

oil companies had a record profit-making quarter. Second, there is \$73 billion in this budget to extend tax cuts for millionaires through 2012. I am not talking about tax cuts for people who make \$200,000 a year or \$300,000 a year. I am talking about for millionaires, \$73 billion. Maybe you think that is not so bad, \$73 billion for millionaires, until you realize the rest of the story that is contained in this budget.

In this budget, the President wants our veterans to spend as much as \$15 billion more for the health care they have been promised. According to McClatchy newspapers, this figure could be as high as \$15 billion. It is at least \$5 billion for additional enrollment fees in health care and additional pharmaceutical costs. Our veterans are being given a tax increase. They say it is not a tax increase; it is a revenue enhancement. This budget is filled with revenue enhancements, also known as user fees, also known as tax increases. So we have a tax cut in this budget for the millionaires, and we have taxes being raised on our veterans. We also have \$37.8 billion over 10 years for seniors to increase their Medicare premiums. Tax cuts for the millionaires; tax increases for our veterans and seniors.

Besides the seniors and veterans, who else will pay? Our children will pay through cuts in the health insurance program for children. There may be a little more money in this budget, but there is not enough money to cover the children who currently are covered under this program in the United States. Missouri is one of those States that has a shortfall in funding. If we do not fix the President's budget, we will be taking care of the millionaires, and tens of thousands of children will be removed from health care rolls in the State of Missouri.

The COPS Program is cut, law enforcement. College loan programs are cut.

I have heard in the last couple of years in my life the phrase "support our troops" as often as I have heard almost the words "good morning." I have heard it in this room dozens of times in the last few days, as people have argued about the war in Iraq and said, "You are not supporting our troops. You have to show that you support our troops."

This budget is the way we show whether we support our troops. Supporting our troops is not a phrase for a political campaign. It is not something to be bandied about to get political advantage, over which resolution we are voting on, or who looks better, the Republicans or the Democrats. It should be embodied in what we do as we decide the priorities for the money we spend on behalf of the American people.

In this budget, we have said to veterans coming home—and that we are talking about veterans under the age of 65—that they will have to pay more. That is being proposed at the same time we are walking around here right-

eously indignant that we are not doing enough to support our troops. In reality, the veterans of this Nation have been losing benefits throughout the Iraq war conflict. They have been fighting for their health care, fighting to see a doctor, and waiting in long lines. This budget is an opportunity to quit talking the talk and begin to walk the walk when it comes to the men and women who have put their lives on the line for our flag and for the country we love.

There are not very many veterans coming home from Iraq who are having sleepless nights, worrying about the estate tax on their \$10 million estates. There are not very many veterans coming home from Iraq who are worried about their capital gains tax on a multimillion dollar piece of property or their stock portfolio. But there are veterans coming home from Iraq who are having sleepless nights about their health care, about their children's health care, about their children's education, and about their retirement security.

This budget does not reflect that we care about those veterans and their sleepless nights. Let's make the phrase "support the troops" mean something other than trying to jockey for position in a political game of hardball. Let's get our priorities straight. Let's fix this deeply flawed budget for the American people, and let's begin by being honest about the budget.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

#### ORDER OF PROCEDURE

Mr. SMITH. Madam President, two of my colleagues came to the floor and asked that they be recognized. Out of courtesy to them, I ask unanimous consent that Senator ISAKSON be given 5 minutes and Senator CHAMBLISS be given 5 minutes, and that the time I have reserved be retained.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Georgia is recognized.

#### SCHIP

Mr. ISAKSON. Madam President, I rise to wholeheartedly endorse an amendment filed today prior to the 2:30 deadline, authored by Senator CHAMBLISS and coauthored by myself. The amendment relates to SCHIP, State Children's Health Insurance Program, and a crisis that exists right now, this minute, in 17 States in the United States of America.

As the occupant of the chair knows, SCHIP is a program where our most needy children are able to get health insurance. It is a 71-percent Federal Medicaid match. But unlike Medicaid, it is not an entitlement; it is an appropriated amount annually that is derived by a formula as the States get their benefit. What has happened this

year is that a number of States, with a number of children eligible for the program, have run out of their Federal match and it is capitated.

Also, a number of States have a significant surplus. What Senator CHAMBLISS has proposed, and what I am advocating, is an amendment we want to propose to the CR which would take that amount of surplus SCHIP money in States with more than 200 percent of their estimated need—take that amount above 200 percent and put it into a pool and reallocate it to those States that are falling short, so that through this fiscal year every child in America who has been promised children's health insurance can in fact get it.

It doesn't penalize any State that has a surplus because that is money they have not and will not use. It doesn't benefit any State who has abused the system. It is just that we have a number of States that have grown rapidly in their numbers. In Georgia alone, in the aftermath of Hurricane Katrina, we added 43,000 children immediately into our State's population, most all of whom remain today.

I know the CR amendment tree has been filled as of now. The distinguished majority leader has filled the tree, so there will be no room for amendments to the continuing resolution. I intend to vote tomorrow for cloture to allow us to complete this resolution and continue appropriations for this year. I hope the distinguished majority leader will think about the value of saving the SCHIP program this year.

I ask unanimous consent to have printed in the RECORD a letter that was distributed by the majority leader and the Speaker, written to the President of the United States, on February 2.

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

CONGRESS OF THE UNITED STATES,  
Washington, DC, February 2, 2007.

The PRESIDENT  
The White House,  
Washington, DC.

DEAR MR. PRESIDENT: We understand you plan to submit a request for emergency supplemental appropriations soon, which news reports indicate could exceed \$100 billion. As you consider the emergency needs of our nation, we respectfully request that you not forget the millions of low-income Americans who are insured under the State Children's Health Insurance Program (SCHIP). We ask that you submit a separate spending proposal to cover shortfalls in SCHIP for Fiscal Year 2007 which have been estimated to be \$745 million. Unless we act quickly to provide additional funds to this important program, we are putting the health coverage of thousands of Americans in jeopardy.

As you know, over 46 million Americans are without health insurance. We can ill afford to increase the rolls of the uninsured for failure to adequately fund a successful and efficient insurance program such as SCHIP. Yet we know that at least fourteen states will face a shortfall of SCHIP funds within months. The Governor of Georgia has written to us stating that "It is vitally important to our most needy citizens that Congress act expeditiously."

At the end of the last Congress, we were successful in including a provision to avert a

similar crisis, but unfortunately, we are again in need of another short-term solution. While we plan to work in Congress later this year to reauthorize SCHIP and address longer-term issues, it is essential that you work with us to again provide a short-term fix. The cost of filling the funding shortfall is minor in comparison to your other emergency requests.

SCHIP has become a vital part our safety net, providing health care coverage to millions of Americans who otherwise would be uninsured. Including funds to address fully the looming SCHIP shortfall would assure that states can continue to provide this important coverage while we work to address the longer-term success of the program.

Sincerely

HARRY REID,  
*Senate Majority  
Leader.*

NANCY PELOSI,  
*Speaker.*

Mr. ISAKSON. Madam President, they made my case better than I make it in this letter. Speaker NANCY PELOSI and Majority Leader HARRY REID say we must fix the SCHIP program and suggested that the President add that to the emergency supplemental on Iraq, which we are going to take up in April.

The problem with that is, my State of Georgia runs out of SCHIP money at the end of this month—maybe, at the latest, at the end of March. We are having to cut off new enrollees now and will soon send out the notices to 273,000 children. There will be no money for the remainder of the year after March to meet the obligations of SCHIP. That will take place in States around the country, North, South, East and West.

Think about it. If you have enough money here and everybody who had that money allocated has used all they need, and you don't have enough money over here, it is a simple accounting measurement to fix that in this interim time. Senator GRASSLEY and Senator BAUCUS have already committed, and Senators ROCKEFELLER and REID—all of us on both sides have all said we have to fix the formula; we will get to it toward the end of the year. But we can fix it in the interim to see to it that no child with health care under SCHIP loses that before we make the permanent fix.

I commend Senator CHAMBLISS, who is on the floor, on his leadership and this amendment. I ask the majority leader to give close thought to this issue that was referenced in his own letter of February 2. If there was one amendment that could go on the continuing resolution and would receive unanimous support in the Congress and in the Senate, it is the amendment authored by Senator CHAMBLISS and co-sponsored by myself. I ask the leadership to seriously consider allowing an opening on the amendment tree so that amendment can be passed and adopted, and children in Georgia and around the country will end up having the health care that they have been promised and that they deserve.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Madam President, first, I thank my dear friend from Oregon for letting us have some time here to talk about this issue that is so critical to 17 States, which my colleague so eloquently stated. I appreciate that.

I say to my colleague from Georgia, he and I have worked on this issue so closely together, and the authorship is a combination between the two of us. He has been very generous with his time on this issue and, most importantly, very generous with the thought process he always puts into the most difficult issues we face up here. Without Senator ISAKSON, we would not be where we are today on this amendment.

Today I wish to speak to a critical piece of legislation. It is my hope that this legislation will remedy a situation currently facing hundreds of thousands of hard-working families in Georgia who depend on the State Children's Health Insurance Program—or what we know as SCHIP.

In Georgia, some 273,000 previously uninsured children are now receiving health insurance provided by our State's Peachcare Program. Georgia is one of several States facing a projected funding shortfall for fiscal year 2007.

Last week, the Georgia Department of Community Health that runs Peachcare announced that it will stop enrolling new children into the program effective March 11, 2007.

Senator ISAKSON, Congressman NATHAN DEAL, and I have been working relentlessly with our Governor, the Centers for Medicare and Medicaid Services, Senator GRASSLEY, and the Finance and Budget Committees to find a short-term solution for the children of Georgia who are dependent upon this program. Unfortunately, to this point there has been no resolution.

Senator ISAKSON would like to introduce an amendment today to the continuing resolution that would redistribute fiscal year 2005 and 2006 funds from States that have an excess of more than 200 percent in Federal SCHIP funds to cover the shortfall for States in need for the remainder of fiscal year 2007.

Congress has already passed legislation in an attempt to continue to cover children in States that are running out of funding for SCHIP. H.R. 6164, which became public law on January 15, 2007, required a redistribution of SCHIP funds in an attempt to delay State shortfalls until May of 2007. The estimated remaining shortfall is approximately \$750 million for 14 States. According to recent estimates there is about \$4 billion in unspent funds which have accumulated in other States.

Hard-working Georgians who qualify for this program don't need to wonder how they are going to pay for their children's health care. We must bridge the gap so that these children can continue to be insured, and I hope the Democratic leadership will allow this amendment to be considered.

Time is running out on this funding issue for Georgia's children and chil-

dren in other States. The continuing resolution is an important funding vehicle that will allow us to solve this problem for the remainder of the year until Congress can reauthorize this program.

Georgia's Peachcare Program is providing health insurance to the children of hardworking Americans. They are the kids of the mechanic who works on your car at the local service station, the woman who checks you out every week at the grocery store, or the teacher who is providing your children with the basic knowledge they will use throughout their life. SCHIP programs are for the men and women who make too much money to receive Medicaid yet cannot afford to provide premium insurance for their children at the level of care that they need.

I read in the Atlanta Journal-Constitution recently about Sylvia Banks, a mother of 3 from Ringgold, GA, who is a parent that is concerned the Peachcare Program will soon run out of money. Her 13-year-old son, Benjamin, wears a \$7,000 insulin pump, and supplies for him are around \$300 a month, paid for by Peachcare. In a recent news article, Ms. Banks, whose husband is a minister, states, "We can't do without the insurance. We are taxpayers trying our best to earn an honest living. We are not trying to suck up the government's money. We see this as a benefit and blessing."

Peachcare, and other programs funded through SCHIP throughout the country, allow families to bridge the gap between Medicaid and high priced premium insurance that many families cannot afford.

The importance of this program is too vital to our country's working class not to find a solution to this problem, and find a solution soon.

Mr. President, let me just briefly read some excerpts from a letter written to President Bush from Majority Leader REID and Speaker NANCY PELOSI, who have echoed our sentiments about this critical funding issue:

As you consider the emergency needs of our Nation, we respectfully request that you not forget the millions of low-income Americans who are insured under the State Children's Health Insurance Program (SCHIP). We ask that you submit a separate spending proposal to cover shortfalls in SCHIP for fiscal year 2007 which have been estimated to be \$745 million. Unless we act quickly to provide additional funds to this important program, we are putting the health coverage of thousands of Americans in jeopardy.

As you know, over 46 million Americans are without health insurance. We can ill afford to increase the rolls of the uninsured for failure to adequately fund a successful and efficient insurance program such as SCHIP. Yet we know that at least fourteen States will face a shortfall of SCHIP funds within months. The Governor of Georgia has written to us stating that "it is vitally important to our most needy citizens that Congress act expeditiously."

The letter goes on to say:

SCHIP has become a vital part of our safety net, providing health care coverage to millions of Americans who otherwise would

be uninsured. Including funds to address fully the looming SCHIP shortfall would assure that States can continue to provide this important coverage while we work to address the longer-term success of the program.

So again, we have introduced our amendment today because Georgia's children are waiting. This is about them—our children. They are our Nation's future—and their health care needs must be met. The people in Georgia want a solution to this problem. Hard working Georgians and Americans across the U.S. don't need to wonder how they are going to pay for their children's health care. These are our middle class citizens who work to find a solution and that is what we have been doing and what we will continue to do.

I urge the Democratic leadership to allow consideration of this amendment, and I urge my colleagues to support this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

#### CONTINUING RESOLUTION

Mr. SMITH. Madam President, the role of the Federal Government is both a protagonist and an antagonist of Oregon, and what a desperate situation we are in. I say this because some have said to me that you cannot filibuster a continuing resolution, you will shut down the Government. My point back is that whatever it takes, maybe in getting the Federal Government to look over the abyss with me, it will understand how many Oregon counties are feeling at this critical hour.

Senator WYDEN and I are one on this issue. He is working the majority now, and I worked the majority in the 109th Congress. He will find it frustrating trying to get a focus on this issue that affects not just our State but so many others, but ours is affected disproportionately.

The Federal Government owns 53 percent of Oregon and 57 percent of our timberlands. As you know, local communities cannot tax the Federal Government. So the deal that was cut back at the turn of the last century was that, in lieu of taxes, local communities would get 25 percent of timber receipts and, with that, kids could go to school, neighborhoods could be safer, streets would be paved, and civilizations would be built in these timber-dependent, isolated areas, and you are talking about most of Oregon.

So my call tonight is to lay out before the American people the plight, the history, and the reason for my arguing now on this bill and the next bill but, frankly, if the 110th Congress doesn't solve this on the continuing resolution, or on the emergency supplemental, the pink slips that have already gone out will turn red, and there will be tremendous damage done to rural Oregon, which is most of Oregon.

So I pick up now, Madam President, where I was interrupted before by the

needs of others and at the request of the majority leader:

Think of railroads as the internet of America's Gilded Age . . . a totally transforming technology . . . that allowed people in the late 1800s to communicate and travel great distances faster, cheaper, and more efficiently than ever before. Nowhere was this transformation more profound than in the Pacific Northwest.

Prior to the completion of the transcontinental railroad in 1869, there were less than 130,000 American settlers residing in all of the Oregon country, including the Washington and Idaho territories. Communications were typically hand delivered documents. To transport them across the country, they first had to be carried to Missouri, probably by riverboat or wagon, and then carted cross country to the Pacific Coast.

Alternatively, they could be delivered by boat from the Atlantic Coast, sailing around the southern tip of South America, then up the Pacific Coast; or, as a third option, sailing from the Atlantic coast to Central America, crossing over the mountains to the Pacific Ocean, loaded back on board ship, and sailing up the Coast.

However it was done, the trip was lengthy, dangerous and expensive. Having the ability to ride a railroad from the Atlantic to the Pacific changed America dramatically and helped to stitch together a nation nearly torn asunder by a horrific Civil War.

Eastern railroads connected to Omaha, where the route to the West began. The Union Pacific route more or less followed the Oregon Trail west to Utah where it connected with the Central Pacific, ultimately reaching San Francisco.

Building the railroad, itself, transformed the West. Congress enacted various "land grant" programs, selling off vast amounts of land in the West, to both bring settlers and raise money, to help finance construction. Many of these new "sodbusters" were attracted west by the promise of cheap farmland. They fenced and plowed the prairie to start their farms. The railroads, in turn, hauled their crops to far away cities, in so doing also transforming what Americans ate.

As rail construction moved westward, crews and supplies were constantly moved out to the end of the line, settling there until the next section of road was completed. These new towns were soon filled with a "Wild West" brood of gunslingers, cardsharps, prostitutes, saloons and bordellos, gathered to separate the construction crews from their wages.

As the line moved further along, the railroad also moved its supply stop. Some of the older towns left behind survived, and a few even thrived, but most were abandoned. Residents wanting to move to the next stop were loaded onto railroad cars, along with their buildings, including the saloons and bordellos, and hauled to the new end of the line, giving birth to the expression "Hell on wheels."

Even with completion of the transcontinental railroad, the Pacific Northwest remained largely isolated. Supplies and communications still needed to be packed in by wagon from the nearest rail line in Utah, or brought by land or ship north from San Francisco.

Rivers were the highways of the Northwest, and Portland, located near the confluence of the Columbia and Willamette Rivers, became the gateway. Millions of dollars worth of gold and silver poured through Portland on its way to San Francisco from mines as far away as Montana and Idaho.

Settlers quickly learned that the thick forests of the Northwest could be logged, and much of the lumber, when shipped south to California, created gold of its own.

In 1859, when Oregon became the first Northwest state admitted to the Union, Portland's population was less than 800 residents. Ten years later it had grown to nearly 10,000. It all happened so fast that Portland became known as "Stumptown." Early residents logged the riverfront to create the new town, not bothering to remove the stumps. Instead, they simply painted them white, hoping they could be seen in the dark.

It didn't take long for Oregonians, and East Coast financiers, to figure out that a railroad from Portland to San Francisco could transform the Northwest economy, making a lot of money along the way, for its builders.

By 1866, two rail lines had started south from Portland, one on the west side of the Willamette River, and the other on the east side. Construction was very expensive. Neither line had the financial wherewithal to make much progress. Oregonians needed the deep pockets of Uncle Sam to help build their railroad.

The Union victory in the Civil War created a spending spree in Congress. Taking advantage of this postwar exuberance, Oregon Senator George H. Williams persuaded Congress to authorize construction of a rail line from Portland to the California border.

"The Oregon and California Land Grant Act of 1866" provided that railroad construction would be subsidized by a grant of 5 million acres of public land in alternating 640 acre sections extending like a checkerboard for 10 miles on each side of the proposed rail line.

While the Act left it up to the Oregon Legislature to decide who would build the railroad, it provided that the United States Department of the Interior, through its General Land Office, would sell the land to "actual settlers" in plots no bigger than 160 acres, at a price no more than \$2.50 per acre. The land turned out to be some of the richest timberland in the world.

That kind of government largesse naturally brought out less than the best in business and political interests. It wasn't long before the railroads were dominating the state legislature. Since, at that time, legislatures still selected U.S. Senators, Sen. Williams was soon replaced.

Previously proving his worth to the railroads as President of the Oregon State Senate, [Senator John Mitchell] would represent Oregon as U.S. Senator, off and on, for the next 20 years. During his entire time in public office, Mitchell was also on the payroll, as legal counsel, to both the Northern Pacific and the O&C Railroads. He was known to boast that what the railroads wanted, he wanted.

Williams, suddenly retired as Oregon's Senator, did not return directly to Oregon. Instead, he was appointed Attorney General by recently elected President Ulysses Grant.

He served in that capacity for six years until an opening occurred as Chief Justice of the U.S. Supreme Court, and Grant nominated his Oregon friend for the job.

Unfortunately for Williams, the national railroad scandals then rocking Congress, combined with increasing rumors of things not being quite what they should in Oregon, convinced the Senate not to confirm Williams. He returned to Portland to practice law, and ultimately was elected Mayor of the growing city.

Even with the O&C land grants, railroad promoters went broke several times before construction was finally completed 20 years later. By this time, the O&C Railroad was a part of the Southern Pacific line. The driving of the mandatory "golden spike" near Ashland, Oregon in 1887 linked Portland to San Francisco at last.

To help pay for the lengthy construction, the federal government, through the Interior