in just his second year as head coach of the Cougars. He succeeded legendary coach Bob Young. Under the tutelage of Coach Young, and continued now by Coach DeBoer, the University of Sioux Falls has emerged as one of the premier football institutions in the country. Over the past 10 seasons, the Cougars have amassed a 103 to 19 record while capturing eight conference titles. Faith, loyalty, commitment, and teamwork have served as the foundation to building this tradition of excellence.

The 2006 Cougars were led to the title thanks to the work of an explosive offense and a powerful defense. They averaged nearly 39 points per game while allowing only seven. Leading the way for the Cougars this season were Chad Cavender, Mike Dvoracek, Dusty Hovorka, and Trey Erickson. These four were selected to the first-team of the 2006 NAIA All-American football team. This marks the first time in University of Sioux Falls history that four players have represented the school on the first-team. Also, five Cougars earned NAIA All-American honorable mention honors. These players were Zach Campbell, Josiah Fenceroy, Jason Glasco, Letarius Lee, and Adam Paulson.

Many of the players from this year's team have spent the last 4 years as teammates. The sixteen current University of Sioux Falls seniors have compiled a remarkable 48 to 4 record, including three Great Plains Athletic Conference championships, four NAIA Championship Series appearances, and the 2006 NAIA Football Championship. This group of student-athletes should be very proud of their impressive accomplishments over the past years.

The coaching staff, in alphabetical order, is as follows: Jon Anderson, Adam Breske, Al Christensen, Kalen DeBoer, Jeff Fitzgerald, Nick Fulton, Tom Grogan, Al Hansen, Chuck Morrell, Nate Moser, and Kurtiss Riggs.

The team, in alphabetical order, is as follows: Blake Andersen, Alex Anderson, Drew Anderson, Kyle Anderson, Jeremy Barnes, Bret Beachner, Nick Benedetto, Trevor Bowers, Curtis Brown, Tyson Brown, Zach Campbell, Doug Carlson, Luke Castle, Chad Cavender, Max Chapman, Erik Cimpl, Ross Cimpl, Kyle Cummings, Josh Daniels, Drew DeGroot, Dan DeJong, Glen Dirksen, Kyle Dreckman, Michael Dvoracek, Ernest Eaton, Brett Elgersma, Trey Erickson, Nate Everett, Josiah Fenceroy, Clint Fischer, Jason Glasco, Aaron Gunderson, Mike Hartley, Luke Hartman, Nick Haub, Adam Henglefelt, Trevor Holleman, Cameron Horton, Dusty Hovorka, Aaron Jensen, Gregg Jensen, James Johnikin, Matt Johnson, Joel Kelpe, Kyle Kidd, Blake Klinsing, Brandon Koolstra, Todd Kutter, Ty Larson, Letarius Lee, John Lentz, Matt Lindgren, Tyler Lodermeier, Ryan Lowmiller, Brad Maag, Lane Mellegaard, Matt Miller, Dan Moe, Joe Moen, Tyler Mousel, A.J. Munger, Scott Neu, Tyler Newman, Matt Norgaard, Jeff Nuzum, Chris Opitz, Cody O'Reilly, Aaron Parker, Adam Paulson, Adam Perry, Weston Peterson, Darren Quaile, Nick Ramstad, Jim Rawhouser, Kyle Robertson, Jon Ross, Jon Ryan, Dan Schmeichel, Shawn Schnabel, Andrew Schoenfelder, Brady Schwebach, Brandon Sexton, George Sperry, Alex Staebell, Dominic Studzinski, Robb Tiff, D.J. Tille, Chad Traver, Brent Tuxhorn, Brooks Underberg, Derek Varin, Josh Veurink, Michael Warren, Keegan Warwick, T.J. Wendt, Ben Westerfield, Brandon Williams, and Alex Woolbright.

I congratulate the men who won this National Championship and the coaches who led the way. The University of Sioux Falls football team has proven that they are strong competitors and dedicated athletes. On behalf of the city of Sioux Falls and the state of South Dakota, I am pleased to say congratulations, Cougars. You have made us all very proud.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—S. 470

Mr. REID. Mr. President, I ask unanimous consent that it now be in order to proceed to Calendar No. 19, S. 470.

The PRESIDING OFFICER (Mr. WEBB). Is there objection?

Without objection, it is so ordered.

BIPARTISAN IRAQ LEGISLATION—MOTION TO PROCEED

Mr. REID. Mr. President, I move to proceed to the bill and send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to calendar No. 19, S. 470, Bipartisan Iraq legislation.

Carl Levin, Joe Biden, Ken Salazar, Harry Reid, Pat Leahy, Sherrod Brown, Patty Murray, Robert Menendez, John F. Kerry, B.A. Mikulski, Dick Durbin, Jack Reed, Tom Harkin, Dianne Feinstein, Bill Nelson, H.R. Clinton, Herb Kohl, Ben Nelson.

Mr. REID. Mr. President, I ask unanimous consent that the cloture vote on the motion to proceed occur at 5:30 p.m. on Monday, that the mandatory quorum be waived, and that if cloture is invoked, it be in order to file cloture on the bill before the close of business on Tuesday next.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

MORNING BUSINESS

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

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

NATIONAL CATHOLIC SCHOOLS WEEK

Mr. REID. Mr. President, I rise today to recognize the contribution of the Roman Catholic school system in the United States. From January 28 through February 2 of this year, communities across our Nation celebrated National Catholic Schools Week. This year's theme of ''Catholic Schools: the Good News in Education'' emphasizes the balanced and diverse educational perspective offered by Catholic education.

With more than 8,000 elementary and secondary schools across our Nation, Catholic education is an important part of educational communities across our country. My home State of Nevada is no exception. We have more than 16 Catholic schools that serve over 5,000

students. These schools play an important role in their communities, teaching service and character to their students in the Catholic tradition.

This tradition is what encourages many parents to sacrifice to pay for a Catholic education. As many students, parents, and teachers will tell you, a Catholic education provides balance to students not only in their educational experience, but also in their spiritual life. The values taught in Catholic schools are important for developing engaged and informed members of the community.

Catholic education has played a needed role in our educational system for more than a century. I am confident that Nevada and our Nation will be well served by Catholic schools for many years to come.

ANNIVERSARY OF ALASKA STATEHOOD

Mr. STEVENS. Mr. President, January marked the 48th anniversary of the day Alaska achieved statehood. Earlier this week, Senator MURKOWSKI and I introduced S.J. Res. 49, a resolution commemorating our State's 50th anniversary. We will reach this milestone on January 3, 2009.

Alaska's path to statehood was a long one. In 1867, Secretary of the Treasury William Seward convinced President Andrew Johnson to purchase Alaska for $7.2 million. At the time, this purchase was often derided as ''Seward's Folly,'' and many wondered what the United States would do with what some called its new ''Polar Bear Garden.''

While history shortly proved the critics wrong, statehood for Alaska did not come easily. It took more than 90 years for Alaska to become a state. The first Alaska statehood bill was introduced by James Wickersham, our territorial delegate, in 1916. Over the years, seven Congresses considered legislation regarding Alaska's admission to our Union. Between 1946 and 1957 alone, statehood hearings held by the House and Senate spanned more than 3,500 pages in the printed record.

Alaskans tirelessly advocated for statehood. On November 8, 1955, 55 men and women assembled at the University of Alaska in Fairbanks for Alaska's Constitutional Convention. These delegates worked for 75 days, and their efforts produced a precedent-setting constitution.

Thanks to the dedication of George Lehleitner of Louisiana and C.W. Bill Snedden, the publisher of the Fairbanks Daily News-Miner, our constitution included Alaska's version of the ''Tennessee Plan''. Under this plan, our territory elected a congressional delegation without federal approval. Our constitution—and this plan—ultimately became the basis for congressional approval of statehood.

Alaskans also made countless trips to Washington, DC, to testify in support of statehood. These visits were critical to our success—in 1957, the House Insular Affairs Committee reported, ''Alaska is in all ways ready for statehood.''

Forty-two years after the introduction of the first statehood bill, our long wait finally ended. On May 12, 1958, Representative Clair Engle moved to bring the Alaska statehood bill to the floor of the House. He sought and received a special privileged status which is reserved for statehood bills. This status allowed him to circumvent the Rules Committee, which had blocked statehood legislation for more than 11 months.

Right up until the end, statehood for Alaska faced fierce opposition. In the Senate, a small group of opponents prolonged the debate for 5 long days and nights. I was among the many Alaskans who gathered in the viewing galleries above this Chamber on June 30, 1958, waiting for the historic vote. At 8:02 pm, the Senate passed the Alaska statehood bill by a vote of 64 to 20. Six months later, on January 3, 1959, we officially became the 49th State in the Union.

I come to the floor today to pay tribute to the Alaskans who fought for statehood and our good friends in Congress who supported them. Bob Bartlett, our State's delegate in the House, worked on statehood for 14 years. He was assisted by men like Leo O'Brien of New York, who chaired the Territories Subcommittee; John Saylor of Pennsylvania, who led the floor fight for Republican supporters; Clair Engle of California, who chaired the Insular Affairs Committee; and Sam Rayburn, the Speaker of the House.

In the Senate, Alaskans found a good friend in Senator Henry ''Scoop'' Jackson of Washington State, who was chairman of Territories on the Interior Committee. Senator Jackson helped plan the successful strategy that put the vote for statehood over the top. Twenty-five years later, Senator Jackson cosponsored a resolution celebrating the silver anniversary of Alaska's statehood. Earlier this week, Senator MURKOWSKI and I offered a similar resolution, this time to commemorate our State's golden anniversary in 2009.

Alaskans also found many good friends outside of the Halls of Congress. President Eisenhower, President Truman, and Secretary of the Interior Fred Seaton each supported our campaign for statehood. It was my great privilege to know and serve with many of these men. I am particularly indebted to Secretary Seaton, who asked me to serve as his legislative counsel, Assistant to the Secretary, and ultimately the Solicitor of the Department of the Interior during the Eisenhower administration. These positions gave me the opportunity to work on the Alaska Statehood Act.

History has proven those who criticized Seward's purchase—and those who opposed statehood—wrong. When William Seward purchased Alaska from Russia, he paid $7,200,000—less than 2 cents per acre. With the full rights and opportunities granted to the states in our Union, Alaska has more than made good on this investment—the Federal revenue from the development of our resources has repaid this investment hundreds of times over.

The list of our State's opportunities remains promising. We have vast coal reserves and enormous potential in oil and gas both on and off our shores. Trillions of feet of gas hydrates lie beneath our permafrost. Our State's 34,000 miles of shoreline are the gateway to some of our Nation's most promising tidal and ocean energy prospects. Our forests contain much of the Nation's timber and pulp. Sixty percent of our country's commercial fish harvest is caught in the waters off of our State's shores.

Our geographic location was a vital asset during World War II and the Cold War, and it continues to offer our Armed Forces important strategic advantages. Our location has also helped boost our Nation's trade with Canada, Russia, and nations throughout Asia.

Our State's greatest resource, however, will always be our people. Alaskans are resourceful, enterprising, and fiercely independent. Our pioneer spirit runs deep. And the traditions and heritage of our Alaska Native people have greatly contributed to our country's cultural life.

The list of our State's opportunities is long, but we are still a young State. For each of our opportunities, there is a challenge to overcome. The Federal Government owns more than 60 percent of our lands. We have only 14,000 miles of roads. Seventy percent of our towns, villages, and cities can be reached only by boat or air. If we are to fulfill our potential, we will need greater understanding of these facts.

Forty-eight years is not a long time. In fact, our State is younger than all but eight of the Members who serve in this Senate. Our ability to fulfill our potential depends on the willingness of those who serve in Congress to provide us with the opportunities and support given to other States when they were in similar stages of their development.

On this anniversary of statehood, Alaskans honor those who made this milestone possible. And we share our hope that—once again—we will find friends in Congress and elsewhere that will help us fulfill our State's potential.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY RULES OF PROCEDURE

Mr. HARKIN. Mr. President, I ask unanimous consent that the rules adopted on January 31, 2007, by the Committee on Agriculture, Nutrition, and Forestry be printed in the RECORD.

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

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

RULE I—MEETINGS

1.1 Regular Meetings.—Regular meetings shall be held on the first and third Wednesday of each month when Congress is in session.

1.2 Additional Meetings.—The Chairman, in consultation with the ranking minority member, may call such additional meetings as he deems necessary.

1.3 Notification.—In the case of any meeting of the committee, other than a regularly scheduled meeting, the clerk of the committee shall notify every member of the committee of the time and place of the meeting and shall give reasonable notice which, except in extraordinary circumstances, shall be at least 24 hours in advance of any meeting held in Washington, DC, and at least 48 hours in the case of any meeting held outside Washington, DC.

1.4 Called Meeting.—If three members of the committee have made a request in writing to the Chairman to call a meeting of the committee, and the Chairman fails to call such a meeting within 7 calendar days thereafter, including the day on which the written notice is submitted, a majority of the members may call a meeting by filing a written notice with the clerk of the committee who shall promptly notify each member of the committee in writing of the date and time of the meeting.

1.5 Adjournment of Meetings.—The Chairman of the committee or a subcommittee shall be empowered to adjourn any meeting of the committee or a subcommittee if a quorum is not present within 15 minutes of the time scheduled for such meeting.

RULE 2—MEETINGS AND HEARINGS IN GENERAL

2.1 Open Sessions.—Business meetings and hearings held by the committee or any subcommittee shall be open to the public except as otherwise provided for in Senate Rule XXVI, paragraph 5.

2.2 Transcripts.—A transcript shall be kept of each business meeting and hearing of the committee or any subcommittee unless a majority of the committee or the subcommittee agrees that some other form of permanent record is preferable.

2.3 Reports.—An appropriate opportunity shall be given the Minority to examine the proposed text of committee reports prior to their filing or publication. In the event there are supplemental, minority, or additional views, an appropriate opportunity shall be given the Majority to examine the proposed text prior to filing or publication.

2.4 Attendance.—(a) Meetings. Official attendance of all markups and executive sessions of the committee shall be kept by the committee clerk. Official attendance of all subcommittee markups and executive sessions shall be kept by the subcommittee clerk.

(b) Hearings. Official attendance of all hearings shall be kept, provided that, Senators are notified by the committee Chairman and ranking minority member, in the case of committee hearings, and by the subcommittee Chairman and ranking minority member, in the case of subcommittee hearings, 48 hours in advance of the hearing that attendance will be taken. Otherwise, no attendance will be taken. Attendance at all hearings is encouraged.

RULE 3—HEARING PROCEDURES

3.1 Notice.—Public notice shall be given of the date, place, and subject matter of any hearing to be held by the committee or any subcommittee at least 1 week in advance of such hearing unless the Chairman of the full committee or the subcommittee determines that the hearing is noncontroversial or that special circumstances require expedited procedures and a majority of the committee or the subcommittee involved concurs. In no case shall a hearing be conducted with less than 24 hours notice.

3.2 Witness Statements.—Each witness who is to appear before the committee or any subcommittee shall file with the committee or subcommittee, at least 24 hours in advance of the hearing, a written statement of his or her testimony and as many copies as the Chairman of the committee or subcommittee prescribes.

3.3 Minority Witnesses.—In any hearing conducted by the committee, or any subcommittee thereof, the minority members of the committee or subcommittee shall be entitled, upon request to the Chairman by the ranking minority member of the committee or subcommittee to call witnesses of their selection during at least 1 day of such hearing pertaining to the matter or matters heard by the committee or subcommittee.

3.4 Swearing in of Witnesses.—Witnesses in committee or subcommittee hearings may be required to give testimony under oath whenever the Chairman or ranking minority member of the committee or subcommittee deems such to be necessary.

3.5 Limitation.—Each member shall be limited to 5 minutes in the questioning of any witness until such time as all members who so desire have had an opportunity to question a witness. Questions from members shall rotate from majority to minority members in order of seniority or in order of arrival at the hearing.

RULE 4—NOMINATIONS

4.1 Assignment.—All nominations shall be considered by the full committee.

4.2 Standards.—In considering a nomination, the committee shall inquire into the nominee's experience, qualifications, suitability, and integrity to serve in the position to which he or she has been nominated.

4.3 Information.—Each nominee shall submit in response to questions prepared by the committee the following information:

(1) A detailed biographical resume which contains information relating to education, employment, and achievements;

(2) Financial information, including a financial statement which lists assets and liabilities of the nominee; and

(3) Copies of other relevant documents requested by the committee. Information received pursuant to this subsection shall be available for public inspection except as specifically designated confidential by the committee.

4.4 Hearings.—The committee shall conduct a public hearing during which the nominee shall be called to testify under oath on all matters relating to his or her suitability for office. No hearing shall be held until at least 48 hours after the nominee has responded to a prehearing questionnaire submitted by the committee.

4.5 Action on Confirmation.—A business meeting to consider a nomination shall not occur on the same day that the hearing on the nominee is held. The Chairman, with the agreement of the ranking minority member, may waive this requirement.

RULE 5—QUORUMS

5.1 Testimony.—For the purpose of receiving evidence, the swearing of witnesses, and the taking of sworn or unsworn testimony at any duly scheduled hearing, a quorum of the committee and the subcommittee thereof shall consist of one member.

5.2 Business.—A quorum for the transaction of committee or subcommittee business, other than for reporting a measure or recommendation to the Senate or the taking of testimony, shall consist of one-third of the members of the committee or subcommittee, including at least one member from each party.

5.3 Reporting.—A majority of the membership of the committee shall constitute a quorum for reporting bills, nominations, matters, or recommendations to the Senate. No measure or recommendation shall be ordered reported from the committee unless a majority of the committee members are physically present. The vote of the committee to report a measure or matter shall require the concurrence of a majority of those members who are physically present at the time the vote is taken.

RULE 6—VOTING

6.1 Rollcalls.—A roll call vote of the members shall be taken upon the request of any member.

6.2 Proxies.—Voting by proxy as authorized by the Senate rules for specific bills or subjects shall be allowed whenever a quorum of the committee is actually present.

6.3 Polling.—The committee may poll any matters of committee business, other than a vote on reporting to the Senate any measures, matters or recommendations or a vote on closing a meeting or hearing to the public, provided that every member is polled and every poll consists of the following two questions:

(1) Do you agree or disagree to poll the proposal; and

(2) Do you favor or oppose the proposal.

If any member requests, any matter to be polled shall be held for meeting rather than being polled. The chief clerk of the committee shall keep a record of all polls.

RULE 7—SUBCOMMITTEES

7.1 Assignments.—To assure the equitable assignment of members to subcommittees, no member of the committee will receive assignment to a second subcommittee until, in order of seniority, all members of the committee have chosen assignments to one subcommittee, and no member shall receive assignment to a third subcommittee until, in order of seniority, all members have chosen assignments to two subcommittees.

7.2 Attendance.—Any member of the committee may sit with any subcommittee during a hearing or meeting but shall not have the authority to vote on any matter before the subcommittee unless he or she is a member of such subcommittee.

7.3 Ex Officio Members.—The Chairman and ranking minority member shall serve as nonvoting ex officio members of the subcommittees on which they do not serve as voting members. The Chairman and ranking minority member may not be counted toward a quorum.

7.4 Scheduling.—No subcommittee may schedule a meeting or hearing at a time designated for a hearing or meeting of the full committee. No more than one subcommittee business meeting may be held at the same time.

7.5 Discharge.—Should a subcommittee fail to report back to the full committee on any measure within a reasonable time, the Chairman may withdraw the measure from such subcommittee and report that fact to the full committee for further disposition. The full committee may at any time, by majority vote of those members present, discharge a subcommittee from further consideration of a specific piece of legislation.

7.6 Application of Committee Rules to Subcommittees.—The proceedings of each subcommittee shall be governed by the rules of the full committee, subject to such authorizations or limitations as the committee may from time to time prescribe.

RULE 8—INVESTIGATIONS, SUBPOENAS AND DEPOSITIONS

8.1 Investigations.—Any investigation undertaken by the committee or a subcommittee in which depositions are taken or

subpoenas issued, must be authorized by a majority of the members of the committee voting for approval to conduct such investigation at a business meeting of the committee convened in accordance with Rule 1.

8.2 Subpoenas.—The Chairman, with the approval of the ranking minority member of the committee, is delegated the authority to subpoena the attendance of witnesses or the production of memoranda, documents, records, or any other materials at a hearing of the committee or a subcommittee or in connection with the conduct of an investigation authorized in accordance with paragraph 8.1. The Chairman may subpoena attendance or production without the approval of the ranking minority member when the Chairman has not received notification from the ranking minority member of disapproval of the subpoena within 72 hours, excluding Saturdays and Sundays, of being notified of the subpoena. If a subpoena is disapproved by the ranking minority member as provided in this paragraph the subpoena may be authorized by vote of the members of the committee. When the committee or Chairman authorizes subpoenas, subpoenas may be issued upon the signature of the Chairman or any other member of the committee designated by the Chairman.

8.3 Notice for Taking Depositions.—Notices for the taking of depositions, in an investigation authorized by the committee, shall be authorized and be issued by the Chairman or by a staff officer designated by him. Such notices shall specify a time and place for examination, and the name of the Senator, staff officer or officers who will take the deposition. Unless otherwise specified, the deposition shall be in private. The committee shall not initiate procedures leading to criminal or civil enforcement proceedings for a witness' failure to appear unless the deposition notice was accompanied by a committee subpoena.

8.4 Procedure for Taking Depositions.—Witnesses shall be examined upon oath administered by an individual authorized by local law to administer oaths. The Chairman will rule, by telephone or otherwise, on any objection by a witness. The transcript of a deposition shall be filed with the committee clerk.

RULE 9—AMENDING THE RULES

These rules shall become effective upon publication in the Congressional Record. These rules may be modified, amended, or repealed by the committee, provided that all members are present or provide proxies or if a notice in writing of the proposed changes has been given to each member at least 48 hours prior to the meeting at which action thereon is to be taken. The changes shall become effective immediately upon publication of the changed rule or rules in the Congressional Record, or immediately upon approval of the changes if so resolved by the committee as long as any witnesses who may be affected by the change in rules are provided with them.

ILLEGAL GUN TRAFFICKING

Mr. LEVIN. Mr. President, there is growing awareness across the country that too little has been done to combat illegal gun trafficking. This awareness was validated by a report released last week by the Brady Center to Prevent Gun Violence which revealed that some licensed gun dealers are complicit in aiding gun traffickers, yet remain largely untouched by the law.

The report, ''Shady Dealings: Illegal Gun Trafficking from Licensed Gun Dealers,'' was released in Philadelphia, a city that is combating a sharp increase in gun violence. In 2002, the city reached a 17-year low in homicides with 288. However, since then, homicide rates have soared. Last year, the city suffered 406 homicides and is on track to exceed that total in 2007. The report documents over two dozen cases of illegal gun trafficking from dealers across the country. In each case, gunrunners were prosecuted; however, the dealers who supplied them received no legal sanctions.

''Shady Dealings'' documents several scenarios in which dealers turn a blind eye to clear indications of gunrunning. In-store straw purchases are transactions that violate Federal law in which one individual submits to the required Federal background check for a gun that is clearly intended for use by someone else. Multiple purchases of the same model gun by an individual should be an indication that the guns are not for personal use. Large volume sales of handguns should be a red flag to dealers. In one case, a gun dealer sold 87 pistols to a gun trafficker's straw buyer in a single transaction. Another red flag for trafficking should occur when a single buyer makes repeated purchases from a dealer. In one instance, a trafficker from Ohio made at least 19 visits to a particular gun shop, yet was never turned away. Dealer sales to traffickers at gun shows present special opportunities for trafficking. A single gun dealer in Georgia was recorded selling eight guns to one trafficker and 20 additional pistols to two other traffickers. Several of the weapons were recovered by the New York City police, and one of them was used to shoot a New York City police officer.

Unfortunately, making life easier for gun traffickers presents the opportunity for financial reward with little to no consequence for gun dealers. Not one of the dealers profiled in the Brady Center report has been put out of business by the ATF or prosecuted for selling guns to convicted gun traffickers. As a result, the underground market for guns is fueled the diversion of massive numbers of guns from licensed gun dealers into the hands of criminals. Almost 60 percent of the guns traced to crime by the ATF originated from only about 1 percent of the Nation's gun dealers. Additionally, approximately 30 percent of the guns traced to crime were traced within 3 years of their retail sale. I urge my colleagues to take up and pass sensible gun legislation that will help prevent such egregious acts and help protect the welfare of our communities.

IN RECOGNITION OF AMERICAN HEART MONTH

Mr. DORGAN. Mr. President, today marks the start of American Heart Month. I note the occasion not as a reminder to my colleagues to purchase flowers or chocolates for their loved ones for Valentine's Day but as a reminder that we need to redouble our efforts to fight heart disease, stroke, and other cardiovascular diseases.

More than 80 million Americans—about 1 in 3 adults—are living with some form of cardiovascular disease. Heart disease remains the leading cause of death in America and stroke is the No. 3 killer. These devastating diseases have touched the lives of nearly every family in America.

Heart disease, stroke, and other cardiovascular diseases will cost our Nation more than $430 billion in 2007, including more than $284 billion in direct medical costs.

While it is true that we are making some progress, we can't win the fight against heart disease, stroke, and other cardiovascular diseases without the support of Congress and the administration. Next week, the President will send Congress a budget proposal for fiscal year 2008. The budget is more than just a lengthy document—it is a statement of our Nation's priorities. I believe investing in cardiovascular research, prevention, and treatment programs should be one of our highest priorities.

I was disappointed by the budget the President proposed last year. The administration's proposal would have scaled back funding for heart disease and stroke research at the National Institutes of Health, NIH, prevention programs at the Centers for Disease Control and Prevention, CDC, and a program that helps rural communities purchase lifesaving medical equipment.

The administration's fiscal year 2007 budget would have cut funding for the National Heart, Lung and Blood Institute by $21 million and the National Institute of Neurological Disorders and Stroke by $11 million. I am grateful that Congress rejected this proposal. Our investment in the NIH holds enormous promise to turn the tide against so many devastating diseases, including heart disease and stroke.

The President also proposed scaling back funding for the heart disease and stroke prevention program at the CDC. This program helps States design and implement plans to prevent cardiovascular disease before it occurs. Despite the fact that heart disease is the No. 1 cause of death in the country and stroke is the No. 3 killer, the CDC does not have enough funding to implement this important program in all States. The CDC provides funding for 19 States to develop plans and another 14 States to implement the plans.

Finally, the administration tried to eliminate funding for a program that helps rural communities purchase automated external defibrillators, AEDs. AEDs are small, laptop-size devices that help restore normal heart function after cardiac arrest. AEDs save lives, especially when placed in areas where large numbers of people congregate and in rural communities where emergency medical personnel are not readily available. I believe Congress should continue to provide grants

to help communities purchase these lifesaving devices.

I hope that the President does not send Congress another budget that proposes Draconian cuts in funding for heart disease and stroke research, prevention, and treatment programs. Failing to make these investments will have real consequences. It is projected that, if we don't act today, deaths from heart disease alone will increase by nearly 130 percent by 2050.

I encourage my colleagues to take a few minutes during February to recognize American Heart Month and to join me in starting a national dialogue about making the fight against cardiovascular disease a priority.

HONORING BLACK HISTORY MONTH

Mr. CRAPO. Mr. President, today I join millions of people across our Nation to commemorate Black History Month.

Black History Month is a time to honor those heroes of the past and present who have played pivotal roles in African American history. During this month, we celebrate the lives of these extraordinary individuals and pay tribute to their many sacrifices and great accomplishments in strengthening the diverse cultural history we have in America. We are especially reminded during this month to renew our commitment to ensuring equality and justice for all Americans.

Black History Month was originally established as Negro History Week, later known as Black History Week, in 1926 by Dr. Carter G. Woodson, a son of former slaves who became the second African American to earn a Ph.D. from Harvard University. Woodson chose the second week in February in remembrance of the birthdays of two prominent individuals in the history of African Americans—President Abraham Lincoln, who promulgated the Emancipation Proclamation, and Frederick Douglass, one of the most renowned black abolitionists. In 1976, Black History Week was officially expanded to a month-long celebration—Black History Month, or African-American History Month.

Since 1926, the Association for the Study of Afro-American Life and History, ASALH, has established the national theme for Black History Month. This year's theme is ''From Slavery to Freedom: The Story of Africans in the Americas.'' Long after slavery was abolished, people of African descent struggled for the basic rights afforded American citizens. This year's theme brings to light this quest for equality and freedom during the age of emancipation, when Africans throughout the Americas were emerging from the bonds of slavery to take their rightful place in society. The path was not an easy one—independence and liberty remained elusive for many. Yet through the work of visible leaders and heroes and those individuals who quietly persevered, we see great achievements in the African-American experience—triumph that went hand in hand with some of the greatest struggles and most severe obstacles.

In Idaho, many individuals have continued Woodson's vision to educate and inform our communities about the great contributions of African Americans. For over 85 years, Idaho's National Association for the Advancement of Colored People, NAACP—comprised of some of Idaho's finest citizens and humanitarians—has served as a leader for promoting cultural diversity and awareness in our state.

I also commend the work at the Idaho Black History Museum. Established in 1995, this museum is the only one of its kind in the Pacific Northwest. Through its exhibits and community outreach programs such as lectures, workshops, literacy courses, and musical performances, the Idaho Black History Museum successfully fosters a deeper understanding of cultural diversity in the State of Idaho.

HONORING MAMIE OLIVER

Today, I join with the Idaho Black History Museum in honoring a special Idahoan—Dr. Mamie Oliver—for her outstanding record of achievement and efforts on behalf of Idaho's communities. A historian, professor, and community leader, Dr. Oliver truly embodies what Black History Month is all about.

When Mamie Oliver accepted a position at Boise State University in 1972, she became Idaho's first African-American professor. At Boise State, Dr. Oliver and her students completed foundational research on African-American history in Idaho, launching the early development of what was previously untold history.

Dr. Oliver was influential in getting the St. Paul Baptist Church building on the Historical Register. The church, established in 1909, was one of two African-American churches in Idaho and is now the home of the Idaho Black History Museum. Together with her husband and fellow community leader, Dr. H. Lincoln Oliver, Ph.D., B.D., she sought to meet the needs of the less fortunate in the community by founding the Treasure Valley Council for Church and Social Action 25 years ago.

For her remarkable service, Dr. Oliver was recognized as a Distinguished Citizen by the Idaho Statesman and as one of the ten Outstanding Women in Idaho by the Boise March of Dimes. Dr. Oliver was selected for the Jefferson Award for Outstanding Public Service Benefiting Local Communities by the American Institute for Public Services and received the 2004 Women of Today and Tomorrow Award from the Girl Scouts of Silver Sage Council (Boise).

Dr. Oliver was appointed by Governor Evans to chair the first Martin Luther King, Jr., Task Force and by Governor Kempthorne to serve two terms on the Governor's Coordinating Council for Families and Children.

Dr. Oliver and her late husband, Dr. Lincoln Oliver, have two adult children and two grandchildren. Currently, she teaches at Northwest Nazarene University in Nampa, ID.

We in Idaho are proud to have individuals such as Dr. Mamie Oliver in our community. It is through the dedication of people like Dr. Oliver that we realize as a Nation our strengths and are empowered by what is integrally part of our American history and brought to the forefront this February—Black History Month.

Our Nation has made great strides in putting civil and human rights challenges behind us. But we must be ever vigilant in pursuing the fundamental principles of equality and justice and in continuing the legacy that so many individuals have worked so hard to achieve. In Congress, one of our most important duties is to protect these core personal freedoms that we as American citizens enjoy.

SENATOR GEORGE SMATHERS

Mr. NELSON of Florida. Mr. President, I rise today to recognize the life and achievements of Senator George Smathers. I delivered remarks at his memorial service on January 29. I ask unanimous consent to have printed in the RECORD the remarks.

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

It is fitting that we gather in this community, in this state, to honor George A. Smathers—an outstanding American, and one of the great sons of Miami and Florida.

Because it was here that George Smathers grew up.

It was here that he became president of the student bodies at Miami Senior High School and his beloved University of Florida, where he also was captain of the basketball, track and debate teams.

It was here that he joined the Marines, faking appendicitis so he could avoid a Navy desk job and see combat in World War II.

And it was here that the handsome young Miamian broke into public service as an assistant prosecutor, after which he kept ascending and never looked back.

This community, this state—this is where George Smathers devoted so much of his life.

I am honored that his family asked me to pay him tribute. He has two wonderful sons, John and Bruce, and is survived by his devoted wife Carolyn.

The fact of the matter is—my life has intersected with the family for 45 years. Even today, my desk in the chamber of the United States Senate is the one used by George Smathers.

I first met the Smathers' family when I was a college intern in the senator's office.

But it is the friendship of one of George Smathers' sons that has been especially important in my life.

At a time in my young life when I lost both parents, Bruce was more than a friend, he was a brother. Bruce is always faithful, never waivers, always encourages. He is a loyal friend—a Smathers' trait.

Bruce and I even introduced each other to our wives. And ''little'' Bruce is my godson.

As a kid, I'll never forget attending the funeral of President Kennedy with the senator and his sons, watching the rider-less horse with the boots turned backward, following the caisson down Pennsylvania Ave. and across Memorial Bridge for the burial at Arlington.

In the nine days since George Smathers has left us, many people have paused to remember.

The senator had become quite a successful businessman and philanthropist, giving the University of Florida $20 million for its libraries, and the University of Miami $10 million for its Wellness Center.

He was, in the words of his biographer, Brian Crispell, ''congenial, humorous, and respected as a highly effective orator and legislator.''

He also has been described as prophetic.

Indeed, he was so sure years ago that Miami would become a major international city and gateway to the rest of the hemisphere, that he insisted his sons learn to speak Spanish.

The year was 1946 when he set his sights on Congress.

That's when he took on a four-term incumbent U.S. congressman—and, with a group of young turks in Miami he beat the odds.

That was quite a class that went to Washington with him. It included the late Jacob Javits and Hale Boggs.

The young congressman from South Florida soon became close with President Truman, as the president would visit the Key West White House for his retreats.

No one will ever forget one of Smathers' earliest accomplishments, which was helping to create the Everglades National Park.

While he was in the House of Representatives, he also developed a passion for the politics and peoples of Latin America, making some 14 trips there.

Many years later in the Senate, his colleagues would refer to him, in jest, as the Senator from Latin America.

Everyone would laugh, and Senator Smathers would go along. But he would offer a disclaimer: Sure he had a specialty in foreign affairs in the Western Hemisphere, but his first duty was being the senator from Florida.

In 1948, the senator from Florida met Fidel Castro. And in a private conversation, Fidel told him he was going to take over Cuba. Smathers always was leery of Castro. And sure enough, 11 years later, Castro overthrew Batista.

While so many in America thought that was a good thing—ousting the hated dictator Batista—Smathers was one of the strongest anti-Castro voices around, saying, ''Watch out for this fellow. You better be careful.''

Leading up to the elections of 1950, President Truman called Smathers to the White House and asked him to run against Florida's incumbent Senator Claude Pepper. Apparently there had been a misunderstanding between Truman and Pepper, and the president still was angry.

Up to that point, Smathers had not seriously considered the Senate.

That 1950 campaign still is noted for remarks supposedly made to play on the ignorance of certain voters.

Years later, Smathers decided to debunk the myth by offering a $10,000 personal reward to anyone who could authenticate and verify his alleged comments.

Nobody could.

When he went to the Senate, George Smathers joined the ''club.'' There were giants. Symington of Missouri, Johnson of Texas, Dirksen of Illinois, Kerr of Oklahoma, Kennedy of Massachusetts. And right there with them were Smathers and Holland, of Florida.

Smathers became close friends with John Kennedy, and was one of the best men in the wedding party when JFK married Jacqueline Bouvier.

LBJ depended on George Smathers, too, even though they differed on a number of issues.

When there was a vacancy in the assistant majority leader, Lyndon Johnson asked Smathers to fill that position.

And then, when Johnson suffered his heart attack and was out for seven months, Smathers filled in as the acting majority leader.

When LBJ resumed his duties running the Senate, he asked his friend from Florida to be his permanent assistant majority leader.

Johnson, who was not accustomed to hearing the word no, had to accept just that from his friend from Florida.

In 1956, the senator was considered for vice president, for the first of two times.

During his Senate career, he chaired the Senate Democratic Campaign Committee and is credited with passing legislation to help small businesses, reform immigration and advance tourism for Florida.

He helped upgrade transportation, and fought for what would become, under JFK, the Alliance for Progress in Latin America.

He also helped eliminate the poll tax, establish the Kennedy Space Center, set up the Permanent Select Committee on Aging and, of course, set aside that natural wonder, Everglades National Park, the ''River of Grass'' that means so much to us in Florida.

In 1960, he was the southern chairman for Kennedy and Johnson; and that same year he created a new judicial district for southern Florida to handle an increasing case load.

In the 1962 Cuban Missile Crisis, Smathers Beach in Key West, named after the senator, was an antimissile battery. The world now knows just how close we came to a nuclear exchange in the Cuban Missile Crisis.

Few know that George Smathers helped President Kennedy write the speech that warned the Soviet Union that any attack upon the United States from Cuba would be considered an attack by the Soviet Union.

After the Kennedy assassination, Smathers became a regular at the Johnson White House and an adviser to LBJ. In 1968, he turned down presidential nominee Hubert Humphrey's offer of being his vice presidential running mate.

The next year, he stepped out of public service and into private life, ending three terms in the Senate and two terms in the House.

Among the many accolades he received, perhaps the one he prized most came from Louisiana's Senator Russell Long. George Smathers, in Long's words, ''was a statesman.''

During a lifetime of public service, he also was a good husband and father, a Marine, a prosecutor, congressman, senator—a leader.

In later years, George Smathers said when asked, that he'd like to be remembered as a fellow ''who worked hard for the people he represented and did his best for his country.''

That he will be and much more.

Senator Smathers, thank you on behalf of a grateful nation.

LIHEAP FUNDING

Ms. STABENOW. Mr. President, I rise today to speak about a very important Federal program that helps hundreds of thousands of Michigan families and millions of Americans across the country. The Low Income Home Energy Assistance Program, known as LIHEAP, is critically important for families and seniors who struggle to pay high energy bills to heat their homes in the winter and cool their homes in the summer. Without LIHEAP, many of these households would be forced to make the impossible choice between paying for energy or paying for food and medicine.

Today is the National Fuel Funds Network's Washington Action Day for LIHEAP and folks from many different States will be walking the Halls of Congress to make sure we know how important it is to fully fund LIHEAP.

As winter kicks into high gear, the importance of the LIHEAP program is even more pronounced. According to the Energy Information Administration, American households spent an average of $948 in 2006 on their winter heating needs—an increase of $250 over the 2000–2001 winter season. That might seem like a modest increase, but for most Americans living paycheck to paycheck, it could have disastrous effects on their household budgets. LIHEAP assistance, which emphasizes partnerships between utilities, charitable organizations, and State governments, is a highly effective and cost-efficient way for our country to help the neediest families manage these incremental increases in their home energy costs. It has thus become an important component of our social safety net.

Not surprisingly, LIHEAP assistance historically has been targeted to cold-weather States in the Northeast and Upper Midwest. In the State of Michigan, for instance, more than 470,000 households received LIHEAP aid in 2006. In recent years, however, the program has been retooled in order to recognize the need to provide similar assistance to warm-weather States in the South and Southwest to help their neediest citizens meet their home cooling needs. Last year, more than 6.2 million households received assistance nationwide, including many new families in the warm-weather areas.

Unfortunately, the LIHEAP program has never been funded to its authorized level—which recently was raised to $5 billion as part of the Energy Policy Act of 2005. Even though LIHEAP was funded at $3.1 billion in fiscal year 2006 the highest level ever—many who are eligible remain unable to get help because there are simply not enough funds to help them. We need to take a good, hard look at our funding efforts so that we are not forced to make unfair choices between cold and warm-weather States, much less deny support to eligible recipients.

Increased gas prices, unforeseen medical bills, sudden unemployment, or any other unexpected situation that causes a family's living costs to rise while their income stays fixed, forces families to make some truly hard choices. But no one should have to choose between the need to heat and the need to eat. At its foundation, the LIHEAP program helps these families deal with one of the most basic of their needs—a warm home in wintertime as they work to regain their footing.

Today, the National Fuel Funds Network has mobilized a coalition of charitable organizations such as the Salvation Army and The Heat And Warmth Fund, THAW, utilities such as CMS Energy and DTE Energy of Michigan,

State government officials, and low-income constituents to meet with congressional offices to educate Congress about the LIHEAP program and make the case for greater funding. I commend the organizers and participants of today's Washington Action Day for LIHEAP, and I urge my colleagues to support and fully fund the LIHEAP program. By supporting this important program, we are supporting hard-working American families. It is the right thing to do.

DARFUR

Mr. PRYOR. Mr. President, In reflection of the New Year, I have thought about what I wanted my New Year's resolution to be. I had a wonderful holiday that I was fortunate to spend with my family, and I thought about those in the world who did not have that same opportunity. World peace is our ambition, but, today I want to speak about our hope for the people of Darfur, Sudan.

I rise to add my voice, and that of my constituency, on the crisis in Darfur. Everyday I hear from Arkansans concerned about the escalating chaos and destruction happening in Darfur. Whether it is through church groups, schools, the newspaper, Internet, or the television, the reports from Darfur are shocking and disturbing. Darfur, Sudan, is 7,117 miles away from Little Rock, AR, but it is not removed from the thoughts and prayers of our citizens.

The statistics on this crisis are heartbreaking. It has been estimated that between 200,000 and 400,000 people have been killed and thousands of women have been raped. Over 2 million people have been displaced. Their lives have been completely uprooted, and their only chance of survival is refugee camps. These makeshift camps provide little shelter and are subjected to raids by armed militias. Aid workers and organizations have recently pulled out of the region due to safety concerns, and the conflict is spreading to neighboring countries, destabilizing governments that may be ill-equipped to integrate an influx of refugees. Moreover, the Sudanese government has restricted media and diplomatic access to the region.

While the United States has taken considerable actions to support an end to the horrible violence in Darfur, the situation continues to deteriorate. Darfur is the world's crisis, and we must do more to ensure that an effective peacekeeping force is in place to stem the escalating rape, murder, and destruction.

I am hopeful that the United Nations' most recent effort will work. I am encouraged that so many humanitarian organizations have worked tirelessly to find a resolution to this matter. It is my wish that peace and stability will come to Darfur in 2007.

The people of Darfur have been deprived of the most basic of human liberties: the right to live in peace. It is our responsibility as U.S. Senators, as Americans, and as humanitarians to do all that we can to bring about an end to this world crisis.

ADDITIONAL STATEMENTS

USC-RIVERSIDE CITRUS RESEARCH CENTER

• Mrs. BOXER. Mr. President, today I ask my colleagues to join me in recognizing 100 years of groundbreaking research and education at the University of California Riverside's Citrus Research Center—Agricultural Experiment Station. This year, the university celebrates a century of improving our Nation's agriculture, environment, and natural resources.

The idea behind the creation of a citrus experiment center began with the pioneering work of Riverside citrus grower John Henry Reed, who first proposed the idea in 1900. At the time Riverside was the hub of a rapidly expanding citrus industry, in part because refrigeration made nationwide shipments possible. His proposal became a reality in 1905 when the California Legislature passed a measure authorizing the establishment of the Citrus Experiment Station in Riverside. By 1907, the Citrus Experiment Station became an open branch of the Statewide Agricultural Experiment Station of the University of California.

From that time on, the Citrus Experiment Station continued to grow and develop, to become one of California's premier agricultural research institutions. In 1914, the station maintained a staff of 18 with an annual budget of $60,000. Over the next 40 years, the Experiment Station's research area grew from 30 acres to almost 1,000 acres, and staff grew to 265.

During that time, Leon D. Bachelor, as director, worked to initiate many of the long-term fertilizer experiments and worked to ensure the strength of the walnut industry through disease research. During his tenure, shipping and processing of produce was vastly improved, and improvements were implemented in citrus rootstocks, disease resistance, and fruit quality.

While this was taking place, facilities and physical plant construction continued to increase as more research stations and research buildings were being built. In 1954 Weber Hall was constructed, the U.S. Department of Agriculture's Boyden Entomological Laboratory was built in 1961, and research property increased to 1,100 acres. There were also advances in research focus, beginning in 1955 with the arrival of a vegetable crops group from UC Davis. During the next year, the Department of Nematology and the Biometrical Laboratory were established. Work also came from UCLA focusing on entomology and plant pathology on ornamentals.

Just after this, the Air Pollution Research Center was established on the UC Riverside campus, and agronomists from Davis were welcomed to join in the research efforts. A Dry Lands Research Institute was added in 1963, and in the year following, the UC Riverside campus added a Department of Agricultural Engineering. The year after this, the Department of Agronomy accepted further work from UCLA on turf grasses.

With the expansion of research into all of these areas, it became clear that the university did not simply research citrus, and the Citrus Experiment Station was appropriately renamed the Citrus Research Center and Agricultural Experiment Station, CRC–AES, in 1961. A full college devoted to this research effort was added in 1974, establishing the College of Natural and Agricultrual Sciences.

Today, UC Riverside agricultural and natural science researchers pave the way for many of our Nation's important scientific advances. Studies in plant sciences and environmental and natural resources continue to improve the quality of life for our Nation and our planet. As the Citrus Research Center—Agricultural Experiment Station at the University of California, Riverside celebrates its centennial, I applaud the tremendous efforts and advances and look forward to another century of progress.•

TRIBUTE TO 2006 KENTUCKY DERBY WINNER BARBARO

• Mr. BUNNING. Mr. President, today I wish to pay tribute to the life of Barbaro, the 2006 Kentucky Derby Champion. He was an inspirational survivor and was beloved by the State of Kentucky. Barbaro's motivational rise to the top of horse racing history and relentless fight for his life against all odds, serves as a shining example of strength and courage to us all.

Barbaro first entered this world on April 29, 2003, when he was foaled in Nicholasville, KY, at Springmint Farm. He is the son of the great champion racehorse Dynaformer and was destined to be a champion from the beginning.

Barbaro was always a favorite of the crowd, but it was his performance at the Kentucky Derby, May 6, 2006, that would make him a legend. He ended up winning the Derby with a lead of seven lengths, which was the largest margin of victory since 1946. Because of this spectacular race, many people believed Barbaro was destined for greatness in the horse racing industry and favored him to go on to win the Triple Crown of Thoroughbred Racing.

Later that same year, Barbaro ran the Preakness Stakes on May 20, 2006, as the crowd favorite. After an initial false start through the starting gate and signs of distress early on in the race, it was clear that Barbaro had sustained a severe injury. Laboratory tests showed that he had fractured three bones in and around his ankle and right hind leg. This resulted in immediate surgery and many subsequent

surgeries. A last effort was made by doctors to save Barbaro, but their continued efforts proved to be unsuccessful and caused his current ailments to spread farther through his body. Although he kept fighting to recover, it was clear to everyone that he was in monumental pain. On January 29, 2007, Barbaro's owners decided that his pain was too much to handle and he was laid to rest.

Barbaro had a unique, motivational quality that made him the object of care and affection from the public in a way that few animals before him have ever experienced. He will be terribly missed but never forgotten. Barbaro was a champion, a fighter, and a true inspiration to the entire State of Kentucky.●

TRIBUTE TO CAPTAIN BRIAN GLACKIN

● Mr. COCHRAN. Mr. President, I am pleased to congratulate CAPT Brian Glackin upon the completion of his career of service in the U.S. Navy. Throughout his 23 year military career, Captain Glackin served with distinction and dedication.

A native of Lansdale, PA, Captain Glackin received a bachelor's degree in lectrical engineering from Villanova University prior to being commissioned as an Ensign in 1984.

During his career he accumulated over 4,000 hours of flight time, including over 400 hours of combat time in Iraq, Afghanistan, and the former Republic of Yugoslavia. He has over 900 carrier arrested landings; and even more impressive over 300 of these took place at night. Captain Glackin completed seven deployments while serving on the aircraft carriers USS *Ranger*, USS *Roosevelt,* USS *Independence*, and USS *Enterprise*. He completed two overseas tours, including a tour forward deployed with the U.S. Navy's Seventh Fleet in Japan. He commanded a squadron of EA–6B Prowlers aboard USS *Enterprise* in the fight against the Taliban in Afghanistan following the horrific attacks of September 11.

Captain Glackin's family and shipmates can be proud of his distinguished service. His wife Maureen and their two children, Ann and Owen, also deserve praise for the sacrifices they made in support of Captain Glackin's naval career. As he departs the Pentagon to his second career, I call upon my colleagues to wish Brian and his family every success, and the traditional Navy ''fair winds and following seas.''●

HONORING MARVIN FARBMAN

● Mr. DODD. Mr. President, today I honor a dedicated public servant, Marvin Farbman, who is retiring after 30 years of tireless work at Connecticut Legal Services, CLS, on behalf of the people of Connecticut.

Mr. Farbman came to Connecticut Legal Services in 1977 with an impressive academic record. He received his undergraduate degree in biology at Boston University, his M.A. in Philosophy from the University of Western Ontario, and finally his law degree at the University of Connecticut, where he graduated with honors. Connecticut Legal Services hired him as a staff attorney, where he quickly took on more than 100 client cases per year, serving as counsel for low-income Connecticut families.

Over the past 30 years, Marvin Farbman worked tirelessly to provide better housing for low-income residents of Connecticut. Only a year after joining the staff of Connecticut Legal Services, he created Equity in Housing, a ground-breaking housing cooperative that continues serving low-income households today. Within 2 years, Mr. Farbman was promoted to the position of managing attorney of the Middletown office of Connecticut Legal Services.

During his years as managing attorney, Mr. Farbman continued to lead the fight for low-income housing improvements both in and out of the courtroom. He served as lead counsel in several influential court cases, including Korsko v. Harris, which stopped the conversion of a federally-subsidized 200-unit housing project into private condominiums with no assistance for low-income residents, Nelson v. Heintz, a successful lawsuit against the City of Bridgeport to obtain more reasonable shelter payment levels for low-income citizens, and Father Panik Village Tenants Assoc. v. Cisneros, which obtained a preliminary court settlement requiring the Bridgeport Housing Authority to replace more than 1,000 demolished public housing units.

Mr. Farbman's dedication and continued success in court was matched by the success of his other efforts to improve the community. In 1985, he led the effort to create the Middlesex Red Cross homeless shelter, the first apartment-based family shelter in Connecticut. He also organized a local coalition to renovate Arriwani Hotel, a single room flophouse, into a nonprofit apartment building with support services for residents.

When he was promoted to executive director of CLS in 1995, Mr. Farbman successfully guided the agency in the establishment of an operating plan to begin rebuilding its service capacity. Over his tenure as executive director, Connecticut Legal Services handled approximately 50,000 client cases, improving the lives of countless Connecticut residents and the communities where they live.

Millions of Americans live in poverty, and many must depend on people like Marvin Farbman to fight for their basic needs in court. Mr. Farbman has dedicated his life to improving the lives of low-income families, and his influence can be seen throughout Connecticut. For his dedicated service, Connecticut, and indeed, the whole nation owe him a tremendous debt of gratitude.

On February 8, a dinner will be held in honor of Marvin Farbman's many contributions to Connecticut Legal Services and the field of legal representation for low-income families. This dinner will be a wonderful tribute to Marvin's dedication to serving underprivileged residents of Connecticut.

Once again, I extend my deep thanks to Marvin Farbman for his long legacy of service to his community, to the people of Connecticut, and to our Nation. I wish to congratulate him, his wife Evelyn, and his sons Daniel and Herschel on this wonderful occasion, and I wish him well as he embarks on this new chapter in his life.●

RICHARD M. SHAPIRO

● Mr. KOHL. Mr. President, I express my gratitude and thanks to Richard M. Shapiro for his many years of service to the Members and staff of the Congress. I and other Members honor him for his dedication to this great institution, his tireless work on its behalf, and the countless ways in which he has helped us serve the public over nearly three decades, including almost two decades as executive director of the Congressional Management Foundation.

Mr. Shapiro began his impressive career in 1978 here in the Senate, when he was a staff investigator at the former Permanent Subcommittee on Investigations. After receiving a master's degree in public policy from Princeton University, Mr. Shapiro returned to Congress as the staff director for the former House Post Office and Civil Service Subcommittee on Investigations and later became staff director at the House Small Business Subcommittee on Regulations and Business Opportunities. In those positions, he continued to learn Congress inside and out, especially the importance of good management in the formation of effective teams and the unique challenges facing managers in Congress. This experience led him to become deputy executive director of the Congressional Management Foundation in 1988, and just 1 year later he became executive director.

During his years at CMF, Rick has undertaken numerous strategies with just one goal—helping Congress do the public's business more efficiently and effectively. His efforts as a management consultant have involved countless office retreats, staff surveys, individual assessments, and strategic planning sessions. Rick has also delivered dozens of training programs to address the needs of legislative and support staff. He has also authored and coauthored several books including the biannual ''House and Senate Staff Salary Survey, Frontline Management, and Setting Course; A Congressional Management Guide'' which has proved to be an invaluable guide for hundreds of new Members as they arrive in Congress. Rick has also undertaken a wide

range of activities to help Congress effectively move into the Digital Age, including recommendations on Web site design and managing Internet communications.

I can speak directly to the terrific work that Rick has done over the years because for more than a decade he has played a critical role in helping me and my staff manage the challenges and take advantage of opportunities we have in representing the people of Wisconsin here in the Senate. That assistance has taken a wide variety of forms, ranging from multiday all-staff retreats, to staff surveys and analysis, to individual staff assessment and advice. He has helped us design annual evaluations, improve our salary and bonus structure, design our Web site, improve our mail system, and—perhaps most importantly—step back and assess our environment regularly to be sure we are doing our best for the people of Wisconsin.

Rick's efforts on behalf of our office reflect the amazing dedication and commitment that he has brought to every task over the years. There is never any question too small—or any hour too late—for him to make himself available to offer advice. His thoughtful analysis has been critical to many decisions I have made over the years, and I am grateful for his assistance at many key junctures in my career. I know that my office operates much more efficiently and effectively today thanks to his advice over the years.

Beyond his work with my office, I would also like to honor Rick for his dedication in continuing and dramatically expanding the work of CMF. Nonprofit organizations are a bit like restaurants—many of them open every year, but few of them last. Ultimately, those that survive do so as a result of the tireless dedication of a very small group of people, and in the case of CMF, Rick has helped them not only survive but to thrive and grow. During his tenure, the budget for CMF has more than quadrulpled, while the staff has doubled and the work done for Congress has grown exponentially. As I mentioned earlier, Rick and CMF have undertaken a wide range of activities on behalf of Congress. Ultimately, Rick and CMF have a ''whatever it takes'' attitude, and we in Congress have been the beneficiaries of that intensity, creativity, and dedication.

In conclusion, I would like to honor Rick for his tireless dedication to assisting Senators, Congressmen, staff, and the entire institution of the Congress in our efforts to better serve the American people. We are grateful for all of his hard work over the years, and we look forward to working with him again in the future.●

MEASURES PLACED ON THE CALENDAR

The following bill and joint resolution were read the second time, and placed on the calendar:

H.J. Res. 20. Joint resolution making further continuing appropriations for the fiscal year 2007, and for other purposes.

S. 470. A bill to express the sense of Congress on Iraq.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–577. A communication from the Director, Office of Human Resources Management, Consumer Product Safety Commission, transmitting, pursuant to law, the Commission's report on category rating; to the Committee on Commerce, Science, and Transportation.

EC–578. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report relative to employees who were assigned to congressional committees during fiscal year 2005; to the Committee on Homeland Security and Governmental Affairs.

EC–579. A communication from the Insurance Policy Division, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Federal Employees Health Benefits: Payment of Premiums for Periods of Leave Without Pay or Insufficient Pay'' (RIN3206–AG66) received on January 31, 2007; to the Committee on Homeland Security and Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment:

S. Res. 64. An original resolution authorizing expenditures by the Committee on Foreign Relations.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of a nomination was submitted:

By Mr. DORGAN for the Committee on Indian Affairs.

*Carl Joseph Artman, of Colorado, to be an Assistant Secretary of the Interior.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HAGEL (for himself and Mr. NELSON of Nebraska):

S. 471. A bill to authorize the Secretary of Interior to convey to The Missouri River Basin Lewis and Clark Interpretive Trail and Visitor Center Foundation, Inc. certain Federal land associated with the Lewis and Clark National Historic Trail in Nebraska, to be used as an historical interpretive site along the trail; to the Committee on Energy and Natural Resources.

By Mr. ALLARD (for himself and Mr. SALAZAR):

S. 472. A bill to authorize a major medical facility project for the Department of Veterans Affairs at Denver, Colorado; to the Committee on Veterans' Affairs.

By Mr. GRASSLEY:

S. 473. A bill to improve the prohibitions on money laundering, and for other purposes; to the Committee on the Judiciary.

By Mrs. HUTCHISON (for herself and Mr. CORNYN):

S. 474. A bill to award a congressional gold medal to Michael Ellis DeBakey, M.D; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 475. A bill to increase the number of Deputy United States Marshals that investigate immigration crimes; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself and Mr. SESSIONS):

S. 476. A bill to amend chapter 3 of title 28, United States Code, to provide for 11 circuit judges on the United States Court of Appeals for the District of Columbia Circuit; to the Committee on the Judiciary.

By Mr. CRAPO (for himself and Mr. CRAIG):

S. 477. A bill to authorize the Secretary of the Interior to convey certain land and improvements of the Gooding Division of the Minidoka Project, Idaho; to the Committee on Energy and Natural Resources.

By Mr. McCAIN (for himself and Mr. FEINGOLD):

S. 478. A bill to amend the Federal Election Campaign Act of 1971 to replace the Federal Election Commission with Federal Election Administration, and for other purposes; to the Committee on Rules and Administration.

By Mr. HARKIN (for himself, Mr. GRASSLEY, Mr. ROCKEFELLER, Ms. SNOWE, Mr. DURBIN, Mr. SMITH, Mr. LAUTENBERG, Mr. THUNE, Mr. KERRY, Mr. BROWNBACK, and Mr. SCHUMER):

S. 479. A bill to reduce the incidence of suicide among veterans; to the Committee on Veterans' Affairs.

By Mr. KOHL (for himself, Mr. HATCH, and Mr. SPECTER):

S. 480. A bill to amend the Antitrust Modernization Commission Act of 2002, to extend the term of the Antitrust Modernization Commission and to make a technical correction; to the Committee on the Judiciary.

By Mr. CONRAD (for himself, Mr. DOMENICI, Mr. DORGAN, Mr. McCAIN, Mr. BINGAMAN, Mr. KOHL, and Mr. THUNE):

S. 481. A bill to recruit and retain more qualified individuals to teach in Tribal Colleges or Universities; to the Committee on Indian Affairs.

By Mr. CHAMBLISS:

S. 482. A bill for the relief of Charles Nyaga; to the Committee on the Judiciary.

By Mr. CHAMBLISS:

S. 483. A bill for the relief of Salah Naji Sujaa; to the Committee on the Judiciary.

By Mr. ENZI (for himself and Mr. KENNEDY):

S. 484. A bill to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act to improve drug safety and oversight, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KERRY (for himself and Ms. SNOWE):

S. 485. A bill to amend the Clean Air Act to establish an economy-wide global warming pollution emission cap-and-trade program to assist the economy in transitioning to new clean energy technologies, to protect employees and affected communities, to protect

companies and consumers from significant increases in energy costs, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. DURBIN, Mrs. CLINTON, Mr. HARKIN, Mr. ROCKEFELLER, Mr. KERRY, and Mr. SCHUMER):

S. 486. A bill to establish requirements for lenders and institutions of higher education in order to protect students and other borrowers receiving educational loans; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LEVIN (for himself, Mr. BOND, Mr. DORGAN, Mr. GRAHAM, Mr. DURBIN, Ms. MIKULSKI, Mr. PRYOR, and Mr. CARDIN):

S. 487. A bill to amend the National Organ Transplant Act to clarify that kidney paired donations shall not be considered to involve the transfer of a human organ for valuable consideration; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BIDEN:

S. Res. 64. An original resolution authorizing expenditures by the Committee on Foreign Relations; from the Committee on Foreign Relations; to the Committee on Rules and Administration.

By Mr. BIDEN:

S. Res. 65. A resolution condemning the murder of Turkish-Armenian journalist and human rights advocate Hrant Dink and urging the people of Turkey to honor his legacy of tolerance; to the Committee on Foreign Relations.

By Mr. KERRY (for himself, Mr. KENNEDY, and Mr. LEAHY):

S. Res. 66. A resolution honoring the life, achievements, and distinguished career of the Reverend Robert F. Drinan, S.J; considered and agreed to.

By Mrs. DOLE:

S. Res. 67. A resolution designating March 2007 as ''Go Direct Month''; considered and agreed to.

By Mr. INHOFE (for himself, Mr. COBURN, and Mr. ISAKSON):

S. Res. 68. A resolution commending the Miss America Organization for its longstanding commitment to quality education and the character of women in the United States; considered and agreed to.

By Mr. VITTER (for himself and Ms. LANDRIEU):

S. Con. Res. 8. A concurrent resolution expressing the support of Congress for the creation of a National Hurricane Museum and Science Center in southwest Louisiana; to the Committee on Commerce, Science, and Transportation.

ADDITIONAL COSPONSORS

S. 65

At the request of Mr. INHOFE, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 65, a bill to modify the age-60 standard for certain pilots and for other purposes.

S. 80

At the request of Mr. STEVENS, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 80, a bill to amend title 5, United States Code, to provide for 8 weeks of paid leave for Federal employees giving birth and for other purposes.

S. 254

At the request of Mr. ENZI, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Maine (Ms. SNOWE) and the Senator from Florida (Mr. MARTINEZ) were added as cosponsors of S. 254, a bill to award posthumously a Congressional gold medal to Constantino Brumidi.

S. 261

At the request of Ms. CANTWELL, the names of the Senator from Indiana (Mr. LUGAR), the Senator from North Carolina (Mrs. DOLE) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 261, a bill to amend title 18, United States Code, to strengthen prohibitions against animal fighting, and for other purposes.

S. 355

At the request of Mr. DOMENICI, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 355, a bill to establish a National Commission on Entitlement Solvency.

S. 359

At the request of Mr. KENNEDY, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 359, a bill to amend the Higher Education Act of 1965 to provide additional support to students.

S. 368

At the request of Mr. BIDEN, the name of the Senator from Missouri (Mrs. MCCASKILL) was added as a cosponsor of S. 368, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to enhance the COPS ON THE BEAT grant program, and for other purposes.

S. 374

At the request of Mr. DOMENICI, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 374, a bill to amend the Internal Revenue Code of 1986 to provide the same capital gains treatment for art and collectibles as for other investment property and to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor.

S. 388

At the request of Mr. THUNE, the names of the Senator from Louisiana (Mr. VITTER), the Senator from Wyoming (Mr. ENZI) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. 388, a bill to amend title 18, United States Code, to provide a national standard in accordance with which nonresidents of a State may carry concealed firearms in the State.

S. 398

At the request of Mr. DORGAN, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 398, a bill to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes.

S. 402

At the request of Mrs. LINCOLN, the names of the Senator from South Carolina (Mr. DEMINT) and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of S. 402, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for qualified timber gains.

S. 413

At the request of Mrs. CLINTON, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 413, a bill to amend the Bank Holding Company Act of 1956 and the Revised Statutes of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. 430

At the request of Mr. LEAHY, the names of the Senator from Colorado (Mr. SALAZAR) and the Senator from Washington (Ms. CANTWELL) were added as cosponsors of S. 430, a bill to amend title 10, United States Code, to enhance the national defense through empowerment of the Chief of the National Guard Bureau and the enhancement of the functions of the National Guard Bureau, and for other purposes.

S. 433

At the request of Mr. OBAMA, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 433, a bill to state United States policy for Iraq, and for other purposes.

S. 439

At the request of Mr. REID, the names of the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Nebraska (Mr. NELSON) were added as cosponsors of S. 439, a bill to amend title 10, United States Code, to permit certain retired members of the uniformed services who have a service-connected disability to receive both disability compensation from the Department of Veterans Affairs for their disability and either retired pay by reason of their years of military service or Combat-Related Special Compensation.

S. 455

At the request of Mr. SMITH, his name was added as a cosponsor of S. 455, a bill to amend the Internal Revenue Code of 1986 to provide tax relief to active duty military personnel and employers who assist them, and for other purposes.

S. 470

At the request of Mr. BIDEN, his name was added as a cosponsor of S. 470, a bill to express the sense of Congress on Iraq.

At the request of Mr. SALAZAR, his name was added as a cosponsor of S. 470, supra.

At the request of Mr. LEVIN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 470, supra.

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 470, supra.

S. CON. RES. 7

At the request of Mr. BIDEN, his name was added as a cosponsor of S. Con. Res. 7, a concurrent resolution expressing the sense of Congress on Iraq.

At the request of Mr. HAGEL, his name was added as a cosponsor of S. Con. Res. 7, supra.

At the request of Mr. SALAZAR, his name was added as a cosponsor of S. Con. Res. 7, supra.

S. RES. 23

At the request of Mr. SMITH, his name was added as a cosponsor of S. Res. 23, a resolution designating the week of February 5 through February 9, 2007, as ''National School Counseling Week''.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ALLARD (for himself and Mr. SALAZAR):

S. 472. A bill to authorize a major medical facility project for the Department of Veterans Affairs at Denver, Colorado; to the Committee on Veterans' Affairs.

Mr. ALLARD. Mr. President, today I am introducing a bill to fully authorize the necessary funds needed to complete the construction of a new VA medical facility near Denver, CO. I am joined by my colleague Senator SALAZAR on this important legislation. Thankfully, Congress authorized approximately 16 percent of the needed funds for this project last year in order to finalize planning and site acquisition. That is a promising start that enables the project planners to begin the serious business of building this hospital. Although this was a tremendous step forward, there is still a great deal more that needs to be accomplished in order for this hospital to become a reality.

The current Denver VA hospital was built ''more than 50 years ago and as we are all well aware, medical technology has far surpassed what the builders of the Denver VA originally envisioned. This facility, which hosted the first liver transplant in 1963, has provided tremendous care over the years, but simply does not have the infrastructure to continue to provide our veterans the care they need in the 21st century. While I cannot say enough about the care and service our veterans receive at the current facility, many changes and improvements can and should be made, and a new facility is the only way to accomplish these goals.

This new VA hospital to be located at Fitzsimons campus and the former home of the Fitzsimons Army Medical Center will carry on a strong tradition of providing exceptional medical care for our Nation's best and bravest citizens. The current Fitzsimons campus first began treating wounded veterans in 1918, specializing in assisting those who had been victims of chemical weapons in world War I. The facility continued to grow through the 20th century and became one of the premiere Veterans hospitals through World War II. Fitzsimons was even unofficially deemed the ''White House of the West'' when President Eisenhower spent 7 weeks in the facility while recovering from a heart condition in 1955. Fitzsimons Hospital was even the birthplace of my colleague, Senator KERRY.

The new facility will provide an example of successful collaboration between numerous parties and will be the culmination of years of hard work. The Denver VA, the University of Colorado Health Sciences Center and the University of Colorado Hospital already have a complex and rewarding partnership in meeting veterans' healthcare needs in the region, and all are partnered together on this unique project. The University of Colorado, who currently owns the land for the new hospital, strongly supports the move of the existing Denver VA medical facility to the Fitzsimons Campus in Aurora, CO, and looks forward to strengthening their partnership with the Veterans Administration, allowing each entity to focus on its strengths.

Of course, the biggest endorsement of this new facility comes ultimately from the end-users: our veterans. The United Veterans Committee of Colorado, a coalition of 45 federally chartered veterans' service organizations, strongly supports the relocation of the Denver VA medical center to the Fitzsimons campus and has worked closely with my office and the Colorado congressional delegation over the years to ensure its success.

Of course, not too long ago it looked like this project was in peril. Thankfully, in 2005 Secretary Nicholson brought a much-needed, fresh perspective to this project. He made it a priority and made it clear to the entire Colorado delegation that he would pursue every opportunity to make the project a reality. I commend his efforts and thank him for his support. It is also important to mention the hard work and diligence of those in Colorado who have also worked to ensure the success of this new hospital. Without the extraordinary efforts put forth by the Fitzsimons Redevelopment Authority and its chairman, city of Aurora Mayor Ed Tauer, an agreement would not have been reached on the ultimate location of the Hospital.

I strongly support authorization of this hospital and look forward to seeing the completion of the new VA medical facility which undoubtedly will serve as a regional beacon for modern veteran medical care science not only for veterans in Colorado but throughout the entire Rocky Mountain region as well.

Mr. SALAZAR. Mr. President, today Senator ALLARD and I are introducing a bill that will authorize full funding for a state-of-the-art veterans' hospital at the Fitzsimons campus in Aurora, CO.

This crown jewel of our veterans' health system will serve more than 424,000 veterans who live in Colorado, and many more who live in nearby States, with the best available health care. Our veterans deserve the best, and Fitzsimons will be the best.

Since the VA identified the Fitzsimons VA Hospital as one of its top medical construction projects in 2004, I have fought to move this project forward, although we've encountered some hurdles along the way.

But we are making progress. I helped bring all the stakeholders together in 2005 so that supporters of the project, and advocates for veterans' health care, could speak with one voice on Fitzsimons. Thanks in part to this dialogue, in February of 2006 the VA finally reached agreement with the Fitzsimons Authority on the purchase price of 24 acres at the site.

And just 2 months ago, in December, I was pleased that the omnibus veterans' bill we passed, S. 3421, included a $98 million authorization for Fitzsimons that was so desperately needed to keep the project on track. Senator ALLARD and I fought hard for that authorization because it allowed the VA to use unspent project funds from previous years, and to begin spending more on the critical initial phases of the project.

Today, Senator ALLARD and I are introducing a bill that will complete the authorization for Fitzsimons VA Hospital. Our bill authorizes the remaining $523 million necessary to complete the project. It is a straightforward bill that we should pass as soon as possible to ensure we don't run into any costly construction delays down the road.

I spoke with Secretary Nicholson about this project just last week, and he reiterated his commitment to getting this project done as soon as possible. Just as the VA must keep Fitzsimons at the top of its priority list, so too should Congress do its part by completing the authorization for the project.

I look forward to the day when our veterans can enjoy the benefits of a new state-of-the-art facility at Fitzsimons. They have more than earned the high quality care they will receive there, and I urge this body to keep the project on track by passing this bill as soon as possible.

By Mr. GRASSLEY:

S. 473. A bill to improve the prohibitions on money laundering, and for other purposes; to the Committee on the Judiciary.

Mr. GRASSLEY. Mr. President, I rise to speak in support of a bill that I am introducing today, the Combating Money Laundering and Terrorist Financing Act of 2007.

The life-blood of any criminal organization or enterprise is money. Whether engaged in drug dealing or terrorism, criminals cannot operate without money. The targeting of efforts by criminals to hide illegitimate funds in legitimate financial institutions has long been a focus of law enforcement.

Yet like all other aspects of criminal activity, money laundering continues to evolve into newer and more complex forms. This is particularly true in the funding of terrorist organizations and operations. Therefore, money laundering remains not only a criminal racket but also poses a grave threat to our national security.

Tracking how terrorists obtain, store, and move illicit funds is among the most critical aspects of stopping their efforts. Among its recommendations, the 9/11 Commission report stated that, ''Vigorous efforts to track terrorist financing must remain front and center in the U.S. counterterrorism efforts.'' We have made some significant strides in identifying how terrorists accumulate and move money, but more remains to be done. Terrorists and criminal networks continually evolve new ways of using legitimate means to launder illegally obtained funds. We must not underestimate the intelligence or resolve of these groups. Many have already utilized loopholes in current law to hide funds or circumvent required reporting to U.S. Customs officials.

Work must continue so that terrorists and other criminals are left without the ability to hide illegally obtained funds inside or in concert with legitimate means. We should commit to increasing pressure on these organizations to make money laundering as difficult and unprofitable as possible. And ultimately, we must give law enforcement and prosecutors the ability to effectively deal with criminals' ever-changing tactics.

The legislation that I am introducing today will strengthen our current money laundering statutes by streamlining those laws, closing those loopholes in the laws exploited by criminal organizations, and creating more efficient means for dealing with violators of money laundering laws. My bill goes about doing this in several ways.

First, my bill deals with the problem of ''specified unlawful activities'' or ''SUAs.'' SUAs are predicate offenses required for current money laundering statutes to apply, and there are currently over 200 of them. As criminals continue to change methods of laundering money, the list of SUAs will continue to grow. This legislation will prevent criminals from turning to other means not designated as an SUA, and will consolidate the ever growing list of SUAs by including all federal and state offenses punishable by imprisonment for more than one year. Also, criminals will no longer be able to hide behind borders, as this legislation would subject violations in foreign countries that have an effect on the U.S. to the same penalties as if they had occurred in the United States.

Currently, most circuit courts must charge each violation of money laundering statutes separately. My bill will allow, at the election of the government, prosecutors to charge multiple acts under one count in an indictment. This will significantly reduce the time and expense incurred by the courts in these cases, versus the current method of charging each and every violation separately.

Criminals have realized that the movement of large sums of money through traditional financial institutions will result in increased scrutiny and investigation. Therefore, many have turned to smuggling large quantities of money via a courier or bulk cash smuggling. They have developed techniques to avoid having to declare property with a value greater than $10,000 and to protect those couriers who are caught. My legislation will remove the criminal's ability to get around current laws, and remove protections for the smuggler.

For example, current law requires that couriers know specifics about the illegal activities that produced the monies they carry before they may be prosecuted under money laundering statutes. As a result, many claim ignorance about the illegal origins of the money and are released. With my bill, couriers will now be held responsible for their actions, even if they try to claim ignorance. Therefore, law enforcement can get both the courier and the money off the street. This bill also would stiffen the penalty for bulk cash smuggling to 10 years.

Another tactic now being used by criminals is to have couriers carry blank checks in bearer form. The couriers argue that the check has no amount, so it is not subject to declaration. Once the courier arrives at his destination, he merely has to fill in the amount, whatever it may be. My legislation would remove this loophole by setting the value of any blank check in bearer form equal to the highest amount in that account during the time period it was being transported, or when it is cashed.

My bill also seeks to mitigate the tactics of ''commingling funds'' and ''structured transactions.'' The ''commingling funds'' tactic involves depositing illegal money in an account with legitimate funds. Under current law, criminals can argue that money withdrawn from the account was from the legitimate sources. The language in this bill would clarify that transactions on accounts containing more than $10,000 in illegally obtained funds will be considered a transaction involving more than $10,000 in criminally derived property, regardless of how the other money in the account was obtained. Nor will criminals be allowed to avoid the law by structuring smaller transactions below the $10,000 reporting requirement. Under my bill, individual but related transactions will be considered at their aggregate value.

Finally, this bill will provide the United States Secret Service with the legislative and financial resources it needs to combat counterfeiters and other criminals seeking to harm our financial systems. The U.S. Federal Reserve Note is the most identifiable currency in the world and the backbone of many other nations' economies. To help ensure continued stability of the Greenback worldwide, my bill will make illegal the possession of any materials used to make counterfeit currency. This is necessary because technology has evolved far beyond the old days of printing plates, stones, and digital images. Like the evolving tactics used by those in money laundering operations, the counterfeiter constantly changes his tactics and technologies. Furthermore, the crime of counterfeiting is becoming more and more international in scope every day. The Secret Service has identified counterfeiting operations in Colombia, Nigeria, Italy, Iraq, and North Korea. This is apparent in the use of bleached notes. Bleached notes are simply bills with low denominations being bleached with chemicals. This produces a blank canvas of genuine currency paper for counterfeiters to work with, to which they can add higher denominations. My bill will make it illegal to possess these bleached or otherwise altered notes, and give the Secret Service the authorization it needs to pursue these criminals outside the United States.

Additionally, this bill gives the Secret Service the authorization to use funds seized from criminals to pay for ongoing undercover investigations. This seems like common sense, and indeed, every other federal investigative agency has this authority. Tasked with protecting our financial systems, the Secret Service should be provided with all the resources necessary to fund its undercover operations. This makes even more sense, considering it's the criminals themselves who would be paying those bills. My bill provides that authority to the Secret Service and will allow them to continue the important work of protecting our financial infrastructure.

As I said, money is essential for the operation of any criminal or terrorist organization. The ability to get, move, and hide these funds is critical to the operations of both. We have had some success in thwarting this ability, as is evident by the constantly changing techniques for laundering money. We must continue to apply pressure on these groups, and do everything we can to identify and stop their financing operations. This bill is designed to do just that, and put these organizations out of business for good. I urge my colleagues to join me and my cosponsors, Senators KYL, CORNYN, and GRAHAM, in supporting this legislation to combat the financing of criminal and terrorist activities.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 473

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Combating Money Laundering and Terrorist Financing Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MONEY LAUNDERING

Sec. 101. Specified unlawful activity.
Sec. 102. Making the domestic money laundering statute apply to ''reverse money laundering'' and interstate transportation.
Sec. 103. Procedure for issuing subpoenas in money laundering cases.
Sec. 104. Transportation or transhipment of blank checks in bearer form.
Sec. 105. Bulk cash smuggling.
Sec. 106. Violations involving commingled funds and structured transactions.
Sec. 107. Charging money laundering as a course of conduct.
Sec. 108. Illegal money transmitting businesses.
Sec. 109. Knowledge that the property is the proceeds of a specific felony.
Sec. 110. Extraterritorial jurisdiction.
Sec. 111. Conduct in aid of counterfeiting.
Sec. 112. Use of proceeds derived from criminal investigations.

TITLE II—TECHNICAL AMENDMENTS

Sec. 201. Technical amendments to sections 1956 and 1957 of title 18.

TITLE I—MONEY LAUNDERING

SEC. 101. SPECIFIED UNLAWFUL ACTIVITY.

Section 1956(c)(7) of title 18, United States Code, is amended to read as follows:

''(7) the term 'specified unlawful activity' means—

''(A) any act or activity constituting an offense in violation of the laws of the United States or any State punishable by imprisonment for a term exceeding 1 year; and

''(B) any act or activity occurring outside of the United States that would constitute an offense covered under subparagraph (A) if the act or activity had occurred within the jurisdiction of the United States or any State;''.

SEC. 102. MAKING THE DOMESTIC MONEY LAUNDERING STATUTE APPLY TO ''REVERSE MONEY LAUNDERING'' AND INTERSTATE TRANSPORTATION.

(a) IN GENERAL.—Section 1957 of title 18, United States Code, is amended—

(1) in the heading, by inserting ''**or in support of criminal activity**'' after ''**specified unlawful activity**'';

(2) in subsection (a), by striking ''Whoever'' and inserting the following:

''(1) Whoever''; and

(3) by adding at the end the following:

''(2) Whoever—

''(A) in any of the circumstances set forth in subsection (d)—

''(i) conducts or attempts to conduct a monetary transaction involving property of a value that is greater than $10,000; or

''(ii) transports, attempts to transport, or conspires to transport property of a value that is greater than $10,000;

''(B) in or affecting interstate commerce; and

''(C) either—

''(i) knowing that the property was derived from some form of unlawful activity; or

''(ii) with the intent to promote the carrying on of specified unlawful activity;

shall be fined under this title, imprisoned for a term of years not to exceed the statutory maximum for the unlawful activity from which the property was derived or the unlawful activity being promoted, or both.''.

(b) CHAPTER ANALYSIS.—The item relating to section 1957 in the table of sections for chapter 95 of title 18, United States Code, is amended to read as follows:

''1957. Engaging in monetary transactions in property derived from specified unlawful activity or in support of criminal activity.''.

SEC. 103. PROCEDURE FOR ISSUING SUBPOENAS IN MONEY LAUNDERING CASES.

(a) IN GENERAL.—Section 986 of title 18, United States Code, is amended by adding at the end the following:

''(e) PROCEDURE FOR ISSUING SUBPOENAS.—The Attorney General, the Secretary of the Treasury, or the Secretary of Homeland Security may issue a subpoena in any investigation of a violation of sections 1956, 1957 or 1960, or sections 5316, 5324, 5331 or 5332 of title 31, United States Code, in the manner set forth under section 3486.''.

(b) GRAND JURY AND TRIAL SUBPOENAS.—Section 5318(k)(3)(A)(i) of title 31, United States Code, is amended—

(1) by striking ''related to such correspondent account'';

(2) by striking ''or the Attorney General'' and inserting '', the Attorney General, or the Secretary of Homeland Security''; and

(3) by adding at the end the following:

''(iii) GRAND JURY OR TRIAL SUBPOENA.—In addition to a subpoena issued by the Attorney General, Secretary of the Treasury, or the Secretary of Homeland Security under clause (i), a subpoena under clause (i) includes a grand jury or trial subpoena requested by the Government.''.

(c) FAIR CREDIT REPORTING ACT AMENDMENT.—Section 604(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681b(a)(1)) is amended—

(1) by striking ''or''; and

(2) by inserting before the period the following: '', or an investigative subpoena issued under section 5318 of title 31, United States Code''.

(d) OBSTRUCTION OF JUSTICE.—Section 1510(b) of title 18, United States Code, is amended—

(1) in paragraph (2)(A), by inserting ''or an investigative subpoena issued under section 5318 of title 31, United States Code'' after ''grand jury subpoena''; and

(2) in paragraph (3)(B), by inserting '', an investigative subpoena issued under section 5318 of title 31, United States Code,'' after ''grand jury subpoena''.

(e) RIGHT TO FINANCIAL PRIVACY ACT.—Section 1120 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3420) is amended—

(1) in subsection (a)(1), by inserting ''or to the Government'' after ''to the grand jury''; and

(2) in subsection (b)(1), by inserting '', or an investigative subpoena issued pursuant to section 5318 of title 31, United States Code,'' after ''grand jury subpoena''.

SEC. 104. TRANSPORTATION OR TRANSHIPMENT OF BLANK CHECKS IN BEARER FORM.

Section 5316 of title 31, United States Code, is amended by adding at the end the following:

''(e) MONETARY INSTRUMENTS WITH AMOUNT LEFT BLANK.—For purposes of this section, a monetary instrument in bearer form that has the amount left blank, such that the amount could be filled in by the bearer, shall be considered to have a value equal to the highest value of the funds in the account on which the monetary instrument is drawn during the time period the monetary instrument was being transported or the time period it was negotiated or was intended to be negotiated.''.

SEC. 105. BULK CASH SMUGGLING.

Section 5332 of title 31, United States Code, is amended—

(1) in subsection (b)(1), by striking ''5 years'' and inserting ''10 years''; and

(2) by adding the end the following:

''(d) INVESTIGATIVE AUTHORITY.—Violations of this section may be investigated by the Attorney General, the Secretary of the Treasury, the Secretary of Homeland Security, and the Postal Service.''.

SEC. 106. VIOLATIONS INVOLVING COMMINGLED FUNDS AND STRUCTURED TRANSACTIONS.

Section 1957(f) of title 18, United States Code, is amended—

(1) in paragraph (2) by striking ''and'' at the end;

(2) in paragraph (3), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

''(4) the term 'monetary transaction in criminally derived property that is of a value greater than $10,000' includes—

''(A) a monetary transaction involving the transfer, withdrawal, encumbrance or other disposition of more than $10,000 from a bank account in which more than $10,000 in proceeds of specified unlawful activity have been commingled with other funds;

''(B) a series of monetary transactions in amounts under $10,000 that exceed $10,000 in the aggregate and that are closely related to each other in terms of such factors as time, the identity of the parties involved, the nature and purpose of the transactions, and the manner in which they are conducted; and

''(C) any financial transaction covered under section 1956(j) that involves more than $10,000 in proceeds of specified unlawful activity; and

''(5) the term 'monetary transaction involving property of a value that is greater than $10,000' includes a series of monetary transactions in amounts under $10,000 that exceed $10,000 in the aggregate and that are closely related to each other in terms of such factors as time, the identity of the parties involved, the nature and purpose of the transactions, and the manner in which they are conducted.''.

SEC. 107. CHARGING MONEY LAUNDERING AS A COURSE OF CONDUCT.

(a) IN GENERAL.—Section 1956 of title 18, United States Code, is amended by adding at the end the following:

''(j) MULTIPLE VIOLATIONS.—Multiple violations of this section that are part of the same scheme or continuing course of conduct may be charged, at the election of the Government, in a single count in an indictment or information.''.

(b) CONSPIRACIES.—Section 1956(h) of title 18, United States Code, is amended by striking ''or section 1957'' and inserting '', section 1957, or section 1960''.

SEC. 108. ILLEGAL MONEY TRANSMITTING BUSINESSES.

(a) TECHNICAL AMENDMENTS.—

(1) IN GENERAL.—Section 1960 of title 18, United States Code, is amended—

(A) in the heading by striking ''**unlicensed**'' and inserting ''**illegal**'';

(B) in subsection (a), by striking ''unlicensed'' and inserting ''illegal''; and

(C) in subsection (b)(1), by striking ''unlicensed'' and inserting ''illegal''.

(2) CHAPTER ANALYSIS.—The item relating to section 1960 in the table of sections for chapter 95 of title 18, United States Code, is amended to read as follows:

''1960. Prohibition of illegal money transmitting businesses.''.

(b) DEFINITION OF BUSINESS TO INCLUDE INFORMAL VALUE TRANSFER SYSTEMS AND MONEY BROKERS FOR DRUG CARTELS.—Section 1960(b) of title 18, United States Code, is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(4) the term 'business' includes any person or association of persons, formal or informal, licensed or unlicenced, that provides money transmitting services on behalf of any third party in return for remuneration or other consideration.''.

(c) PROHIBITION OF UNLICENSED MONEY TRANSMITTING BUSINESSES.—Section 1960(b)(1)(B) of title 18, United States Code, is amended by inserting the following before the semicolon: '', whether or not the defendant knew that the operation was required to comply with such registration requirements''.

(d) AUTHORITY TO INVESTIGATE.—Section 1960 of title 18, United States Code, is amended by adding at the end the following:

''(c) AUTHORITY TO INVESTIGATE.—Violations of this section may be investigated by the Attorney General, the Secretary of the Treasury, and the Secretary of Homeland Security.''.

SEC. 109. KNOWLEDGE THAT THE PROPERTY IS THE PROCEEDS OF A SPECIFIC FELONY.

(a) PROCEEDS OF A FELONY.—Section 1956(c)(1) of title 18, United States Code, is amended by inserting '', and regardless of whether or not the person knew that the activity constituted a felony'' before the semicolon at the end.

(b) INTENT TO CONCEAL OR DISGUISE.—Section 1956(a) of title 18, United States Code, is amended—

(1) in paragraph (1)(B)(i), by striking ''specified unlawful activity'' and inserting ''some form of unlawful activity''; and

(2) in paragraph (2)(B)(i), by striking ''specified unlawful activity'' and inserting ''some form of unlawful activity''.

SEC. 110. EXTRATERRITORIAL JURISDICTION.

Section 1956(f)(1) of title 18, United States Code, is amended by inserting ''or has an effect in the United States'' after ''conduct occurs in part in the United States''.

SEC. 111. CONDUCT IN AID OF COUNTERFEITING.

(a) IN GENERAL.—Section 474(a) of title 18, United States Code, is amended by inserting after the paragraph beginning ''Whoever has in his control, custody, or possession any plate'' the following:

''Whoever, with intent to defraud, has custody, control, or possession of any material that can be used to make, alter, forge, or counterfeit any obligation or other security of the United States or any part of such obligation or security, except under the authority of the Secretary of the Treasury; or''.

(b) FOREIGN OBLIGATIONS AND SECURITIES.—Section 481 of title 18, United States Code, is amended by inserting after the paragraph beginning ''Whoever, with intent to defraud'' the following:

''Whoever, with intent to defraud, has custody, control, or possession of any material that can be used to make, alter, forge, or counterfeit any obligation or other security of any foreign government, bank, or corporation; or''.

(c) COUNTERFEIT ACTS.—Section 470 of title 18, United States Code, is amended by striking ''or 474'' and inserting ''474, or 474A''.

(d) STRENGTHENING DETERRENTS TO COUNTERFEITING.—Section 474A of title 18, United States Code is amended—

(1) in subsection (a)—

(A) by inserting '', custody,'' after ''control'';

(B) by inserting '', forging, or counterfeiting'' after ''to the making'';

(C) by striking ''such obligation'' and inserting ''obligation''; and

(D) by inserting ''of the United States'' after ''or other security'';

(2) in subsection (b)—

(A) by inserting '', custody,'' after ''control'';

(B) striking ''any essentially identical feature or device'' and inserting ''any material or other thing made after or in the similitude of any such deterrent''; and

(C) by inserting '', forging, or counterfeiting'' after ''to the making'';

(3) by redesignating subsection (c) as subsection (d); and

(4) by inserting after subsection (b) the following:

''(c) Whoever has in his control, custody, or possession any altered obligation or security of the United States or any foreign government adapted to the making, forging, or counterfeiting of any obligation or security of the United States or any foreign government, except under the authority of the Secretary of the Treasury, is guilty of a class B felony.''.

SEC. 112. USE OF PROCEEDS DERIVED FROM CRIMINAL INVESTIGATIONS.

(a) AUTHORITY OF SECRET SERVICE.—During fiscal years 2008 through 2010, with respect to any undercover investigative operation of the United States Secret Service (in this section referred to as the ''Secret Service'') which is necessary for the detection and prosecution of crimes against the United States—

(1) sums authorized in any such fiscal year to be appropriated for the Secret Service, including any unobligated balances available from prior fiscal years, may be used to purchase property, buildings, and other facilities, and to lease space, within the United States, the District of Columbia, and the territories and possessions of the United States, without regard to—

(A) sections 1341 and 3324 of title 31 of the United States Code;

(B) section 8141 of title 40 of the United States Code;

(C) sections 3732(a) and 3741 of the Revised Statutes of the United States (41 U.S.C. 11(a) and 22); and

(D) sections 304(a) and 305 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(a) and 255);

(2) sums authorized in any such fiscal year to be appropriated for the Secret Service, including any unobligated balances available from prior fiscal years, may be used—

(A) to establish or to acquire proprietary corporations or business entities as part of an undercover investigative operation; and

(B) to operate such corporations or business entities on a commercial basis, without regard to sections 9102 and 9103 of title 31 of the United States Code;

(3) sums authorized in any such fiscal year to be appropriated for the Secret Service, including any unobligated balances available from prior fiscal years, and the proceeds seized, earned, or otherwise accrued from any such undercover investigative operation, may be deposited in banks or other financial institutions, without regard to—

(A) section 648 of title 18 of the United States Code; and

(B) section 3302 of title 31 of the United States Code; and

(4) proceeds seized, earned, or otherwise accrued from any such undercover investigative operation may be used to offset the necessary and reasonable expenses incurred in such operation, without regard to section 3302 of title 31 of the United States Code.

(b) WRITTEN CERTIFICATION OF DIRECTOR REQUIRED.—

(1) IN GENERAL.—The authority granted under subsection (a) may be exercised only upon the written certification of the Director of the Secret Service or the Director's designee.

(2) CONTENT OF CERTIFICATION.—Each certification issued under paragraph (1) shall state that any action authorized under paragraph (1), (2), (3), or (4) of subsection (a) is necessary to conduct the undercover investigative operation.

(3) DURATION OF CERTIFICATION.—Each certification issued under paragraph (1) shall continue in effect for the duration of the undercover investigative operation, without regard to fiscal years.

(c) TRANSFER OF PROCEEDS TO TREASURY.—As soon as practicable after the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under paragraphs (3) and (4) of subsection (a) are no longer necessary for the conduct of such operation, such proceeds, or the balance of such proceeds, remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

(d) CORPORATIONS WITH A HIGH NET VALUE.—

(1) IN GENERAL.—If a corporation or business entity established or acquired as part of an undercover investigative operation under subsection (a)(2) having a net value of over $50,000 is to be liquidated, sold, or otherwise disposed of, the Secret Service, as much in advance as the Director of the Secret Service or the Director's designee determines is practicable, shall report the circumstances of such liquidation, sale, or other disposition to the Secretary of Homeland Security.

(2) TRANSFER OF PROCEEDS TO TREASURY.—The proceeds of any liquidation, sale, or other disposition of any corporation or business entity under paragraph (1) shall, after all other obligations are met, be deposited in the Treasury of the United States as miscellaneous receipts.

(e) AUDITS.—The Secret Service shall—

(1) conduct, on a quarterly basis, a detailed financial audit of each completed undercover investigative operation where a written certification was issued pursuant to this section; and

(2) report the results of each such audit in writing to the Secretary of Homeland Security.

TITLE II—TECHNICAL AMENDMENTS

SEC. 201. TECHNICAL AMENDMENTS TO SECTIONS 1956 AND 1957 OF TITLE 18.

(a) UNLAWFUL ACTIVITY.—Section 1956(c) of title 18, United States Code, is amended—

(1) in paragraph (2), by striking ''`conducts'`'' and inserting ''`conduct'`''; and

(2) in paragraph (7)(F), by inserting '', as defined in section 24(a)'' before the semicolon.

(b) PROPERTY FROM UNLAWFUL ACTIVITY.—Section 1957 of title 18, United States Code, is amended—

(1) in subsection (a), by striking ''engages or attempts to engage in'' and inserting ''conducts or attempts to conduct''; and

(2) in subsection (f)—

(A) in paragraph (2), by striking ''and'' at the end;

(B) in paragraph (3), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(4) the term 'conduct' has the meaning given such term under section 1956(c)(2).''.

By Mrs. HUTCHISON (for herself and Mr. CORNYN):

S. 474. A bill to award a congressional gold medal to Michael Ellis DeBakey, M.D.; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. HUTCHISON. Mr. President, I rise today to acknowledge the lifetime achievements of my dear friend Dr. Michael Ellis DeBakey, a public servant and world-renowned cardiologist, by reintroducing legislation to award him the Congressional Gold Medal.

Throughout his life, Dr. DeBakey has made numerous advances in the field of

medicine. When he was only 23 years of age and still attending medical school, Dr. DeBakey developed a roller pump for blood transfusions—the precursor and major component of the heart-lung machine used in the first open-heart operation. This device later led to national recognition for his expertise in vascular disease. His service to our country did not stop there.

Dr. DeBakey put his practice on hold and volunteered for military service during World War II with the Surgeon General's staff. During this time, he received the rank of Colonel and Chief of Surgical Consultants Division.

As a result of his military and medical experience, Dr. DeBakey made numerous recommendations to improve the military's medical procedures. His efforts led to the development of mobile army surgical hospitals, better known as MASH units, which earned him the Legion of Merit in 1945.

After WWII, Dr. DeBakey continued his hard work by proposing national and specialized medical centers for those soldiers who were wounded or needed follow-up treatment. This recommendation evolved into the Veterans Affairs Medical Center System and the establishment of the commission on Veterans Medical Problems of the National Research Council.

In 1948, Dr. DeBakey joined the Baylor University College of Medicine, where he started its first surgical residency program and was later elected the first President of Baylor College of Medicine.

Adding to his list of accomplishments, Dr. DeBakey performed the first successful procedure to treat patients with aneurysms. In 1964, Dr. DeBakey performed the first successful coronary bypass surgery, opening the doors for surgeons to perform preventative procedures to save the lives of many people with heart disease. He was also the first to successfully use a partial artificial heart. Later that same year, President Lyndon B. Johnson appointed Dr. DeBakey as Chairman of the President's Commission on Heart Disease, Cancer and Stroke, which led to the creation of Regional Medical Programs. These programs coordinate medical schools, research institutions and hospitals to enhance research and training.

Dr. DeBakey continued to amaze the medical world when he pioneered the field of telemedicine by performing the first open-heart surgery transmitted over satellite and then supervised the first successful multi-organ transplant, where a heart, both kidneys and a lung were transplanted from a single donor into four separate recipients.

These accomplishments have led to national recognition. Dr. DeBakey has received both the Presidential Medal of Freedom with Distinction from President Johnson and the National Medal of Science from President Ronald Reagan.

Recently, Dr. DeBakey worked with NASA engineers to develop the DeBakey Ventricular Assist Device, which may eliminate the need for some patients to receive heart transplants.

I stand here today to acknowledge Dr. DeBakey's invaluable work and significant contribution to medicine by offering a bill to award him the Congressional Gold Medal. His efforts and innovative surgical techniques have since saved the lives of thousands, if not millions, of people. I ask my Senate colleagues to join me in recognizing the profound impact this man has had on medical advances, the delivery of medicine and how we care for our Veterans. Although, Dr. DeBakey is not a native of Texas, he has made Texas proud. He has guided the Baylor College of Medicine and the city of Houston into becoming a world leader in medical advancement. On behalf of all Texans, I thank Dr. DeBakey for his lifetime of commitment and service, not only to the medical community, but to the world.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 474

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

SECTION 1. FINDINGS.

The Congress makes the following findings:

(1) Michael Ellis DeBakey, M.D., was born on September 7, 1908, in Lake Charles, Louisiana, to Shaker and Raheeja DeBakey.

(2) Dr. DeBakey, at the age of 23 and still a medical student, reported a major invention, a roller pump for blood transfusions, which later became a major component of the heart-lung machine used in the first successful open-heart operation.

(3) Even though Dr. DeBakey had already achieved a national reputation as an authority on vascular disease and had a promising career as a surgeon and teacher, he volunteered for military service during World War II, joining the Surgeon General's staff and rising to the rank of Colonel and Chief of the Surgical Consultants Division.

(4) As a result of this first-hand knowledge of military service, Dr. DeBakey made numerous recommendations for the proper staged management of war wounds, which led to the development of mobile army surgical hospitals or ''MASH'' units, and earned Dr. DeBakey the Legion of Merit in 1945.

(5) After the war, Dr. DeBakey proposed the systematic medical follow-up of veterans and recommended the creation of specialized medical centers in different areas of the United States to treat wounded military personnel returning from war, and from this recommendation evolved the Veterans Affairs Medical Center System and the establishment of the Commission on Veterans Medical Problems of the National Research Council.

(6) In 1948, Dr. DeBakey joined the Baylor University College of Medicine, where he developed the first surgical residency program in the city of Houston, and today, guided by Dr. DeBakey's vision, the College is one of the most respected health science centers in the Nation.

(7) In 1953, Dr. DeBakey performed the first successful procedures to treat patients who suffered aneurysms leading to severe strokes, and he later developed a series of innovative surgical techniques for the treatment of aneurysms enabling thousands of lives to be saved in the years ahead.

(8) In 1964, Dr. DeBakey triggered the most explosive era in modern cardiac surgery, when he performed the first successful coronary bypass, once again paving the way for surgeons world-wide to offer hope to thousands of patients who might otherwise succumb to heart disease.

(9) Two years later, Dr. DeBakey made medical history again, when he was the first to successfully use a partial artificial heart to solve the problems of a patient who could not be weaned from a heart-lung machine following open-heart surgery.

(10) In 1968, Dr. DeBakey supervised the first successful multi-organ transplant, in which a heart, both kidneys, and lung were transplanted from a single donor into 4 separate recipients.

(11) In 1964, President Lyndon B. Johnson appointed Dr. DeBakey to the position of Chairman of the President's Commission on Heart Disease, Cancer and Stroke, leading to the creation of Regional Medical Programs established ''to encourage and assist in the establishment of regional cooperative arrangements among medical schools, research institutions, and hospitals, for research and training''.

(12) In the mid-1960's, Dr. DeBakey pioneered the field of telemedicine with the first demonstration of open-heart surgery to be transmitted overseas by satellite.

(13) In 1969, Dr. DeBakey was elected the first President of Baylor College of Medicine.

(14) In 1969, President Lyndon B. Johnson bestowed on Dr. DeBakey the Presidential Medal of Freedom with Distinction, and in 1985, President Ronald Reagan conferred on him the National Medal of Science.

(15) Working with NASA engineers, he refined existing technology to create the DeBakey Ventricular Assist Device, one-tenth the size of current versions, which may eliminate the need for heart transplantation in some patients.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall make appropriate arrangements for the presentation, on behalf of the Congress, of a gold medal of appropriate design, to Michael Ellis DeBakey, M.D., in recognition of his many outstanding contributions to the Nation.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (referred to in this Act as the ''Secretary'') shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

SEC. 3. DUPLICATE MEDALS.

The Secretary may strike and sell duplicates in bronze of the gold medal struck pursuant to section 2 under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

SEC. 4. STATUS OF MEDALS.

(a) NATIONAL MEDALS.—The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

(b) NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136 of title 31, United States Code, all medals struck under this Act shall be considered to be numismatic items.

SEC. 5. AUTHORITY TO USE FUND AMOUNTS; PROCEEDS OF SALE.

(a) AUTHORITY TO USE FUND AMOUNTS.—There is authorized to be charged against the

United States Mint Public Enterprise Fund such amounts as may be necessary to pay for the costs of the medals struck pursuant to this Act.

(b) PROCEEDS OF SALE.—Amounts received from the sale of duplicate bronze medals authorized under section 3 shall be deposited into the United States Mint Public Enterprise Fund.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 475. A bill to increase the number of Deputy United States Marshals that investigate immigration crimes; to the Committee on the Judiciary.

Mr. DOMENICI. Mr. President, I rise today to with Senator BINGAMAN to introduce legislation that provides resources that the U.S. Marshals Service desperately needs for their role in improving the security of our borders and enforcing our immigration laws.

Our U.S. Marshals are involved in several aspects of immigration matters, including helping to transport criminal immigrants and guarding them in federal courthouses. As we improve border security and interior enforcement, our Marshals need increased staff to handle the increased caseload that will be associated with those improvements.

Therefore, my legislation calls for hiring 50 new deputies each year for five years. Increasing the number of Deputy U.S. Marshals by 250 new law enforcers will make a great impact on this service that is stretched thin in their role relating to border security and immigration enforcement. Without such legislation, we will only be adding to the workload of our already thinly-stretched Marshals Service.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 475

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

SECTION 1. DEPUTY UNITED STATES MARSHALS.

(a) INCREASE POSITIONS.—In each of the fiscal years 2008 through 2012, the Attorney General, subject to the availability of appropriations, shall increase by not less than 50 the number of positions for full-time active duty Deputy United States Marshals that investigate criminal matters related to immigration.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Attorney General such sums as may be necessary for each of the fiscal years 2008 through 2012 to carry out subsection (a).

By Mr. CRAPO (for himself and Mr. CRAIG):

S. 477. A bill to authorize the Secretary of the Interior to convey certain land and improvements of the Gooding Division of the Minidoka Project, Idaho; to the Committee on Energy and Natural Resources.

Mr. CRAPO. Mr. President, I am pleased to reintroduce a bill today with my colleague, Senator CRAIG to formally convey title a portion of the American Falls Reservoir District from the Bureau of Reclamation to the National Park Service in our home State of Idaho.

The Minidoka Internment National Monument Draft General Management Plan and Environment Impact Statement proposes, the transfer of these two publicly owned parcels of land, which are both within and adjacent to the existing 73-acre NPS boundary, and have been identified as important for inclusion as part of the Monument. The sites were both within the original 33,000-acre Minidoka Relocation Center that was operated by the War Relocation Authority, where approximately 13,500 Japanese and Japanese Americans were held from 1942 through 1945.

The smaller 2.31-acre parcel is located in the center of the monument in the old warehouse area and includes three historical buildings and other important cultural features. The Draft General Management Plan proposes to use this site for visitor services, including a Visitor Contact Station within an original warehouse to greet visitors and provide orientation for the monument. The other, a 7.87-acre parcel, is on the east end of the monument and was undeveloped during WWII. The NPS proposes to use this area for special events and to provide a site for the development of a memorial for the Issei, first-generation Japanese immigrants. These two publicly-owned properties are critical for long-term development, visitor services, and protection and preservation of historical structures and features at Minidoka Internment National Monument.

I would like to add that this legislation was developed with and is strongly supported by both the agencies involved and the local communities. I ask my colleagues to join me in enacting this small land transfer that we might move a step closer toward properly memorializing an important, but often forgotten, chapter of our Nation's history.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to printed in the RECORD, as follows:

S. 477

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''American Falls Reservoir District Number 2 Conveyance Act''.

SEC. 2. DEFINITIONS.

In this Act:

(1) AGREEMENT.—The term ''Agreement'' means Agreement No. 5–07–10–L1688 between the United States and the District, entitled ''Agreement Between the United States and the American Falls Reservoir District No. 2 to Transfer Title to the Federally Owned Milner-Gooding Canal and Certain Property Rights, Title and Interest to the American Falls Reservoir District No. 2''.

(2) DISTRICT.—The term ''District'' means the American Falls Reservoir District No. 2, located in Jerome, Lincoln, and Gooding Counties, Idaho.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 3. AUTHORITY TO CONVEY TITLE.

(a) IN GENERAL.—In accordance with all applicable law and the terms and conditions set forth in the Agreement, the Secretary may convey—

(1) to the District all right, title, and interest in and to the land and improvements described in Appendix A of the Agreement, subject to valid existing rights;

(2) to the city of Gooding, located in Gooding County, Idaho, all right, title, and interest in and to the 5.0 acres of land and improvements described in Appendix D of the Agreement; and

(3) to the Idaho Department of Fish and Game all right, title, and interest in and to the 39.72 acres of land and improvements described in Appendix D of the Agreement.

(b) COMPLIANCE WITH AGREEMENT.—All parties to the conveyance under subsection (a) shall comply with the terms and conditions of the Agreement, to the extent consistent with this Act.

SEC. 4. TRANSFER.

As soon as practicable after the date of enactment of this Act, the Secretary shall direct the Director of the National Park Service to include in and manage as a part of the Minidoka Internment National Monument the 10.18 acres of land and improvements described in Appendix D of the Agreement.

SEC. 5. COMPLIANCE WITH OTHER LAWS.

(a) IN GENERAL.—On conveyance of the land and improvements under section 3(a)(1), the District shall comply with all applicable Federal, State, and local laws (including regulations) in the operation of each facility transferred.

(b) APPLICABLE AUTHORITY.—Nothing in this Act modifies or otherwise affects the applicability of Federal reclamation law (the Act of June 17, 1902 (32 Stat. 388, chapter 1093), and Acts supplemental to and amendatory of that Act (43 U.S.C. 371 et seq.)) to project water provided to the District.

SEC. 6. REVOCATION OF WITHDRAWALS.

(a) IN GENERAL.—The portions of the Secretarial Orders dated March 18, 1908, October 7, 1908, September 29, 1919, October 22, 1925, March 29, 1927, July 23, 1927, and May 7, 1963, withdrawing the approximately 6,900 acres described in Appendix E of the Agreement for the purpose of the Gooding Division of the Minidoka Project, are revoked.

(b) MANAGEMENT OF WITHDRAWN LAND.—The Secretary, acting through the Director of the Bureau of Land Management, shall manage the withdrawn land described in subsection (a) subject to valid existing rights.

SEC. 7. LIABILITY.

(a) IN GENERAL.—Subject to subsection (b), upon completion of a conveyance under section 3, the United States shall not be liable for damages of any kind for any injury arising out of an act, omission, or occurrence relating to the land (including any improvements to the land) conveyed under the conveyance.

(b) EXCEPTION.—Subsection (a) shall not apply to liability for damages resulting from an injury caused by any act of negligence committed by the United States (or by any officer, employee, or agent of the United States) before the date of completion of the conveyance.

(c) FEDERAL TORT CLAIMS ACT.—Nothing in this section increases the liability of the United States beyond that provided in chapter 171 of title 28, United States Code.

SEC. 8. FUTURE BENEFITS.

(a) RESPONSIBILITY OF THE DISTRICT.—After completion of the conveyance of land and

improvements to the District under section 3(a)(1), and consistent with the Agreement, the District shall assume responsibility for all duties and costs associated with the operation, replacement, maintenance, enhancement, and betterment of the transferred land (including any improvements to the land).

(b) ELIGIBILITY FOR FEDERAL FUNDING.—

(1) IN GENERAL.—Except as provided in paragraph (2), the District shall not be eligible to receive Federal funding to assist in any activity described in subsection (a) relating to land and improvements transferred under section 3(a)(1).

(2) EXCEPTION.—Paragraph (1) shall not apply to any funding that would be available to a similarly situated nonreclamation district, as determined by the Secretary.

SEC. 9. NATIONAL ENVIRONMENTAL POLICY ACT.

Before completing any conveyance under this Act, the Secretary shall complete all actions required under—

(1) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(2) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(3) the National Historic Preservation Act (16 U.S.C. 470 et seq.); and

(4) all other applicable laws (including regulations).

SEC. 10. PAYMENT.

(a) FAIR MARKET VALUE REQUIREMENT.—As a condition of the conveyance under section 3(a)(1), the District shall pay the fair market value for the withdrawn lands to be acquired by them, in accordance with the terms of the Agreement.

(b) GRANT FOR BUILDING REPLACEMENT.—As soon as practicable after the date of enactment of this Act, and in full satisfaction of the Federal obligation to the District for the replacement of the structure in existence on that date of enactment that is to be transferred to the National Park Service for inclusion in the Minidoka Internment National Monument, the Secretary, acting through the Commission of Reclamation, shall provide to the District a grant in the amount of $52,996, in accordance with the terms of the Agreement.

By Mr. MCCAIN (for himself and Mr. FEINGOLD):

S. 478. A bill to amend the Federal Election Campaign Act of 1971 to replace the Federal Election Commission with Federal Election Administration, and for other purposes; to the Committee on Rules and Administration.

Mr. MCCAIN. Mr. President, I am pleased to be joined by my good friend and colleague from Wisconsin, Senator FEINGOLD in once again introducing legislation to replace the Federal Election Commission (FEC) with the Federal Election Administration (FEA). The FEA would serve as an independent body to enforce Federal campaign laws—something the FEC has been unable, and often unwilling, to do.

This legislation would terminate the FEC and establish a new regulatory entity. Using a new organizational structure and administrative law judges, we hope to avoid the routine partisan deadlocks that are now so prevalent at the FEC.

This bill would authorize the new FEA to impose civil penalties, issue cease and desist orders, report apparent criminal violations to the appropriate law enforcement authorities, and conduct audits and field examinations of campaign committees. Finally, this bill would direct the Comptroller General to examine and report to Congress on the enforcement of the criminal provisions of the Federal campaign finance laws.

I urge my colleagues to support this common sense reform proposal.

By Mr. HARKIN (for himself, Mr. GRASSLEY, Mr. ROCKEFELLER, Ms. SNOWE, Mr. DURBIN, Mr. SMITH, Mr. LAUTENBERG, Mr. THUNE, Mr. KERRY, Mr. BROWNBACK, and Mr. SCHUMER):

S. 479. A bill to reduce the incidence of suicide among veterans; to the Committee on Veterans' Affairs.

Mr. HARKIN. Mr. President, I am honored to join with the distinguished senior Senator from my State, Senator GRASSLEY, to introduce the Joshua Omvig Veterans Suicide Prevention Act.

During my years in the Navy, I learned one of the most important lessons of my entire life: Never leave a buddy behind. That's true on the battlefield—and it's also true after our servicemembers return home. Taking care of our veterans is a continuing cost of national defense, and we need to make sure we don't abandon them once they return home.

Our service men and women endure tremendous stress during combat. Almost all of our soldiers reported being under fire while serving in Iraq and knowing someone seriously injured or killed. Returning home and rejoining their families and friends can be a time of hope and joy, but it can also be a time of enormous stress. In particular, the traumas and memories of combat service can cause profound problems. Army studies show that around 25 percent of soldiers who have served in Iraq display symptoms of serious mental-health problems, including depression, substance abuse and post-traumatic stress disorder (PTSD).

Tragically, suicide disproportionately affects veterans. In 2004, veterans accounted for more than 20 percent of deaths by suicide, yet they make up only 10 percent of the general population. We should be addressing this shocking rate of suicide among our veterans. But the Department of Veterans Affairs (VA) currently does not have appropriate suicide prevention, early detection, and treatment programs available to meet the needs of our veterans. This is unacceptable! The aim of our bill is to improve early detection and intervention; provide access to services for veterans in crisis; and, thereby, prevent the unnecessary deaths of the men and women who have put their lives on the line to defend our nation.

Joshua Omvig was one such veteran. Josh was a member of the United States Army Reserve 339th MP Company, based in Davenport, IA. Before leaving for Iraq, he was a member of the Grundy Center Volunteer Fire Department and the Grundy Center Police Reserves. He felt honored to serve his country in the Reserves and hoped to return to serve his community as a police officer. Unfortunately, when he returned from his 11-month deployment in Iraq, he brought the traumas of war with him. He committed suicide a few days before Christmas in 2005. He was just 22 years old.

This was a preventable death. If Josh and his family had had better access to mental health services; if they had been trained to recognize the symptoms of PTSD; and if they had known where to turn for help; then the tragedy of his death might well have been avoided.

In his honor, Senator GRASSLEY and I offer this legislation to improve the services offered by the VA, and to bring down the appalling rate of suicide among veterans.

First, this bill focuses on reducing the stigma associated with seeking treatment for mental health problems. Almost 80 percent of soldiers serving in Iraq and Afghanistan who exhibited signs of mental health problems were not referred for mental health services. More than two-thirds of the servicemembers who screened positive for a mental health problem reported that they were concerned about the stigma associated with seeking treatment.

Given these statistics, our bill calls for the creation of a mental health campaign to increase awareness of mental illness and the risk factors for suicide. Veterans need to hear from members of the chain of command, leadership within the VA, and from their peers that seeking mental health services is important for their health, their families, and no different than seeking treatment for a physical health issue, such as chronic pain or a broken leg.

Second, this bill ensures that VA staff and medical personnel will receive suicide prevention and education training so that they can recognize when and where to refer veterans for assistance. Additionally, the legislation ensures 24-hour access to mental health care for those who are at risk for suicide, including those in rural or remote areas. Veterans who do not have easy access to VA hospitals and veterans centers must be assured of access to services during periods of crisis.

Finally, this bill recognizes the importance of family and peer support. It trains peer counselors to understand the risk factors for suicide, provide support during readjustment, and to assist veterans in seeking help. This bill also engages family members by helping them to understand the readjustment process; to recognize the signs and symptoms of mental illness; and let them know where to turn for assistance. By enlisting the aid and support of family members and peers, we will reduce the likelihood that our veterans suffer in isolation.

The stresses that our service men and women endure in combat are strong and can trigger severe mental

health issues. Although our men and women may come home safely, the war isn't over for them. Often, the physical wounds of combat are repaired, but the mental damage—the psychological scars of combat—can haunt a person for a lifetime. The Federal Government has a moral contract with those who have fought for our country and sacrificed so much. Together, we can work to make good on that contract. Our service men and women deserve to know that we will not forget about their service—and we will not leave them behind.

By Mr. KOHL (for himself, Mr. HATCH, and Mr. SPECTER):

S. 480. A bill to amend the Antitrust Modernization Commission Act of 2002, to extend the term of the Antitrust Modernization Commission and to make a technical correction; to the Committee on the Judiciary.

Mr. KOHL. Mr. President, I rise today to introduce the Antitrust Modernization Commission Extension Act of 2007. This legislation will ensure that the Commission is able to finalize its report examining the state of the Nation's antitrust laws in a timely manner by granting it a brief 30 day extension to close out its operations. I thank my co-sponsors Senators HATCH and SPECTER for joining me in introducing this measure.

Congress established the Antitrust Modernization Commission through the passage of the Antitrust Modernization Act of 2002. The Commission's purpose was to ''examine whether the need exists to modernize the antitrust laws'' of our Nation. In fulfillment of this purpose the Commission is now finalizing a comprehensive report due to both Congress and the President by April 2, 2007. Currently, the Commission expects the report to be submitted in a timely manner. The Commission is concerned, however, with the sufficiency of the statutorily required 30 day deadline to dismantle itself following the submission of the report.

In order to comply with the current statutory framework and shut down operations within 30 days of the report's submission date, the Commission will need to begin archiving its records prior to its completion of the report. This large administrative undertaking will interfere with the Commission's final efforts on the report given the Commission's very limited staff resources. In view of the importance of the report, it is imperative that no aspect of this report be jeopardized by administrative deadlines. To alleviate this burden on the closing operations of the Commission, I am introducing this legislation to extend the Commission's administrative shutdown period from 30 days to 60 days.

Granting an additional 30 days to the Commission will provide it with time to archive Commission records and work product, while allowing it to perform other necessary close-out tasks, including the transfer of its acquired property to other government agencies, without interfering with the completion of its report. Furthermore, the time extension requested does not contemplate the appropriation of any additional funding to the Commission. In fact, the Commission expects that it will likely return at least $500,000 to the Treasury of the $4 million allocated to it upon fulfillment of its purpose. This 30 day extension is merely directed at the administrative process of wrapping up operations.

I urge my colleagues to support this legislation that will effectively and efficiently allow the Antitrust Modernization Commission to complete its designated tasks.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 480

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Antitrust Modernization Commission Extension Act of 2007''.

SEC. 2. EXTENSION OF TERMINATION.

Section 11059 of the Antitrust Modernization Commission Act of 2002 (15 U.S.C. 1 note) is amended—

(1) by striking ''30 days'' and inserting ''60 days''; and

(2) by striking ''section 8'' and inserting ''section 11058''.

By Mr. CONRAD (for himself, Mr. DOMENICI, Mr. DORGAN, Mr. MCCAIN, Mr. BINGAMAN, Mr. KOHL, and Mr. THUNE):

S. 481. A bill to recruit and retain more qualified individuals to teach in Tribal Colleges or Universities; to the Committee on Indian Affairs.

Mr. CONRAD. Mr. President, 5 years ago, I formed the bipartisan Task Force on Tribal Colleges and Universities to raise awareness of the important role that the tribal colleges and universities play in their respective communities as educational, economic, and cultural centers. The Task Force seeks to advance initiatives that help improve the quality education the colleges provide.

For more than 3 decades, tribal colleges have been providing a quality education to help Native Americans of all ages reach their fullest potential. More than 30,000 students from 250 tribes nationwide attend tribal colleges. Tribal colleges serve young people preparing to enter the job market, dislocated workers learning new skills, and people seeking to move off welfare. I am a strong supporter of our Nation's tribal colleges because, more than any other factor, they are bringing hope and opportunity to America's Indian communities.

Over the years, I have met with many tribal college students, and I am always impressed by their commitment to their education, their families and their communities. Tribal colleges and universities have been highly successful in helping Native Americans obtain a higher education. Congress has recognized the importance of these institutions and the significant gains they have achieved in helping more individuals obtain their education. While Congress has steadily increased its financial support of these institutions, many challenges still remain.

One of the challenges that the tribal college presidents have expressed to me is the frustration and difficulty they have in attracting qualified individuals to teach at the colleges. Recruitment and retention are difficult for many of the colleges because of their geographic isolation and low faculty salaries.

To help tackle the challenges of recruiting and retaining qualified faculty, I am introducing the Tribal Colleges and Universities Faculty Loan Forgiveness Act. This legislation will provide student loan forgiveness to individuals who commit to teach for up to five years in one of the tribal colleges nationwide. Individuals who have Perkins, Direct, or Guaranteed loans may qualify to receive up to $15,000 in loan forgiveness. This will provide these institutions with extra help in attracting qualified faculty, and thus help ensure that deserving students receive a quality education. Finally, the bill also includes loan forgiveness for nursing instructors at the few tribal colleges with accredited nursing programs. Nursing instructors currently receive loans through the Department of Health and Human Services for their training. As a result, without the added provision in this bill, they would not qualify for assistance.

I would be remiss if I did not recognize that former Senator Daschle was responsible for spearheading this initiative for a number of years. The tribal colleges lost a true champion, but I am pleased to carry forward his vision and support for the colleges.

I am pleased that Senators DOMENICI, DORGAN, MCCAIN, BINGAMAN, KOHL and THUNE are original cosponsors of this bill, and I look forward to working with my colleagues to pass this important legislation.

By Mr. ENZI (for himself and Mr. KENNEDY):

S. 484. A bill to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act to improve drug safety and oversight, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. ENZI. Mr. President, I rise today to introduce a very important bill, one that my colleague Senator KENNEDY and I have been working on for some time.

For decades, the United States has been the standard bearer in bringing new drugs and medications to the world market. Like it or not, the FDA

has a very important role in all of our daily lives. The FDA is involved in ensuring the safety of the meals we are eating today, the pills we are taking, and even the cell phones in our pockets and briefcases. The FDA's role in our health and in our economy is broad.

Nearly half of all Americans take a prescription drug daily. Anyone who prescribes, provides or takes a prescription drug could benefit from enhanced safety and risk communication about these life-saving products. Over the last few years, a spate of safety issues, such as the withdrawal of the arthritis drug Vioxx and the labeling of antidepressants for suicidality in adolescents, has caused a crisis of public confidence in the FDA. I believe the American people are losing confidence in the FDA and its ability to evaluate and weigh the benefits and risks of prescription drugs. In addition, staff at the agency feel like they are under heavy fire, with little or no protection from the prevailing political winds, due to the lack of a confirmed Commissioner of Food and Drugs for most of the last six years. I believe that only Congress can restore the public's confidence in FDA and morale at the agency.

In 2005, the HELP Committee held two hearings on the issue of drug safety. We received over 50 recommendations from witnesses at those hearings. At that time, Senator KENNEDY and I pledged to develop a comprehensive response to the drug safety issues raised. Last August, we introduced the Enhancing Drug Safety and Innovation Act. That bill, S. 3807, was the product of working across party lines, and created a structured framework for resolving safety concerns. Careful and comprehensive pre-approval planning of how drugmakers and FDA will identify, assess and manage serious risks post-approval is a better way to obtain safety information without compromising patient access.

In September 2006, the Institute of Medicine released its report titled ''The Future of Drug Safety: Promoting and Protecting the Health of the Public.'' The recommendations in this report had much in common with S. 3807. The Senate HELP Committee held a hearing in November 2006 at which representatives of the IOM, a physician and drug safety expert, patient groups, a consumer group, and a pharmaceutical company testified about the IOM report, the bill, and the relationship between them. In addition, other stakeholder groups made additional comments on the bill. Yesterday, FDA released their response to the IOM report. Newly confirmed Commissioner Dr. Andrew von Eschenbach has put forward a number of promising ideas to improve the internal processes and culture at FDA. His leadership is outstanding and his ideas are helpful, but internal change is not enough to alter public perception. FDA needs new drug safety authorities, and this bill provides those authorities.

While the bill we are introducing today reflects numerous refinements to clarify ambiguities or to address issues that S. 3807 had not addressed, we realize that there are thoughtful differences of opinion and ideas on how best to move forward with drug safety. I welcome any and all suggestions on improving this bill, and I look forward to working with my colleagues and other stakeholders to understand those concerns more fully and incorporate any necessary changes in the bill which will be considered in front of the HELP Committee in the next few weeks. I hope that all of my colleagues will take another look at this legislation and its goals and work with me to change the status quo. Everyone agrees: We must do more for drug safety.

Under the Enhancing Drug Safety and Innovation Act, FDA would begin to approve drugs and biologics, and new indications for these products, with risk evaluation and mitigation strategies (REMS). The REMS is designed to be an integrated, flexible mechanism to acquire and adapt to new safety information about a drug. The sponsor and FDA will assess and review an approved REMS at least annually for the first three years, as well as in applications for a new indication, when the sponsor suggests changes, or when FDA requests a review based on new safety information.

The development of tools to evaluate medical products has not kept pace with discoveries in basic science. New tools are needed to better predict safety and efficacy, which in turn would increase the speed and efficiency of applied biomedical research. The Enhancing Drug Safety and Innovation Act would spur innovation by establishing a new public-private partnership between the FDA, industry and academia to advance the Critical Path Initiative and improve the sciences of developing, manufacturing, and evaluating the safety and effectiveness of drugs, devices, biologics and diagnostics.

The Enhancing Drug Safety and Innovation Act also establishes a central clearinghouse for information about clinical trials and their results to help patients, providers and researchers learn new information and make more informed health care decisions.

Finally, the Enhancing Drug Safety and Innovation Act would make improvements to FDA's process for screening advisory committee members for financial conflicts of interest. FDA relies on its 30 advisory committees to provide independent expert advice, lend credibility to the product review process, and inform consumers of trends in product development. The bill would clarify and streamline FDA's processes for evaluating candidates for service on an advisory committee, and address the key challenge of identifying a sufficient number of people with the necessary expertise and the fewest potential conflicts of interest to serve on advisory committees.

I want to thank the dozens of stakeholders, including the Food and Drug Administration, patient and consumer groups, industry associations, individual companies, and scientific experts who have taken the time and effort to give us their comments and input on the bill. Their assistance has been invaluable, and I look forward to continuing to work with them as we go through this legislative process.

Senator KENNEDY and I believe that this bipartisan effort will bring more consistency, transparency, and accountability to the process of assuring a drug's safety after it is approved. The 110th Congress will hold an exceptionally full agenda with respect to the FDA. In addition to updating the FDA's authorities as we are proposing today, Congress must renew the drug and device user fee programs, as well as the Best Pharmaceuticals for Children and Pediatric Research Equity Acts. The introduction of this bill today is the beginning, not the end, of the process, and I look forward to working with my colleagues to advance these important pieces of legislation.

Mr. KENNEDY. Mr. President, it is a privilege to join Senator ENZI in introducing the Enhancing Drug Safety and Innovation Act of 2007. The goals of the legislation are to strengthen the Food and Drug Administration's authority over the safety of prescription drugs after they are approved; to encourage innovation in medical products; to increase access to clinical trials for patients and ensure that doctors and patients are aware of the results of clinical trials involving the drugs they prescribe and use; and to improve the screening of members of FDA's scientific advisory committees to avoid conflicts of interest.

The withdrawal of the drug Vioxx from the market 2 years ago demonstrated again that all prescription drugs have risks, many of which are unknown when a drug is approved, or even for years after approval. We need a more effective system to identify and assess the serious risks of drugs, inform health care providers and patients about such risks, and manage and mitigate these risks as soon as they are detected.

Our bill will require drugs to have a risk evaluation and mitigation strategy when it is approved. For many drugs, the strategy will include only the drug labeling, reports of adverse events, a justification for why only such reporting is needed, and a timetable for assessing how the REMS is working.

The FDA will be able to include additional requirements for drugs that pose serious risks, such as by requiring that the drug be dispensed with labels that patients can understand, that the drug company have a plan to inform health care providers about how to use the drug safely, and that a drug should not be advertised directly to consumers for up to 2 years after approval. If a serious safety concern needs to be understood, FDA can require further studies

or even clinical trials after the drug is approved. Enhanced data collection and data mining techniques will help identify risk signals earlier and more thoroughly.

For drugs with the most serious side effects, FDA will be able to require that its risk evaluation and mitigation strategy include the restrictions on distribution or use needed to assure its safe use.

The FDA will be able to impose any of these requirements at the time a drug is approved. The agency can also modify the labeling or otherwise alter a drug's availability after the approval. The drug's manufacturer will propose the overall strategy, or modifications to it, and the FDA and the company will try to work out an adequate compromise. If the agency and the company cannot agree, the agency's Drug Safety Oversight Board can review the dispute and recommend a resolution to senior FDA officials, who will make the final decision.

Civil monetary penalties are added to FDA's traditional enforcement authority to ensure compliance. Drug user fees will also be used to review and implement the program.

The bill formalizes and makes mandatory what is now only informal and voluntary. Our intent is not to change the standards for approving drugs, but to see that the FDA has the ability to identify, assess, and manage risks as they become known. Better risk management will mean that drugs with special benefits for some patients will remain available, despite serious risks for other patients, because FDA can better identify the risks and manage them.

The bill helps to improve drug safety in other ways as well. The Reagan-Udall Institute for Applied Biomedical Research will be a new public-private partnership at the FDA to advance the agency's critical path initiative. The initiative is intended to improve the science of developing, manufacturing, and evaluating the safety and effectiveness of drugs, biologics, medical devices, and diagnostics.

The Institute will be supported by Federal funds and by contributions from the pharmaceutical and device industries. Philanthropic organizations will be able to supplement Federal support. The institute will have a board of directors and an executive director, and will report to Congress annually on its operations.

The bill will also expand the public database at NIH to encourage more patients to enroll in clinical trials of drugs. The database will build on the current systems and would include late phase II, phase III, and all phase IV clinical trials for all drugs.

A second, publicly available database would include the results of phase III and phase IV clinical trials of drugs, with the possibility that late phase II trials would be added later. Posting of results could be delayed for up to 2 years, pending the approval of the drug or the publication of trial results in a peer- reviewed journal.

The public needs to know about the results of clinical trials on drugs. Tragically, such information was not adequately available for the clinical studies of antidepressants in children.

Posting information in the clinical trials registry and the clinical trials results database will be requirements for federal research funding and for drug review and approval by the FDA. Both the FDA and other appropriate offices in the Department of Health and Human Services will review the content of submissions to the results database to ensure they are truthful and nonpromotional. These Federal requirements will preempt State requirements for clinical trial databases.

Finally, the bill will improve FDA's process for screening advisory committee members for financial conflicts of interest. The agency relies on advisory committees to provide independent, expert, nonbinding recommendations on significant issues. Ideally, committee members should be free of any financial ties to the companies affected by an issue before a committee. But at times, there may be no individual without financial ties to such companies—for example, when the issue involves a rare disease or a cutting edge medical technology. In these cases, the FDA must be able to grant a waiver to allow an individual with essential expertise to serve on the committee. The bill will require the agency to seek qualified experts with minimal conflicts, clarify how it makes waiver decisions, and disclose those decisions at least 15 days before a committee meeting.

Our bill is a comprehensive response to drug safety and other important issues involving prescription drugs and other medical technologies. I commend Chairman ENZI and his dedicated staff—especially Amy Muhlberg—for working closely with us on this proposal, and I urge our colleagues to support it.

By Mr. KERRY (for himself and Ms. SNOWE):

S. 485. A bill to amend the Clean Air Act to establish an economy-wide global warming pollution emission cap-and-trade program to assist the economy in transitioning to new clean energy technologies, to protect employees and affected communities, to protect companies and consumers from significant increases in energy costs, and for other purposes; to the Committee on Finance.

Ms. SNOWE. Mr. President, I rise today to support the Global Warming Reduction Act of 2007. Senator KERRY and I are here today offering this legislation because the issue of global warming is no longer seriously open to skepticism. The preponderance of peer-reviewed scientific evidence is irrefutable and the cost of inaction incalculable. It is no longer a question of science—it is now a question of political will.

I believe our bill offers a means by which anyone who is honestly committed to addressing global warming can vote to improve our environmental future while preserving our economy. We call for 65 percent reductions of greenhouse gas emissions by 2050 for all major sectors of our society, and starting in 2010, we put these called-for emissions reductions on a downward glide path to make the reductions realistic yet aggressive. It takes a forward-looking, comprehensive, science-based approach to tackling this issue without putting a stranglehold on our economy. This is the right course at the right cost.

While Congress fiddles, alpine glaciers and polar ice caps millions of years old are melting. Sea levels are rising globally. Manmade carbon dioxide levels and the average global temperature have increased at unprecedented levels over the past century—and are projected to increase up to 8.1 degrees Fahrenheit in the next 100 years. Meanwhile, the CO_2 we continue to release today while we await meaningful action will remain in the atmosphere for at least a century—with concentrations rising in the coming decades. Just think—CO_2 emissions from Henry Ford's very first car are still in the atmosphere. Clearly, we can't afford to wait any longer.

And it's not as though we aren't literally catapulting toward a consensus on at least the existence of the problem. We have a Federal agency, NOAA, reporting that 2006 was the warmest year since regular temperature records began in 1895 and the past nine years have been among the 25 warmest years on record for the contiguous U.S. Even though the President announced no new direct climate policy changes, he did state in his most recent State of the Union Address that we must confront the serious challenge of global climate change.

Just last week, a coalition of ten major U.S. companies came together to form the U.S. Climate Action Partnership—Alcoa, BP America, Caterpillar, Duke Energy, DuPont, General Electric, FPL Group, Lehman Brothers, PG&E, and PNM Resources all have advocated for a mandatory carbon cap-and-trade system—as our bill provides. Even ExxonMobil, long skeptical on anthropogenic global warming, recently saw its CEO state that ''the risk [of climate change] is so great that it justifies taking action.''

Two years ago, I became co-chair of the International Climate Change Taskforce, comprised of respected scientists, business leaders, and elected officials from eight industrialized and developing nations. The first and significant recommendation we published was to prevent global temperatures from rising above 3.6 degrees Fahrenheit in the next century—because science suggests that beyond this temperature increase there is a tipping point—a possible abrupt climate change that would have a catastrophic

effect on our ecosystems and our society.

This bill would prevent us from reaching that tipping point with a required 65 percent reduction in CO_2 emissions by 2050—a figure that is both rigorous and realistic. And it does so by both instituting the successful California emissions standards that have already been embraced by other States—including seven northeastern States like my home State of Maine—and that provide industry with predictability and uniformity . . . and also putting in place a flexible but mandatory carbon ''cap and trade'' system that uses the power of the ''invisible hand'' to reduce emissions more cost-effectively for businesses.

And to encourage greater investment in renewable energy, we also call for 20 percent of America's electricity to come from renewable sources by 2020. But at the same time we provide incentives for advanced technologies so that existing industries can actually make investments into cleaner infrastructure.

Moreover, with the U.S. comprising only four percent of the world's population yet emitting 20 percent of the world's carbon dioxide, we think it's time our response to this crisis become proportional to our nation's contribution to the problem. And that's why our bill also urges the U.S. to return to the international negotiating table.

Global warming is a comprehensive problem that demands the kind of comprehensive approach our bill provides—with measures to minimize the effects on our communities and our ecosystems that other bills acknowledge are inevitable but do not address. Ours is the only climate bill to be introduced that calls for research to assess the vulnerability of coral reefs to increased CO_2 deposits, and of marine organisms throughout the marine food web. Our bill also calls for the creation of a ''vulnerability scorecard'' to provide communities with a yardstick for them to measure the potential impact of climate change and make informed decisions to minimize the impact.

In the end, government leaders should make no mistake—the public understands the severity of the risk of inaction on this crucial issue, with half of voters reporting in a recent Zogby poll that concerns about global warming made a difference in who they voted for and 58 percent said that combating global warming should be a high priority. So the truth is that elected officials ignore the public's concerns with global warming at their own peril—just as we ignore the danger to the detriment of our children and future generations.

The opportunity to stop, and ultimately reverse, global climate change is not open-ended. The clock is ticking . . . and the cost of inaction continues to escalate. We recognize the major cause of global warming and we understand what a solution requires. Now we are compelled to muster the political will to make it happen—and the Kerry-Snowe bill provides a reasonable yet vigorous path to follow. Thank you.

By Mr. KENNEDY (for himself, Mr. DURBIN, Mrs. CLINTON, Mr. HARKIN, Mr. ROCKEFELLER, Mr. KERRY, and Mr. SCHUMER):

S. 486. A bill to establish requirements for lenders and institutions of higher education in order to protect students and other borrowers receiving educational loans; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Mr. President, it's a privilege to join my colleague, Senator DURBIN, in introducing the Student Loan Sunshine Act, to provide greater support for students and families across America who are struggling with great difficulty to pay for college.

Over the past 20 years, the cost of attending college has doubled. Today, the average cost of attendance at a 4-year public college is almost $13,000. As a result, students and families are going deeper and deeper into debt to finance the cost of higher education. In 1993, fewer than a third of students at four-year colleges graduated with debt to pay on their student loans. Today that number has doubled. Two-thirds of students now graduate with student loan debt.

The average debt load has soared as well. In the past decade, it has increased by 57 percent at public colleges and 38 percent at private colleges. Today, the typical graduate leaves college saddled with $17,000 in student loans.

Nowhere has this growth been more pronounced than in private student loans. Until recently, most students who borrowed for college took out loans under the Direct Loan program and the Federal Family Education Loan program—the two main student loan programs subsidized by the Federal Government.

With the cost of college rising rapidly and grant aid stagnating, however, more and more students are turning to the private loan sector and are taking out so-called ''alternative loans''—private loans that lenders offer through colleges and universities. Students are also borrowing increasingly from direct-to-consumer education lenders, which include giant lenders such as Sallie Mae that also participate in the FFEL program, as well as other companies that just offer private-market loans, such as Loan to Learn.

A decade ago, private loans accounted for only 3 percent of all funds used to finance students' post-secondary education. Since then, the volume of private loans has grown by an astronomical 1200 percent. Today, private loans now total $17 billion, and represent 20 percent of all borrowing for higher education.

Many lenders making these private loans claim they're providing an important service. They say that at a time when college prices are rising rapidly, they provide needed funds to help students pay for college.

What they won't tell you is the exorbitant cost that countless students are paying for these loans. Unlike loans offered through the federal programs, private loans frequently carry much higher interest rates, especially for students without credit histories and families without strong credit ratings. In some cases, the interest rates on private loans may be as high as 19 percent a year, compared to 6.8 percent for loans offered through the FFEL and Direct Loan programs.

The lenders also don't tell you about the aggressive tactics they use to persuade colleges to offer private loans to their students—and to persuade students to borrow directly as well.

The private company Student Loan Xpress has offered 100 percent loan approval at colleges if the college agrees to ''brand'' the private loan with the college's name and emblem—making the loan appear to be offered by the college, not the private lender.

Other private loan companies encourage borrowers not to fill out the Free Application for Federal Student Aid, which allows borrowers to obtain loans at lower interest rates. They don't prominently disclose the fact that their interest rates are typically much higher.

Some lenders make gifts to college and university employees. Loan to Learn invited college officials and their spouses to an all-expenses paid ''education conference'' in the West Indies. Many lenders who participate in the FFEL program offer similar ''educational conferences'' at fancy hotels, and offer free entertainment and tickets to sporting events to college officials. The Attorney General in New York State has opened an investigation into such practices and is looking into the practices of six lenders, including Sallie Mae, Nelnet, and Educap, the corporate name of Loan to Learn.

We need to take immediate steps to stop actions that prevent students from obtaining the best loan agreement possible. That is what the Student Loan Sunshine Act does.

First and foremost, it is a consumer protection measure. It will protect student and parent borrowers by ending the inappropriate lender practices I've just mentioned.

It prohibits lenders from offering to a college employee any gift worth more than $10, including free or discounted trips, meals, invitations to entertainment events or other form of hospitality.

It prohibits lenders from offering services to financial aid offices that create a conflict of interest, such as lending staff during peak loan processing times. It also prohibits lenders from ''branding'' their loans with a college name, emblem, or logo.

The Sunshine Act also arms students and parents with the information they need to make wise decisions when they borrow funds for higher education.

The Act requires lenders to report any special arrangements they have with colleges to make such loans, and it ensures that this information is conveyed to borrowers.

It requires the Secretary of Education, together with members of the higher education community and students, to develop a clear, easy-to-use model format for reporting the terms and conditions of student loans, similar to the APR disclosure required for other types of loans.

If a college creates a ''preferred lender'' list, the Act requires the college to disclose clearly and fully why it has identified a lender as a preferred lender. Schools must also include at least three nonaffiliated lenders on the list, so that students have a real choice. Finally, the Sunshine Act also addresses the fast-growing direct-to-consumer educational loan market. It offers new protections for students who take out direct-to-consumer loans, so they don't borrow more than is necessary to pay for their college education.

The Act requires all lenders of direct-to-consumer private educational loans to state clearly and prominently that borrowers may qualify for low-interest loans through the Federal Government's loan programs. It also requires lenders to clearly disclose the terms and conditions of the loans they're offering, including any hidden fees, as well as any complaints against the lender that have been filed by consumer agencies such as the Better Business Bureau or the state attorney general's office.

Before a direct-to-consumer lender can offer an education loan of more than $1000, the Act requires the lender to notify the borrower's college of the amount of the proposed loan, so that the school can advise the borrower whether the loan exceeds what's necessary to cover the student's cost of attendance after other aid sources are factored in.

Students deserve the best loan advice possible from financial aid officers and the best deal from lenders. They have the right to exhaust their federal loan eligibility before turning to more expensive private lenders for aid.

Going to college is a lifetime investment, but paying for college is a heavy burden for too many families. As the private student loan market continues to grow, it's our responsibility to protect students from exploitation in that market.

I thank the bill's cosponsors, and I urge my colleagues to support this bill as well. It's time we put students first, and the Student Loan Sunshine Act takes important steps to do just that.

I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 486

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Student Loan Sunshine Act''.

SEC. 2. INSTITUTION AND LENDER REPORTING AND DISCLOSURE REQUIREMENTS.

Title I of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended by adding at the end the following:

''PART E—LENDER AND INSTITUTION REQUIREMENTS RELATING TO EDUCATIONAL LOANS

''SEC. 151. DEFINITIONS.

''In this part:

''(1) COVERED INSTITUTION.—The term 'covered institution'—

''(A) means any educational institution that offers a postsecondary educational degree, certificate, or program of study (including any institution of higher education, as such term is defined in section 102) and receives any Federal funding or assistance; and

''(B) includes an agent of the educational institution (including an alumni association, booster club, or other organization directly or indirectly associated with such institution) or employee of such institution.

''(2) EDUCATIONAL LOAN.—The term 'educational loan' (except when used as part of the term 'private educational loan') means—

''(A) any loan made, insured, or guaranteed under title IV; or

''(B) a private educational loan (as defined in paragraph (5)).

''(3) EDUCATIONAL LOAN ARRANGEMENT.—

''The term 'educational loan arrangement' means an arrangement or agreement between a lender and a covered institution—

''(A) under which arrangement or agreement a lender provides or otherwise issues educational loans to the students attending the covered institution or the parents of such students; and

''(B) which arrangement or agreement—

''(i) relates to the covered institution recommending, promoting, endorsing, or using the loan product of the lender; and

''(ii) involves the payment of any fee or provision of other material benefit by the lender to the institution or to groups of students who attend the institution.

''(4) LENDER.—

''(A) IN GENERAL.—The term 'lender'—

''(i) means a creditor, except that such term shall not include an issuer of credit under a residential mortgage transaction; and

''(ii) includes an agent of a lender.

''(B) INCORPORATION OF TILA DEFINITIONS.—The terms 'creditor' and 'residential mortgage transaction' have the meanings given such terms in section 103 of the Truth in Lending Act (15 U.S.C. 1602).

''(5) PRIVATE EDUCATIONAL LOAN.—The term 'private educational loan' means a private loan provided by a lender that—

''(A) is not made, insured, or guaranteed under title IV; and

''(B) is issued by a lender for postsecondary educational expenses to a student, or the parent of the student, regardless of whether the loan is provided through the educational institution that the student attends or directly to the student or parent from the lender.

''(6) POSTSECONDARY EDUCATIONAL EXPENSES.—The term 'postsecondary educational expenses' means any of the expenses that are included as part of a student's cost of attendance, as defined under section 472.

''SEC. 152. REQUIREMENTS FOR LENDERS AND INSTITUTIONS PARTICIPATING IN EDUCATIONAL LOAN ARRANGEMENTS.

''(a) REPORTING FOR LENDERS.—In addition to any other disclosure required under Federal law, each lender that participates in 1 or more educational loan arrangements shall prepare and submit to the Secretary (at a time to be determined by the Secretary) an annual report that includes, with respect to each educational loan arrangement, the following:

''(1) The date on which the arrangement was entered into and the period for which the arrangement applies.

''(2) A summary of the terms of the arrangement related to the marketing, recommending, endorsing, or use of, the loans.

''(3) The full details of any aspect of the arrangement relating to the covered institution issuing loans and the lender (or a financial partner of the lender) servicing or purchasing such loans.

''(4) A summary of any direct or indirect benefit provided or paid to any party in connection with the arrangement.

''(b) PROVISION OF LOAN INFORMATION.—A lender may not provide a private educational loan to a student attending a covered institution with which the lender has an educational loan arrangement, or the parent of such student, until the covered institution has informed the student or parent of their remaining options for borrowing under title IV, including information on any terms and conditions of available loans under such title that are more favorable to the borrower.

''(c) USE OF INSTITUTION NAME.—

''(1) IN GENERAL.—A covered institution that has entered into an educational loan arrangement with a lender regarding private educational loans shall not allow the lender to use the name, emblem, mascot, or logo of the institution, or other words, pictures, or symbols readily identified with the institution, in the marketing of private educational loans to the students attending the institution in any way that implies that the institution endorses the private educational loans offered by the lender.

''(2) APPLICABILITY.—Paragraph (1) shall apply to any educational loan arrangement, or extension of such arrangement, entered into or renewed after the date of enactment of the Student Loan Sunshine Act.

''SEC. 153. INTEREST RATE REPORT FOR INSTITUTIONS AND LENDERS PARTICIPATING IN EDUCATIONAL LOAN ARRANGEMENTS.

''(a) SECRETARY DUTIES.—

''(1) REPORT AND MODEL FORMAT.—Not later than 180 days after the date of enactment of the Student Loan Sunshine Act, the Secretary shall—

''(A) prepare a report on the adequacy of the information provided to students and the parents of such students about educational loans (including loans made, insured, or guaranteed under title IV and private educational loans), after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, and business officers), lenders (including lenders of private educational loans), loan servicers, and guaranty agencies;

''(B) include in the report a model format, based on the report's findings, to be used by lenders and covered institutions in carrying out subsections (b) and (c)—

''(i) that provides information on the applicable interest rates and other terms and conditions of the educational loans provided by a lender to students attending the institution, or the parents of such students, disaggregated by each type of educational loans provided to such students or parents by the lender, including—

''(I) the interest rate and terms and conditions of the loans offered by the lender for the upcoming academic year;

''(II) with respect to such loans, any benefits that are contingent on the repayment behavior of the borrower;

''(III) the annual percentage rate for such loans, based on the actual disbursed amount of the loan;

''(IV) the average amount borrowed from the lender by students enrolled in the institution who obtain loans of such type from the lender for the preceding academic year; and

''(V) the average interest rate on such loans provided to such students for the preceding academic year; and

''(ii) which format shall be easily usable by lenders, institutions, guaranty agencies, and loan servicers; and

''(C)(i) submit the report and model format to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives; and

''(ii) make the report and model format available to covered institutions, lenders, and the public.

''(2) FORMAT UPDATE.—Not later than 1 year after the submission of the report and model format described in paragraph (1), the Secretary shall—

''(A) assess the adequacy of the model format included in the report;

''(B) after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, and business officers), lenders (including lenders of private educational loans), loan servicers, and guaranty agencies—

''(i) prepare a list of any improvements to the model format that have been identified as beneficial to borrowers; and

''(ii) update the model format after taking such improvements into consideration; and

''(C)(i) submit the list of improvements and updated model format to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives; and

''(ii) make the list of improvements and updated model format available to covered institutions, lenders, and the public.

''(3) USE OF FORM.—The Secretary shall take such steps as necessary to make the model format, and any updated model format, available to covered institutions and to encourage—

''(A) lenders subject to subsection (b) to use the model format or updated model format (if available) in providing the information required under subsection (b); and

''(B) covered institutions to use such format in preparing the information report under subsection (c).

''(b) LENDER DUTIES.—Each lender that has an educational loan arrangement with a covered institution shall annually, by a date determined by the Secretary, provide to the covered institution and to the Secretary the information included on the model format or an updated model format (if available) for each type of educational loan provided by the lender to students attending the covered institution, or the parents of such students, for the preceding academic year.

''(c) COVERED INSTITUTION DUTIES.—Each covered institution shall—

''(1) prepare and submit to the Secretary an annual report, by a date determined by the Secretary, that includes, for each lender that has an educational loan arrangement with the covered institution and that has submitted to the institution the information required under subsection (b)—

''(A) the information included on the model format or updated model format (if available) for each type of educational loan provided by the lender to students attending the covered institution, or the parents of such students; and

''(B) a detailed explanation of why the covered institution believes the terms and conditions of each type of educational loan provided pursuant to the agreement are beneficial for students attending the covered institution, or the parents of such students; and

''(2) ensure that the report required under paragraph (1) is made available to the public and provided to students attending or planning to attend the covered institution, and the parents of such students, in time for the student or parent to take such information into account before applying for or selecting an educational loan.

''SEC. 154. PRIVATE EDUCATIONAL LOAN DISCLOSURE REQUIREMENTS FOR COVERED INSTITUTIONS.

''A covered institution that provides information to any student, or the parent of such student, regarding a private educational loan from a lender shall, prior to or concurrent with such information—

''(1) inform the student or parent of—

''(A) the student or parent's eligibility for assistance and loans under title IV; and

''(B) the terms and conditions of such private educational loan that are less favorable than the terms and conditions of educational loans for which the student or parent is eligible, including interest rates, repayment options, and loan forgiveness; and

''(2) ensure that information regarding such private educational loans is presented in such a manner as to be distinct from information regarding loans that are made, insured, or guaranteed under title IV.

''SEC. 155. GIFT BAN FOR EMPLOYEES OF INSTITUTIONS.

''(a) GIFT BAN.—A lender or guarantor of educational loans shall not offer any gift to an employee or agent of a covered institution.

''(b) REPORTS OF GIFT BAN VIOLATIONS.—

''(1) EMPLOYEE REPORT.—Each employee or agent of a covered institution shall report to the Inspector General of the Department of Education any instance of a lender or guarantor of educational loans (including an agent of the lender or guarantor) that attempts to give a gift to the employee or agent in violation of subsection (a).

''(2) INSPECTOR GENERAL REPORT.—The Inspector General of the Department of Education shall investigate any reported violation of this subsection and shall annually submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives identifying all reported violations of the gift ban under subsection (a), including the lenders involved in each such violation, for the preceding year.

''(c) DEFINITION OF GIFT.—

''(1) IN GENERAL.—In this section, the term 'gift' means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than $10. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

''(2) EXCEPTIONS.—The term 'gift' shall not include any of the following:

''(A) Standard informational material related to a loan, such as a brochure.

''(B) Food, refreshments, training, or informational material furnished to an employee or agent of an institution as an integral part of a training session or through participation in an advisory council that is designed to improve the lender's service to the covered institution, if such training or participation contributes to the professional development of the employee or agent of the institution.

''(C) Favorable terms, conditions, and borrower benefits on an educational loan provided to a student employed by the covered institution.

''(3) RULE FOR GIFTS TO FAMILY MEMBERS.—For purposes of this section, a gift to a family member of an employee or an agent of a covered institution, or a gift to any other individual based on that individual's relationship with the employee or agent, shall be considered a gift to the employee or agent if—

''(A) the gift is given with the knowledge and acquiescence of the employee or agent; and

''(B) the employee or agent has reason to believe the gift was given because of the official position of the employee or agent.

''SEC. 156. COMPLIANCE AND ENFORCEMENT.

''(a) CONDITION OF ANY FEDERAL ASSISTANCE.—Notwithstanding any other provision of law, a covered institution or lender shall comply with this part as a condition of receiving Federal funds or assistance provided after the date of enactment of the Student Loan Sunshine Act.

''(b) PENALTIES.—Notwithstanding any other provision of law, if the Secretary determines, after providing notice and an opportunity for a hearing for a covered institution or lender, that the covered institution or lender has violated subsection (a)—

''(1) in the case of a covered institution, or a lender that does not participate in a loan program under title IV, the Secretary may impose a civil penalty in an amount of not more than $25,000; and

''(2) in the case of a lender that does participate in a program under title IV, the Secretary may limit, terminate or suspend the lender's participation in such program.

''(c) CONSIDERATIONS.—In taking any action against a covered institution or lender under subsection (b), the Secretary shall take into consideration the nature and severity of the violation of subsection (a).

''SEC. 157. GAO STUDY AND REPORTS.

''(a) STUDY.—The Comptroller General of the United States shall conduct a study on—

''(1) the gifts or financial or other material benefits that are provided by lenders to covered institutions to secure, or as part of an effort to secure, the covered institutions' educational loan business;

''(2) the extent to which lenders issuing private educational loans may be inappropriately using inducements to secure, or as part of an effort to secure, educational loan arrangements with covered institutions; and

''(3) whether educational loans made to students attending a covered institution in connection with an educational loan arrangement, and private educational loans made directly to students, provide competitive interest rates, terms, and conditions to students who obtain such loans.

''(b) REPORTS.—The Comptroller General of the United States shall—

''(1) not later than 1 year after the date of enactment of the Student Loan Sunshine Act, submit to Congress a preliminary report regarding the findings of the study described in subsection (a); and

''(2) not later than 2 years after such date of enactment, submit to Congress a final report regarding such findings.''.

SEC. 3. PROGRAM PARTICIPATION AGREEMENTS.

Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended by adding at the end the following:

''(24)(A) In the case of an institution (including an employee or agent of an institution) that maintains a preferred lender list, in print or any other medium, through which the institution recommends 1 or more specific lenders for loans made under part B to the students attending the institution (or the parents of such students), the institution will—

''(i) clearly and fully disclose on the preferred lender list—

''(I) why the institution has included each lender as a preferred lender, especially with respect to terms and conditions favorable to the borrower; and

''(II) that the students attending the institution (or the parents of such students) do not have to borrow from a lender on the preferred lender list;

''(ii) ensure, through the use of the list provided by the Secretary under subparagraph (C), that—

''(I) there are not less than 3 lenders named on the preferred lending list that are not affiliates of each other; and

''(II) the preferred lender list—

''(aa) specifically indicates, for each lender on the list, whether the lender is or is not an affiliate of each other lender on the list; and

''(bb) if the lender is an affiliate of another lender on the list, describes the specifics of such affiliation; and

''(iii) establish a process to ensure that lenders are placed upon the preferred lender list on the basis of the benefits provided to borrowers, including —

''(I) highly competitive interest rates, terms, or conditions for loans made under part B;

''(II) high-quality servicing for such loans; or

''(III) additional benefits beyond the standard terms and conditions for such loans.

''(B) For the purposes of subparagraph (A)(ii)—

''(i) the term 'affiliate' means a person that controls, is controlled by, or is under common control with another person; and

''(ii) a person has control over another person if—

''(I) the person directly or indirectly, or acting through 1 or more others, owns, controls, or has the power to vote 5 percent or more of any class of voting securities of such other person;

''(II) the person controls, in any manner, the election of a majority of the directors or trustees of such other person; or

''(III) the Secretary determines (after notice and opportunity for a hearing) that the person directly or indirectly exercises a controlling interest over the management or policies of such other person.

''(C) The Secretary shall maintain and update a list of lender affiliates of all eligible lenders, and shall provide such list to the eligible institutions for use in carrying out subparagraph (A).''.

SEC. 4. NOTICE OF AVAILABILITY OF FUNDS FROM FEDERAL SOURCES.

Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended by adding at the end the following:

''(e) DISCLOSURES RELATING TO PRIVATE EDUCATIONAL LOANS.—

''(1) IN GENERAL.—In the case of an extension of credit that is a private educational loan, other than a residential mortgage transaction, the creditor shall provide in every application for such extensions of credit and together with any solicitation, marketing, or advertisement of such extensions of credit, written, electronic, or otherwise, the disclosures described in paragraph (2).

''(2) DISCLOSURES.—Disclosures required by this subsection shall include a clear and prominent statement—

''(A) that the borrower may qualify for Federal financial assistance through a program under title IV of the Higher Education Act of 1965, in lieu of or in addition to a loan from a non-Federal source;

''(B) of the interest rates available with respect to such Federal financial assistance;

''(C) describing how the applicable interest rate is determined, including whether it is based on the credit score of the borrower;

''(D) showing sample loan costs, disaggregated by type;

''(E) of the types of repayment plans that are available;

''(F) of whether, and under what conditions, early repayment may be made without penalty;

''(G) of when and how often the loan would be recapitalized;

''(H) describing all fees, deferments, or forbearance;

''(I) describing all available repayment benefits, and the percentage of all borrowers who qualify for such benefits;

''(J) describing collection practices in the case of default;

''(K) describing late payment penalties and associated fees;

''(L) of any complaints (and their resolution) filed with any State or private consumer protection agency (including the Better Business Bureau); and

''(M) such other information as the Board may require.

''(3) PROVISION OF INFORMATION.—Before a creditor may issue any funds with respect to an extension of credit described in paragraph (1) for an amount equal to more than $1,000—

''(A) the creditor shall notify the relevant postsecondary educational institution, in writing, of the proposed extension of credit and the amount thereof; and

''(B) if such relevant institution is a covered institution, the institution shall, in an expedient manner, notify the prospective borrower, in accordance with procedures established by rule of the Board, whether and to what extent the proposed extension of credit exceeds the cost of attendance (as defined in section 472 of the Higher Education Act of 1965) for the student at that institution, after consideration of the Federal and State grant and loan aid and institutional aid that the student has or is eligible to receive.

''(4) REGULATORY AUTHORITY.—The Board—

''(A) shall issue such rules and regulations as may be necessary to implement this subsection; and

''(B) may, by rule, establish appropriate exceptions to the disclosures required by this subsection.

''(5) DEFINITIONS.—As used in this subsection, the terms 'private educational loan' and 'covered institution' have the same meanings as in section 151 of the Higher Education Act of 1965.''.

Mr. DURBIN. Mr. President, I rise today to urge my colleagues to support the Kennedy-Durbin ''Student Loan Sunshine Act.''

There is no question that having a college education is essential in today's job market. Over the course of a lifetime, a college graduate will earn over $1 million more than those with only a high school diploma.

In addition to the individual benefits of a college education, investing in and producing more college-educated Americans is vital to our nation's growth. Economists estimate that the increase in the education level of the United States labor force between 1915 and 1999 directly resulted in at least 23 percent of the overall growth in U.S. productivity.

However, paying for college is becoming increasingly difficult for students and their families. Tuition at four-year public institutions rose by 42 percent in the last five years, and more and more students are leaving college saddled with ever increasing debt burdens. According to the U.S. Department of Education, the average student debt has increased by more than 50 percent over the last decade. In 2004, college students graduated with an average of $17,400 in federal student loan debt, almost 45 percent more than students who graduated in 1993. When private loans are factored in, the average debt increases to more than $19,000.

As students and their families struggle to find ways to pay for higher education, more and more are forced to turn to private student loans in order to close the gap. Because these loans are not guaranteed or subsidized by the government, they often carry much higher interest rates.

According to The College Board, private student loans are now a $17.3 billion industry. Between the 2000–2001 and 2005–2006 school years, private student loans grew at an average annual rate of 27 percent, after adjusting for inflation.

As more students begin to rely on private student loans to help pay for college, some lenders and colleges are engaging in practices that do not appear to be in the best interests of the students. An article published in The New York Times revealed examples of incentives offered to colleges by student loan companies in order to be placed on a college's ''preferred lender'' list.

An example cited in the article included an all-expense paid trip to the Caribbean for university officials and their spouses to attend an education ''summit'' held at a luxury five-star beachfront resort. Between symposiums, forums and roundtable discussions on the importance of addressing the cost of higher education, guests could enjoy complimentary water and beach sports such as snorkeling, sailing, kayaking, sailboarding and volleyball as well as access to an 18-hole championship golf course, a 10-court tennis complex, two beachfront pools and a luxury spa. News of the trip garnered such a negative response from the public that the sponsor of the trip, Loan to Learn, ultimately cancelled the trip. Aside from all-expense paid trips, other examples of incentives include iPods that were given away at a financial aid administrators meeting and bonuses that are based on how much students borrow.

Colleges and universities should not be enticed to select ''preferred lenders'' or take other actions related to the student loan program on the basis of factors that are irrelevant, or at best ancillary, to the primary interests of the students.

The Student Loan Sunshine Act protects students and parents from potential exploitation by private student loan lenders and lenders that offer gifts to schools as a way to acquire the school's loan business. It ensures that students and their families have all the facts and can feel confident that they're receiving the best deal on their college loan.

First, this bill puts a stop to inappropriate lender practices. Lenders are

prohibited from offering any gift over $10 to employees of a university, including free trips, meals, and tickets to entertainment events. Lenders are no longer allowed to offer services to a financial aid office that create a conflict of interest such as lending staff during peak loan processing times, printing literature for the financial aid office and e-mailing students on behalf of the financial aid office.

Second, the Act provides students and their families access to information about preferred lender lists, special arrangements between lenders and colleges and terms and conditions of loans. A school's preferred lender list must include at least three lenders that are independent from each other, clearly disclose why a lender was identified as a preferred lender, and clearly state that students and parents may take out a student loan with a lender that is not on their school's preferred lender list. This requirement is needed because in some instances, a school's preferred lender list may include what appear to be five different lenders; however, four of the five lenders may turn out to be subsidiaries of a single company. Lenders are required to report to the Secretary of Education any special arrangement they have with colleges to make loans to the students at a school including the terms of the arrangement and any benefit provided to the school in connection with the loan arrangement. In addition, the Act requires the Secretary of Education, along with the higher education community and students, to develop an easy-to-understand form for reporting the terms and conditions of student loans—similar to an APR disclosure.

Finally, the Act encourages students to maximize their borrowing options through the government's loan programs before obtaining private loans with higher interest rates and discourages over-borrowing through direct-to-consumer education loans. Some companies fail to clearly disclose that their private educational loans typically carry a higher interest rate and even encourage students not to complete the Free Application for Federal Student Aid form, which allows students to borrow low-interest educational loans. The Act requires all direct-to-consumer lenders to clearly disclose to students certain information such as: the fact that the student may be eligible for low-interest student loans through the federal government, how the interest rate is determined, any and all fees, and whether any complaints have been filed against the lender. Additionally, the Act puts in place provisions that will ensure that before a student obtains an educational loan through a direct-to-consumer lender, the student is informed of their loan options through the federal government and whether the loan will cause the student to exceed what is necessary to cover the student's cost of attendance.

These requirements are simply meant to ensure that as students are about to sign on the dotted line and accept what will likely be one of the largest debts they will incur in their lives, they have the information they need to make an informed decision and some assurance that their school has only their best interests in mind—not visions of the Caribbean or the latest iPod. We must not look away and allow them to be taken advantage of at one of the most critical points in their lives. I urge my colleagues to support this important legislation.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 64—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. BIDEN submitted the following resolution; from the Committee on Foreign Relations; which was referred to the Committee on Rules and Administration:

S. RES. 64

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 2007, through September 30, 2007; October 1, 2007, through September 30, 2008; and October 1, 2008, through February 28, 2009, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2(a). The expenses of the committee for the period March 1, 2007, through September 30, 2007, under this resolution shall not exceed $3,469,450, of which amount (1) not to exceed $100,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2007, through September 30, 2008, expenses of the committee under this resolution shall not exceed $6,071,938, of which amount (1) not to exceed $100,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(c) For the period October 1, 2008, through February 28, 2009, expenses of the committee under this resolution shall not exceed $2,575,710, of which amount (1) not to exceed $100,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 2009.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 2007, through September 30, 2007; October 1, 2007, through September 30, 2008; and October 1, 2008, through February 28, 2009, to be paid from the Appropriations account for ''Expenses of Inquiries and Investigations.''

SENATE RESOLUTION 65—CONDEMNING THE MURDER OF TURKISH-ARMENIAN JOURNALIST AND HUMAN RIGHTS ADVOCATE HRANT DINK AND URGING THE PEOPLE OF TURKEY TO HONOR HIS LEGACY OF TOLERANCE

Mr. BIDEN submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 65

Whereas Hrant Dink was a respected, eloquent advocate for press freedom, human rights, and reconciliation;

Whereas, in 1996, Mr. Dink founded the weekly bilingual newspaper Agos and, as the paper's editor in chief, used the paper to provide a voice for Turkey's Armenian community;

Whereas Mr. Dink was a strong proponent of rapprochement between Turks and Armenians and worked diligently to improve relations between those communities;

Whereas Mr. Dink's commitment to democratic values, nonviolence, and freedom in the media earned him widespread recognition and numerous international awards;

Whereas Mr. Dink was prosecuted under Article 301 of the Turkish Penal Code for speaking about the Armenian Genocide;

Whereas, notwithstanding hundreds of threats to Mr. Dink's life and safety, he remained a steadfast proponent of pluralism and tolerance;

Whereas Mr. Dink was assassinated outside the offices of Agos in Istanbul, Turkey, on January 19, 2007;

Whereas tens of thousands of people in Turkey of many ethnicities protested Mr.

Dink's killing and took to the streets throughout the country to honor his memory;

Whereas the Government of Turkey has pledged to undertake a full investigation into the murder of Mr. Dink;

Whereas the Prime Minister of Turkey, Recep Tayyip Erdogan, has stated that when Mr. Dink was shot, ''a bullet was fired at freedom of thought and democratic life in Turkey'';

Whereas the Foreign Minister of Armenia, Vartan Oskanian, stated that Mr. Dink ''lived his life in the belief that there can be understanding, dialogue and peace amongst peoples''; and

Whereas Mr. Dink's tragic death affirmed the importance of promoting the values that he championed in life: Now, therefore, be it

Resolved, That the Senate—

(1) condemns the murder of Hrant Dink as a shameful act of cowardice perpetrated with contempt for law, justice, and decency;

(2) supports the pledge of the Government of Turkey to conduct an exhaustive investigation into the assassination of Mr. Dink and to prosecute those responsible;

(3) urges the Government of Turkey to repeal Article 301 of the Turkish Penal Code and work diligently to foster a more open intellectual environment in the country that is conducive to the free exchange of ideas;

(4) recognizes the decision of the Government of Turkey to invite senior Armenian religious and political figures to participate in memorial services for Mr. Dink;

(5) calls on the Government of Turkey to act in the interest of regional security and prosperity and reestablish full diplomatic, political, and economic relations with the Government of Armenia; and

(6) urges the people of Turkey to honor Mr. Dink's legacy of tolerance.

SENATE RESOLUTION 66—HONORING THE LIFE, ACHIEVEMENTS, AND DISTINGUISHED CAREER OF THE REVEREND ROBERT F. DRINAN, S.J.

Mr. KERRY (for himself, Mr. KENNEDY, and Mr. LEAHY) submitted the following resolution; which was considered and agreed to:

S. RES. 66

Whereas the Reverend Robert F. Drinan, S.J. was a talented scholar, who received a bachelor's degree in 1942 and a master's degree in 1947 from Boston College, a bachelor's degree in law in 1949 and a master of law degree in 1951 from Georgetown University, and a doctorate in theology in 1954 from Gregorian University in Rome, Italy;

Whereas Father Drinan entered the Society of Jesus in 1942, completed his seminary work at Weston College in Cambridge, Massachusetts, and was ordained as a Jesuit priest in 1953;

Whereas Father Drinan was an influential educator who served as the Dean of the Boston College Law School from 1956 to 1970 and transformed it into one of the leading educational institutions in the United States;

Whereas Father Drinan was elected in 1970 to represent Massachusetts in the House of Representatives;

Whereas Father Drinan represented Massachusetts in the House of Representatives from 1971 to 1981, the first Roman Catholic priest ever to serve in Congress as a voting Member;

Whereas Father Drinan, during his service in the House of Representatives, was an advocate for social justice, a fighter for civil rights, and a champion in the cause of international human rights;

Whereas Father Drinan drew on his legal expertise to make significant contributions in the areas of copyright law reform, consumer protection, and criminal justice;

Whereas Father Drinan renewed his commitment to education, after his service in Congress, as a professor at Georgetown University Law Center, where he specialized in constitutional law and human rights and taught more than 6,000 students;

Whereas Father Drinan was the founder and faculty adviser to the Georgetown Journal of Legal Ethics and was the author of 12 books on major public policy issues;

Whereas Father Drinan was the recipient of 22 honorary degrees and was a visiting professor at 4 universities;

Whereas Father Drinan's service led the American Bar Association (ABA) to award him the ABA Medal in 2004, the organization's highest honor, given to individuals who make exceptionally distinguished contributions to the jurisprudence of the United States; and

Whereas Father Drinan's lifelong leadership in promoting greater awareness of the importance of international human rights resulted in 2006 in the establishment by the Georgetown University Law Center of an endowed chair in his honor, known as the Robert F. Drinan, S.J. Chair in Human Rights Law: Now, therefore, be it

Resolved, That the Senate—

(1) honors the life, achievements, and distinguished career of the Reverend Robert F. Drinan, S.J.;

(2) offers its appreciation for Father Drinan's devoted work on behalf of the thousands of Massachusetts residents he represented in the House of Representatives and the millions of people worldwide who benefitted from his human rights initiatives; and

(3) expresses its condolences to Father Drinan's family and friends.

SENATE RESOLUTION 67—DESIGNATING MARCH 2007 AS ''GO DIRECT MONTH''

Mrs. DOLE submitted the following resolution; which was considered and agreed to:

S. RES. 67

Whereas the Department of the Treasury issued 57,000 checks worth approximately $54,000,000 that were endorsed illegally in 2006;

Whereas the Department of the Treasury receives approximately 1,500,000 inquiries each year regarding problems with paper checks;

Whereas the use of direct deposit has resulted in more than $6,000,000,000 in savings for the Federal Government since 1986;

Whereas more than 12,000,000 social security and other Federal benefit recipients have yet to sign up for direct deposit;

Whereas the United States would generate approximately $120,000,000 in annual savings if all Federal beneficiaries used direct deposit;

Whereas the use of direct deposit is a more secure, reliable, and cost effective method of payment than paper checks because the use of direct deposit—

(1) helps protect against identity theft and fraud;

(2) provides easier access to funds during emergencies and natural disasters; and

(3) provides citizens of the United States with more control over their money;

Whereas the Department of the Treasury and the Federal Reserve Banks have launched ''Go Direct'', a national campaign organized to encourage the people of the United States to use direct deposit for the receipt of social security and other Federal benefits; and

Whereas, by working with financial institutions, advocacy groups, and community organizations, the sponsors of ''Go Direct'' are educating the people of the United States about the advantages of using direct deposit and assisting people during the enrollment process: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals and ideals of ''Go Direct'';

(2) designates March 2007 as ''Go Direct Month'';

(3) commends Federal, State, and local governments, and the private sector, for promoting March as ''Go Direct Month''; and

(4) encourages the people of the United States to—

(A) participate in events and awareness initiatives held during the month of March;

(B) become informed about the convenience and safety of direct deposit; and

(C) consider signing up for direct deposit of social security or other Federal benefits.

SENATE RESOLUTION 68—COMMENDING THE MISS AMERICA ORGANIZATION FOR ITS LONGSTANDING COMMITMENT TO QUALITY EDUCATION AND THE CHARACTER OF WOMEN IN THE UNITED STATES

Mr. INHOFE (for himself, Mr. COBURN, and Mr. ISAKSON) submitted the following resolution; which was considered and agreed to:

S. RES. 68

Whereas the Miss America Organization was formed in 1921;

Whereas, in 1945, the organization established a scholarship program to assist young women achieve their personal and professional goals;

Whereas contestants in the Miss America Pageant must first succeed in local and State pageants;

Whereas the 52 young women who participated in the Miss America Pageant showed great poise and accomplishment;

Whereas Lauren Nelson, of Lawton, Oklahoma, was crowned Miss America 2007, the sixth Oklahoman in history and the second in a row;

Whereas Oklahoma now joins only 2 other States in boasting 6 Miss America crowns and 3 other States in holding consecutive crowns; and

Whereas the Senate family is also proud of Kate Michael of Senator Johnny Isakson's office, who represented the District of Columbia in the Miss America Pageant: Now, therefore, be it

Resolved, That the Senate—

(1) commends the Miss America Organization for its longstanding commitment to quality education and the character of women in the United States;

(2) congratulates Miss America 2007, Lauren Nelson of Lawton, Oklahoma, the 80th woman crowned Miss America; and

(3) directs the Secretary of the Senate to transmit a copy of this resolution to Lauren Nelson in care of the Miss America Organization.

SENATE CONCURRENT RESOLUTION 8—EXPRESSING THE SUPPORT OF CONGRESS FOR THE CREATION OF A NATIONAL HURRICANE MUSEUM AND SCIENCE CENTER IN SOUTHWEST LOUISIANA

Mr. VITTER (for himself and Ms. LANDRIEU) submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. CON. RES. 8

Whereas the Creole Nature Trail All-American Road District Board of Commissioners has begun to create and develop a National Hurricane Museum and Science Center in the southwest Louisiana area;

Whereas protecting, preserving, and showcasing the intrinsic qualities that make Louisiana a one-of-a-kind experience is the mission of the Creole Nature Trail All-American Road;

Whereas the horrific experience and the devastating long-term effects of Hurricanes Katrina and Rita will play a major role in the history of the United States;

Whereas a science center of this caliber will educate and motivate young and old in the fields of meteorology, environmental science, sociology, conservation, economics, history, communications, and engineering;

Whereas it is only appropriate that the effects of hurricanes and the rebuilding efforts be captured in a comprehensive center such as a National Hurricane Museum and Science Center to interpret the effects of hurricanes in and outside of Louisiana; and

Whereas it is critical that the history of past hurricanes be preserved so that all people in the United States can learn from this history: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress supports and encourages the creation of a National Hurricane Museum and Science Center in southwest Louisiana.

AMENDMENTS SUBMITTED AND PROPOSED

SA 229. Mr. REID (for Mr. KERRY (for himself and Ms. SNOWE)) proposed an amendment to the bill H.R. 434, to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through July 31, 2007, and for other purposes.

SA 230. Mr. REID (for Mr. KERRY) proposed an amendment to the bill H.R. 434, supra.

TEXT OF AMENDMENTS

SA 229. Mr. REID (for Mr. KERRY (for himself and Ms. SNOWE)) proposed an amendment to the bill H.R. 434, to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through July 31, 2007, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. ADDITIONAL TEMPORARY EXTENSION OF AUTHORIZATION OF PROGRAMS UNDER THE SMALL BUSINESS ACT AND THE SMALL BUSINESS INVESTMENT ACT OF 1958.

(a) IN GENERAL.—Section 1 of the Act entitled ''An Act to extend temporarily certain authorities of the Small Business Administration'', approved October 10, 2006 (Public Law 109–316; 120 Stat. 1742), is amended by striking ''February 2, 2007'' each place it appears and inserting ''July 31, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on February 2, 2007.

SA 230. Mr. REID (for Mr. KERRY) proposed an amendment to the bill H.R. 434, to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through July 31, 2007, and for other purposes; as follows:

Amend the title to read as follows: ''An Act to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through July 31, 2007, and for other purposes''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, February 1, 2007, at 9:30 a.m., in open session to consider the nomination of General George W. Casey, Jr., USA, for reappointment to the grade of general and to be Chief of Staff, United States Army.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to hold a hearing during the sessions of the Senate on Thursday, February 1, 2007, at 10 a.m., in room 253 of the Russell Senate Office Building. The purpose of this hearing is to assess the communications marketplace.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to hold a hearing during the session of the Senate on Thursday, February 1, 2007, at 9:30 a.m. in room SD–G50 of the Dirksen Senate Office Building. The purpose of the hearing is to examine accelerated biofuels diversity, focusing on how home-grown, biologically derived fuels can blend into the Nation's transportation fuel mix.

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

COMMITTEE ON FINANCE

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Thursday, February 1, 2007, at 10 a.m., in 215 Dirksen Senate Office Building, to hear testimony on ''The Future of CHIP: Improving the Health of America's Children''.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 1, 2007, at 9:15 a.m., to hold a hearing on Iraq.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, February 1, 2007, at 9:30 a.m. in Room 485 of the Russell Senate Office Building to conduct a confirmation hearing on the President's nomination of Mr. Carl Joseph Artman, to be Assistant Secretary-Indian Affairs, U.S. Department of the Interior, to be followed immediately by a business meeting to approve the nomination of Mr. Carl Joseph Artman, to be Assistant Secretary—Indian Affairs, U.S. Department of the Interior.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. LEAHY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on February 1, 2007 at 2:30 p.m. to hold an open hearing.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. LEAHY. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, the Federal Workforce and the District of Columbia be authorized to meet on Thursday, February 1, 2007 at 2:30 p.m. for a hearing entitled, Private Health Records: Privacy Implications of the Federal Government's Health Information Technology Initiative.

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

PRIVILEGES OF THE FLOOR

Mr. KENNEDY. Madam President, on behalf of Senator INOUYE, I ask unanimous consent that floor privileges be granted for the remainder of the 110th Congress to Rachel A. Armstrong, a detailee from the U.S. Army Nurse Corps, who works alongside his staff on issues pertaining to Labor, Health and Human Services and Education and Defense Appropriations and issues pertaining to the continuing resolution.

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

EXTENSION OF CERTAIN AUTHORITIES OF THE SMALL BUSINESS ADMINISTRATION

Mr. REID. Mr. President, I ask unanimous consent that the Small Business

and Entrepreneurship Committee be discharged from further consideration of H.R. 434 and the Senate then proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 434) to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through December 31, 2007, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I understand there is an amendment at the desk. I ask unanimous consent that the amendment be considered agreed to; the bill, as amended, be read three times, passed; the motion to reconsider be laid upon the table; the title amendment be agreed to; and any statements relating to the bill be printed in the RECORD, without intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. Mr. President, it is my understanding that the authorization of these small business programs expires tomorrow. The bill before us, H.R. 434, was received in the Senate on January 18. I don't understand why the committee has waited until the day before the program expires to act. If we amend this bill and send it back to the House, they will not be able to act before these programs expire.

It is my understanding that if we allow this authorization to lapse, it will result in the dissolution of the SBA's Advisory Committee on Veterans Business Affairs. This committee serves veteran entrepreneurs by formulating, executing, and promoting policies that assist veterans seeking to start and develop small businesses. I cannot imagine why we would want to dissolve the committee designed to assist veterans who want to start their own small businesses.

Accordingly, I ask the Senator to modify the unanimous consent request to omit the Senate amendment and instead pass a bill clean so that it may go directly to the President for his signature.

Mr. REID. Mr. President, in responding to my friend, Senators KERRY and SNOWE, who are the chairman and ranking member of the Committee on Small Business, have indicated there are a lot of matters relating to small business jurisdiction that need to be completed forthwith. They are going to work on this next week and hope to have something done very quickly, but this gives them an opportunity to deal with the House, which, I am told, basically did not confer with them at all during the work they did over there, and they should have done that.

I say again, Senators KERRY and SNOWE understand the importance of this issue. They also know there are many other things depending on their raising this as an issue at this time.

Mr. MCCONNELL. Mr. President, if I may, I have been informed by Senator SNOWE, with all due respect to the majority leader, that is not her view. It may well be the view of Senator KERRY, but it is not the view of Senator SNOWE.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative proceeded to call the roll.

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

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

Mr. REID. Mr. President, we are checking at this time with Senator KERRY to see if we can work something out on this small business matter. In the meantime, we will move to another important issue that is before the Senate.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. I ask unanimous consent that the Senate proceed to executive session to consider the following nominations en bloc: Calendar Nos. 11 through 13; the nominations be confirmed en bloc, the motions to reconsider be laid on the table en bloc, the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

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

The nominations considered and confirmed en bloc are as follows:

UNITED STATES INTERNATIONAL TRADE COMMISSION

Irving A. Williamson, of New York, to be a Member of the United States International Trade Commission for the term expiring June 16, 2014.

Dean A. Pinkert, of Virginia, to be a Member of the United States International Trade Commission for the term expiring December 16, 2015.

SOCIAL SECURITY ADMINISTRATION

Michael J. Astrue, of Massachusetts, to be Commissioner of Social Security for a term expiring January 19, 2013.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

Mr. REID. Mr. President, we are glad we are able to clear three important nominations of the President.

HONORING THE LIFE, ACHIEVEMENT AND DISTINGUISHED CAREER OF THE REVEREND ROBERT J. DRINAN, S.J.

Mr. REID. I ask unanimous consent that the Senate proceed to the consideration of S. Res. 66.

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

The assistant legislative clerk read as follows:

A resolution (S. Res. 66) honoring the life, achievement and distinguished career of the Reverend Robert J. Drinan, S.J.

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

Mr. KERRY. Mr. President, today we pay our respects to a great son of Massachusetts who passed away on Sunday, an inspiration to me and a leader beloved by many, Father Robert Drinan.

In all his life's endeavors, from the church pulpit to the halls of Congress to the classroom, Father Drinan was guided by a firm and unwavering moral compass. He lived out in public life the whole cloth of Catholic teachings.

In religion and politics alike, he followed his sense that we are all put on this Earth for something greater than ourselves. Wherever he went, he was led there by a concern for the weak, the helpless, the downtrodden. In religion and politics alike, that was his calling.

And as he walked between these worlds, on a path unique in our Nation's history, he was always unmistakably and wonderfully true to himself.

Father Drinan was a forever gentle, resilient, tenacious advocate for social justice and fundamental decency. In the most divisive days of Vietnam, when things were coming apart, this incredible man, this most unlikely of candidates, showed America how a man of faith could be a man of peace.

As a politician, Father Drinan is best remembered for his spirited opposition to the Vietnam war. That's what brought him to Congress in the first place and it is how our paths first crossed. In 1970, after we first met as opponents in the Peoples' Caucus, I was honored to support, campaign, and to work with and learn from committed Democrats like Jerome Grossman, John Marttila, Tom Kiley, John Hurley, and Tom Vallely. Together, many of these committed activists would spend the next decades championing the great progressive causes that marked the Drinan campaign.

Father Drinan's slogan was ''Father Knows Best.'' I began studying law at Boston College—where Father Drinan had been the youngest law school Dean in the country—while he was down here, in Congress, making law, and making history.

Father Drinan's testimony against the war was remarkably powerful. He toured jails in Saigon and met a South Vietnamese politician there who had been jailed after placing second in an

election. In the religious language of just war doctrine and the plain language of common decency, he helped us to see the flaws of our policy in Vietnam and urged the Church to speak out with great moral authority.

And even before his own words found their way into FBI files, even before his own name made its way onto Nixon's enemies list, Father Drinan was a champion for dissent and he had a special understanding of the obligations of patriotism. He helped eliminate the House Committee on Un-American Activities, the scene of one of the Cold War's ugliest chapters. He met with famous Soviet dissidents like Sharansky and Sakharov and founded the National Interreligious Task Force for Soviet Jewry. Angered by the treatment of Soviet dissidents, he was the first Congressman to call for a boycott of the Moscow Olympics.

And he sought to hold the President of the United States accountable for his behavior. As a member of the Judiciary Committee, he questioned witnesses in the Watergate hearings. But even before then he became the first Congressman to urge the impeachment of President Nixon, not for the Watergate coverup but for the illegal bombing of Cambodia. That, he thought, was the far greater crime. ''Can we be silent about this flagrant violation of the Constitution?'' he asked. ''Can we impeach a president for concealing a burglary but not for concealing a massive bombing?''

After 10 years in Congress, Father Drinan was forced to choose between the two passions of his life: politics and the Catholic Church. He chose to remain in the priesthood and spent the rest of his life outside government as a passionate advocate for human rights and a much-loved law professor. ''As a person of faith,'' he said, ''I must believe that there is work for me to do which somehow will be more important than the work I am required to leave.''

As president of the Americans for Democratic Action, he traveled and spoke widely on hunger, civil liberties and the dangers of the nuclear arms race. He cofounded the Lawyers' Alliance for Nuclear Arms Control, and served as vice chair of the ACLU's National Advisory Council and a member of the Helsinki Watch Committee.

Father Drinan's life of political activism was in the best tradition of what it means to be a Jesuit—love of learning and a commitment to justice. Jesuits were among the first to speak out against the Vietnam war and later against illegal interventions in Central America. As a professor and an activist, Father Drinan lived the ideals of his faith.

Asked about his activism, Father Drinan once said ''it goes back to the fact that you're a Christian and a Jesuit. . . . It means you have to love each other and that you can't persecute people. You have to be compassionate to everyone in the world.'' It was as simple as that for him. When asked if he was planning to slow down in old age, Drinan recently told a reporter, ''Jesuits don't ordinarily retire. You just do what you do.''

His leadership helped give a new moral authority to the antiwar movement, and he was a mentor to a generation of Massachusetts politicians. People like BARNEY FRANK, who stepped into Father Drinan's congressional seat with big shoes to fill—and has spent the last 25 years there honoring Father Drinan's legacy with his own dogged fight for social justice.

Father Drinan leaves behind a sister-in-law, three nieces, over 6,000 adoring students, legions of supporters in the fourth district of Massachusetts, and those across the State and the Nation whose lives he touched.

Father Drinan once said, ''If people are really Christians, they are involved in life, and politics is part of life. I feel if a person is really a Christian, he will be in anguish over global hunger, injustice, over the denial of educational opportunity.'' It was the defining mission of his truly remarkable life.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid on the table, and any statements be printed in the RECORD.

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

The resolution (S. Res. 66) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 66

Whereas the Reverend Robert F. Drinan, S.J. was a talented scholar, who received a bachelor's degree in 1942 and a master's degree in 1947 from Boston College, a bachelor's degree in law in 1949 and a master of law degree in 1951 from Georgetown University, and a doctorate in theology in 1954 from Gregorian University in Rome, Italy;

Whereas Father Drinan entered the Society of Jesus in 1942, completed his seminary work at Weston College in Cambridge, Massachusetts, and was ordained as a Jesuit priest in 1953;

Whereas Father Drinan was an influential educator who served as the Dean of the Boston College Law School from 1956 to 1970 and transformed it into one of the leading educational institutions in the United States;

Whereas Father Drinan was elected in 1970 to represent Massachusetts in the House of Representatives;

Whereas Father Drinan represented Massachusetts in the House of Representatives from 1971 to 1981, the first Roman Catholic priest ever to serve in Congress as a voting Member;

Whereas Father Drinan, during his service in the House of Representatives, was an advocate for social justice, a fighter for civil rights, and a champion in the cause of international human rights;

Whereas Father Drinan drew on his legal expertise to make significant contributions in the areas of copyright law reform, consumer protection, and criminal justice;

Whereas Father Drinan renewed his commitment to education, after his service in Congress, as a professor at Georgetown University Law Center, where he specialized in constitutional law and human rights and taught more than 6,000 students;

Whereas Father Drinan was the founder and faculty adviser to the Georgetown Journal of legal Ethics and was the author of 12 books on major public policy issues;

Whereas Father Drinan was the recipient of 22 honorary degrees and was a visiting professor at 4 universities;

Whereas Father Drinan's service led the American Bar Association (ABA) to award him the ABA Medal in 2004, the organization's highest honor, given to individuals who make exceptionally distinguished contributions to the jurisprudence of the United States; and

Whereas Father Drinan's lifelong leadership in promoting greater awareness of the importance of international human rights resulted in 2006 in the establishment by the Georgetown University Law Center of an endowed chair in his honor, known as the Robert F. Drinan, S.J. Chair in Human Rights Law: Now, therefore, be it

Resolved, That the Senate—

(1) honors the life, achievements, and distinguished career of the Reverend Robert F. Drinan, S.J.;

(2) offers its appreciation for Father Drinan's devoted work on behalf of the thousands of Massachusetts residents he represented in the House of Representatives and the millions of people worldwide who benefitted from his human rights initiatives; and

(3) expresses its condolences to Father Drinan's family and friends.

DESIGNATING MARCH 2007 AS ''GO DIRECT MONTH''

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to consideration of S. Res. 67.

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

The assistant legislative clerk read as follows:

A resolution (S. Res. 67) designating March 2007 as ''Go Direct Month.''

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

Mr. REID. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid on the table.

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

The resolution (S. Res. 67) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 67

Whereas the Department of the Treasury issued 57,000 checks worth approximately $54,000,000 that were endorsed illegally in 2006;

Whereas the Department of the Treasury receives approximately 1,500,000 inquiries each year regarding problems with paper checks;

Whereas the use of direct deposit has resulted in more than $6,000,000,000 in savings for the Federal Government since 1986;

Whereas more than 12,000,000 social security and other Federal benefit recipients have yet to sign up for direct deposit;

Whereas the United States would generate approximately $120,000,000 in annual savings if all Federal beneficiaries used direct deposit;

Whereas the use of direct deposit is a more secure, reliable, and cost effective method of payment than paper checks because the use of direct deposit—

(1) helps protect against identity theft and fraud;

(2) provides easier access to funds during emergencies and natural disasters; and

(3) provides citizens of the United States with more control over their money;

Whereas the Department of the Treasury and the Federal Reserve Banks have launched ''Go Direct'', a national campaign organized to encourage the people of the United States to use direct deposit for the receipt of social security and other Federal benefits; and

Whereas, by working with financial institutions, advocacy groups, and community organizations, the sponsors of ''Go Direct'' are educating the people of the United States about the advantages of using direct deposit and assisting people during the enrollment process: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals and ideals of ''Go Direct'';

(2) designates March 2007 as ''Go Direct Month'';

(3) commends Federal, State, and local governments, and the private sector, for promoting March as ''Go Direct Month''; and

(4) encourages the people of the United States to—

(A) participate in events and awareness initiatives held during the month of March;

(B) become informed about the convenience and safety of direct deposit; and

(C) consider signing up for direct deposit of social security or other Federal benefits.

COMMENDING THE MISS AMERICA ORGANIZATION

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Res. 68, which was submitted earlier today.

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

The assistant legislative clerk read as follows:

A resolution (S. Res. 68) commending the Miss America organization for its longstanding commitment to quality education and the character of women in the United States.

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

Mr. REID. It is late, but everyone should know the Miss America Pageant is in Las Vegas this year.

I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid on the table.

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

The resolution (S. Res. 68) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 68

Whereas the Miss America Organization was formed in 1921;

Whereas, in 1945, the organization established a scholarship program to assist young women achieve their personal and professional goals;

Whereas contestants in the Miss America Pageant must first succeed in local and State pageants;

Whereas the 52 young women who participated in the Miss America Pageant showed great poise and accomplishment;

Whereas Lauren Nelson, of Lawton, Oklahoma, was crowned Miss America 2007, the sixth Oklahoman in history and the second in a row;

Whereas Oklahoma now joins only 2 other States in boasting 6 Miss America crowns and 3 other States in holding consecutive crowns; and

Whereas the Senate family is also proud of Kate Michael of Senator Johnny Isakson's office, who represented the District of Columbia in the Miss America Pageant: Now, therefore, be it

Resolved, That the Senate—

(1) commends the Miss America Organization for its longstanding commitment to quality education and the character of women in the United States;

(2) congratulates Miss America 2007, Lauren Nelson of Lawton, Oklahoma, the 80th woman crowned Miss America; and

(3) directs the Secretary of the Senate to transmit a copy of this resolution to Lauren Nelson in care of the Miss America Organization.

NATIONAL SCHOOL COUNSELING WEEK

Mr. REID. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 23, and that the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 23) designating February 5 through February 9, 2007, as ''National School Counseling Week.''

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

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

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

The resolution (S. Res. 23) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 23

Whereas the American School Counselor Association has declared the week of February 5 through February 9, 2007, as ''National School Counseling Week'';

Whereas the Senate has recognized the importance of school counseling through the inclusion of elementary and secondary school counseling programs in the reauthorization of the Elementary and Secondary Education Act of 1965;

Whereas school counselors have long advocated that the education system of the United States must leave no child behind and must provide opportunities for every student;

Whereas personal and social growth results in increased academic achievement;

Whereas school counselors help develop well-rounded students by guiding them through their academic, personal, social, and career development;

Whereas school counselors have been instrumental in helping students, teachers, and parents deal with the trauma that was inflicted upon them by hurricanes Katrina, Rita, and Wilma;

Whereas students face myriad challenges every day, including peer pressure, depression, and school violence;

Whereas school counselors are among the few professionals in a school building that are trained in both education and mental health;

Whereas the roles and responsibilities of school counselors are often misunderstood, and the school counselor position is often among the first to be eliminated in order to meet budgetary constraints;

Whereas the national average ratio of students to school counselors of 478-to-1 is more than double the 250-to-1 ratio recommended by the American School Counselor Association, the American Counseling Association, the American Medical Association, the American Psychological Association, and other organizations; and

Whereas the celebration of National School Counseling Week would increase awareness of the important and necessary role school counselors play in the lives of students in the United States: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of February 5 through February 9, 2007, as ''National School Counseling Week''; and

(2) encourages the people of the United States to observe the week with appropriate ceremonies and activities that promote awareness of the role school counselors perform in the school and the community at large in preparing students for fulfilling lives as contributing members of society.

HONORING PERCY LAVON JULIAN

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 34, at the desk and just received from the House.

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. 34) to honor the life of Percy Lavon Julian, a pioneer in the field of organic chemistry research and development and the first and only African American chemist to be inducted into the National Academy of Sciences.

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

Mr. REID. I ask unanimous consent that the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, without any intervening action or debate.

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

The concurrent resolution (H. Con. Res. 34) was agreed to.

ORDERS FOR MONDAY, FEBRUARY 5, 2007

Mr. REID. Mr. President, I ask consent when the Senate completes its business today, it stand adjourned until 2 p.m. Monday, February 5; on Monday, following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be

deemed expired, the time for the two leaders be reserved for their use later in the day; there be a period of morning business until 4 p.m., with Senators permitted to speak for up to 10 minutes each; and that during morning business, Senator BYRD be recognized to speak for up to 60 minutes; that at 4 p.m. the Senate resume consideration of the motion to proceed to Calendar No. 19, S. 470, the Iraq legislation.

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

Mr. REID. Mr. President, we are waiting to hear word on a small business matter.

In the meantime, I notice that the Senate overwhelmingly passed H.R. 2, the minimum wage legislation. I congratulate the floor managers for their excellent work. I congratulate the Republican leader for working with us to get this important piece of legislation passed.

PROGRAM

Mr. REID. On Monday, the Senate will conduct a rollcall vote on the motion to invoke cloture on the motion to proceed to S. 470 at 5:30, and that will be the first vote of the day.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

EXTENSION OF CERTAIN AUTHORITIES OF THE SMALL BUSINESS ADMINISTRATION—Continued

Mr. REID. Mr. President, we have been in touch with Senator KERRY's office today—in fact, just this minute—and he does say there is some confusion in this regard. He has spoken to Senator SNOWE. Because of this confusion at this time, I have no alternative but to seek adoption of the unanimous consent request regarding the small business matter that I enunciated some time ago.

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

The amendment (No. 229) was agreed to as, follows:

AMENDMENT NO. 229

(Purpose: In the nature of a substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. ADDITIONAL TEMPORARY EXTENSION OF AUTHORIZATION OF PROGRAMS UNDER THE SMALL BUSINESS ACT AND THE SMALL BUSINESS INVESTMENT ACT OF 1958.

(a) IN GENERAL.—Section 1 of the Act entitled ''An Act to extend temporarily certain authorities of the Small Business Administration'', approved October 10, 2006 (Public Law 109–316; 120 Stat. 1742), is amended by striking ''February 2, 2007'' each place it appears and inserting ''July 31, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on February 2, 2007.

The amendment (No. 230) was agreed to, as follows:

Amend the title to read as follows: ''An Act to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through July 31, 2007, and for other purposes''.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 434), as amended, was read the third time and passed.

Mr. REID. Mr. President, I appreciate the Republican leader bringing this to my attention. I personally will work on this tomorrow.

ADJOURNMENT UNTIL MONDAY, FEBRUARY 5, 2007, AT 2 P.M.

Mr. REID. Mr. President, if there is no further business to come before the Senate today, I ask unanimous consent the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 7:43 p.m. adjourned until Monday, February 5, 2007, at 2 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate Thursday, February 1, 2007:

UNITED STATES INTERNATIONAL TRADE COMMISSION

IRVING A. WILLIAMSON, OF NEW YORK, TO BE A MEMBER OF THE UNITED STATES INTERNATIONAL TRADE COMMISSION FOR THE TERM EXPIRING JUNE 16, 2014.

DEAN A. PINKERT, OF VIRGINIA, TO BE A MEMBER OF THE UNITED STATES INTERNATIONAL TRADE COMMISSION FOR THE TERM EXPIRING DECEMBER 16, 2015.

SOCIAL SECURITY ADMINISTRATION

MICHAEL J. ASTRUE, OF MASSACHUSETTS, TO BE COMMISSIONER OF SOCIAL SECURITY FOR A TERM EXPIRING JANUARY 19, 2013.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

LAWRENCE JOSEPH O'NEILL, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF CALIFORNIA.

VALERIE L. BAKER, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA.

GREGORY KENT FRIZZELL, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OKLAHOMA.