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House of Representatives

The House was not in session today. Its next meeting will be held on Monday, October 1, 2007, at 12:30 p.m.

Senate

FRIDAY, SEPTEMBER 28, 2007

The Senate met at 10:30 a.m. and was called to order by the Honorable SHERROD BROWN, a Senator from the State of Ohio.

PRAYER

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

Let us pray.

Eternal Spirit, guide our lawmakers today as they seek to do Your will. Deliver them from anger and envy, from harsh thoughts and unlovable actions. Use them to make a better world. Remind them that You are the only constituent they must please, for You are the Sovereign God. Inspire them to decrease that You may increase and illuminate our world with Your glory. Give them the wisdom to seek You often in prayer with grateful hearts. Lord, guard their hearts and minds with Your peace. Help them to turn their struggles into stepping stones that will glorify You. We pray in Your holy Name. Amen

PLEDGE OF ALLEGIANCE

The Honorable SHERROD BROWN 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 legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 28, 2007.

To the Senate:

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

ROBERT C. BYRD,
President pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, the Senate will begin consideration shortly of the Department of Defense authorization bill. Last night cloture was invoked on the substitute amendment. Therefore, amendments in order need to have been timely filed and be germane.

There will be no rollcall votes today, but the managers will be here to process amendments. Senator KENNEDY is here to talk about the first amendment.

The next vote will occur Monday beginning around 5:30 in the evening. This week has been a very busy week, and the Senate has successfully concluded action on a number of very important measures. Mr. President, next

week we are going to, as soon as we finish this bill, the Defense authorization bill—which will be sometime Monday night—move to Defense appropriations. Senators INOUE and STEVENS have been advised of that. They will start early Tuesday morning. We hope to complete that bill within a couple of days.

The next bill we will take up prior to our October recess will be the Commerce-Justice-State appropriations bill. If we can finish those two bills, and I think we have a real opportunity to do that, we will have completed 6 of the 12 appropriations bills.

The House has completed all of theirs. I have had a number of conversations with Chairman OBEY, with the Speaker, in an effort to get these bills—as many as we can, as soon as we can—to the President.

As you know, there is a controversy with the President over his threats to veto all of these bills. We hope he will see the wisdom of moving forward on these appropriations bills, as we hope he will on the Children's Health Insurance Program which passed overwhelmingly yesterday.

I would say that last year, for example, the President accepted bills from the Republican-dominated Congress that were \$55 billion over what he suggested. This year we are at \$21 billion and none of that is extravagant spending. Most of it are things he has cut out of the budget, so it would only keep up with inflation. For example, with the tremendous rise in crime we have all over America today—we have had a jump this last year like we have not seen in recent decades. Aggravated

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



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crimes are up significantly, and we have a situation where we are putting in this legislation—I have talked about these appropriations bills—\$1.5 billion to make up for what we took out of the COPS Program. We have 100,000 less police officers on the street than we did. That is a result of the cuts of the President. So we hope he will see the light and do the right thing in regard to the appropriations bills.

But I very much appreciate the cooperation we received from the Republicans with our appropriations bills to this point. We have not had great difficulty with those bills. We all know we should have gotten to them sooner, but we have had 48 filibusters we have had to deal with this year which have slowed things down significantly.

MEASURE PLACED ON THE CALENDAR—H.R. 2693

Mr. REID. Mr. President, H.R. 2693 is at the desk and due for its second reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2693) to direct the Occupational Safety and Health Administration to issue a standard regulating worker exposure to diacetyl.

Mr. REID. Mr. President, I would object to any further proceedings at that time.

The ACTING PRESIDENT pro tempore. Objection is heard.

Without objection, the bill will be placed on the calendar.

Mr. REID. Mr. President, this bill deals with something that has developed. We would never dream we would be working on it, but it appears to be very important. We have had a lot of deaths and people getting sick, the popcorn workers in America, which is a huge industry. We are going to try to see if we can set some standards so people do not get sick by virtue of working around popcorn.

RESERVATION OF LEADER TIME

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2008

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 1585, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1585) to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

Pending:

Nelson (NE) (for Levin) amendment No. 2011, in the nature of a substitute.

Reid (for Kennedy) amendment No. 3058 (to amendment No. 2011), to provide for certain public-private competition requirements.

Reid (for Kennedy) amendment No. 3109 (to amendment No. 3958), to provide for certain public-private competition requirements.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, the distinguished chairman, Senator LEVIN, and I are prepared to go forward with any amendments. We are anxious to have Members bring those amendments to the floor.

At this time, I see one of my colleagues seeking recognition.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the late Arthur Helton, perhaps our country's greatest advocate for the rights of refugees, wrote:

Refugees matter . . . for a wide variety of reasons. . . . Refugees are a product of humanity's worst instincts, the willingness of some persons to oppress others, as well as some of its best instincts, the willingness of many to assist and protect the helpless. . . .

A year after he wrote those words, Arthur Helton was killed in Baghdad in 2003 when a bomb destroyed the U.N. headquarters in Iraq. His words still resonate today, especially when we consider the immense human cost of the war in Iraq and its tragic effect on the millions of Iraqis—men, women, and children—who have fled their homes, their country, to escape the violence of a nation at war with itself.

These brave and heroic Iraqis work with the American military, staff our embassy, and work with American organizations to support our mission in Iraq. They are among the 4 million Iraqi refugees who have been forced from their homes. They are the people we have an obligation to help.

Instead of protection, we have offered them bureaucracy and doublespeak, false words and dubious hopes. Despite the overwhelming need, the U.S. has resettled less than 2,000 Iraqis this fiscal year. Last night, the Senate acted and stood up to help Iraqi refugees.

I thank Senator LEVIN and Senator MCCAIN for adopting our amendment, the Refugee Crisis in Iraq Act of 2007. I thank Senator WARNER as well. This was cosponsored by a bipartisan group of Senators: Senators SMITH, LEVIN, HAGEL, BIDEN, BROWNBACK, LIEBERMAN, LEAHY, SNOWE, DURBIN, VOINOVICH, FEINSTEIN, COLLINS, OBAMA, DOLE, MENENDEZ, MIKULSKI, and CLINTON.

The need is especially urgent for those whose work for the United States has put them in danger. Because they supported us, insurgents have repeatedly threatened to kill them. Many have lost their homes, their property, their livelihoods. They face ongoing threats every single day. Some have fled the country and are waiting in refugee camps, and others are in hiding. All of them hope the United States will not forget their sacrifices.

Still others have tried to flee, only to be stopped at the border, trapped in a

country that cannot protect them, abandoned by a country, our country, that they believed would set them free. Others continue their work, living in fear of the day that the insurgents punish them for working for Americans. They are women such as Sarah, whose husband worked as an interpreter for the coalition forces in a combat hospital. Although he kept his job secret, insurgents discovered his identity. They broke into his family home, kidnapped her and released her only after torturing and raping her.

The family fled to a neighboring country where they have waited for almost a year in the hopes of qualifying for refugee status. Sarah's husband has been forced to return to Iraq. Each day that passes without assistance brings the rest of the family closer to an involuntary return to Iraq.

She wrote: Dear gentlemen: I put my suffering between your hands as my hope in you is great that you will hear our calling.

And there are men such as Sami who worked for USAID. He received several death threats, one in the form of a blood-soaked bullet sealed in an envelope. Sami resisted on, despite the threats, in order to help improve local governments and strengthen civil society.

In June 2006, a group of men armed with machine guns attempted to kidnap his pregnant wife and 2-year-old son outside their home. The attack was thwarted, but his wife nearly miscarried and his son suffered prolonged shock. Sami and his family fled to Jordan where they live day to day waiting for the labyrinthine process to rule on their refugee case. Our Government owes these Iraqis an immense debt of gratitude. Many American employees owe their lives to those Iraqis.

Despite the clear and present danger many Iraqis face based on their ties to the United States, their religious affiliation, or their work with media, non-governmental and humanitarian organizations, the vast majority of Iraqi refugees must go through a long and complicated referral process of approximately 8 to 10 months, in which the United Nations serves as an intermediary. There are no provisions for conducting refugee screenings within Iraq as there should be.

In a recent cable, Ambassador Crocker asked the administration to reconsider its practices. He estimates that under the current practices it would take more than 2 years to process the over 10,000 referrals made by the United Nations. As Ambassador Crocker noted:

Clearly, this is too long. Refugees who have fled Iraq continue to be a vulnerable population while living in Jordan and Syria.

Ambassador Crocker asked for the authority to process refugees in Iraq. He asked for the authority to provide special immigrant visas for those who have worked in good faith with our Government in Iraq. He asked to expedite the processing of refugee claims to

save lives. Surely, we can all agree with Ambassador Crocker that delay is unacceptable. But we must clearly do better by these Iraqis who have sacrificed so much for the United States.

The amendment approved by the Senate last night will cut through the red-tape. It requires the Secretary of State to establish a refugee processing program in Iraq and in countries in the region for Iraqis threatened because of their association with the U.S. Government.

Those Iraqis who worked with our Government will be able to apply directly to the United States in Iraq, rather than going through the United Nations referral system outside Iraq. It authorizes 5,000 special immigrant visas yearly for 5 years for Iraqis who have worked for the U.S. Government in Iraq and are threatened as a result. It also allows Iraqis in the United States who have been denied asylum because conditions in Iraq changed after Saddam Hussein's government fell to have cases reheard.

Surely, we cannot resettle all of Iraq's refugees in the United States, but we need to do our part. America has a special obligation to keep faith with the Iraqis who now have a bull's eye on their back because of their association with our Government.

I had the honor of meeting SGT Joseph Seemiller, a young man who is haunted by the military motto: Leave no man behind. Sergeant Seemiller is dedicated to helping the translator he was forced to leave behind in Iraq. On countless occasions, his translator helped to avoid several American and Iraqi casualties. He braved innumerable death threats and the horrific murder of his brother, finally fleeing to Syria where he has waited for more than 2 years for a chance to be resettled in the United States.

Those words haunt us all. I am delighted the Senate has taken this important step to honor our commitment to the brave men and women whose lives are at risk.

Mr. LEVIN. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. LEVIN. I commend Senator KENNEDY on his leadership on the issue he has been talking about. We have a great responsibility, particularly to those people in Iraq who have helped us—translators, truck drivers, people who put their lives and the lives of their families on the line to help us. Whether you agree with American policy in Iraq—and I don't—whether you feel we ought to have gone there—I thought it was a mistake and so voted—we are there. People are putting their lives on the line to help our troops and us. We surely owe them an opportunity to become refugees if they otherwise qualify. Instead they run into the hurdles, barricades, and bureaucracy Senator KENNEDY talked about. He has taken a very important lead on that issue. There has been a lot of bipartisan support on this effort.

There is another group I have been particularly worried about; they are re-

ligious minorities in Iraq, including Caldeans and Assyrians. These are Christians caught in the crossfire. That group is also given a special preference in this legislation which was adopted last night. It is a modest beginning toward carrying out our responsibility—and we bear some real responsibility as well as obligation—for some of these folks. It is a very small step. I wish to say Senator KENNEDY has been relentless on this refugee issue. It was off the radar. Millions of people displaced inside Iraq, 2 million people outside Iraq who are refugees, 4 million Iraqis left their homes, half to other places in Iraq, half, roughly, to other countries in the region. These groups are so vulnerable. We must take action on it. We did last night. I thank and commend Senator KENNEDY and Senator BROWNBACK, who has been working with me particularly on these religious refugees, these minorities, and, of course, Senator WARNER and the Republicans who worked to put this package together last night—all are entitled to our thanks but mainly Senator KENNEDY.

Mr. WARNER. Mr. President, if I might add, on our most recent trip visiting Iraq, you went out of your way—as a matter of fact, I joined you—in not only meeting with representatives of these Christian minorities who had been persecuted through the years, but then we included a trip into Jordan, where we also made some assessment of the refugee situation over there. I think some credit goes to our chairman for his personal initiatives.

Mr. LEVIN. I thank the Senator. Of course, as my partner on these trips, the Senator from Virginia was a very important part of that and added his prestige to the effort. I thank him for mentioning it but also for his participation.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I know we wouldn't be able to have made progress unless we had the strong support of both the chairman and ranking member of the Armed Services Committee. I am very grateful to them. This has been a strong bipartisan effort. It is important. We want to work with the Department and the agencies to make sure it is implemented correctly. I am appreciative of their continuing involvement in caring about these individuals. You could hear both of them speak about this measure and know they are involved, and they care very deeply about our responsibilities. We are enormously grateful to them for including this in the legislation.

AMENDMENT NO. 3058

I wanted to address the Senate for a few minutes on the underlying and pending amendment. At this critical time, when we face major challenges in our national security, America relies more than ever on the Department of Defense and its dedicated employees at home and abroad. More than 675,000 civilian workers serve our country every

day repairing planes, ships, tanks or overseeing the storage and distribution of vital weapons and supplies. These hard-working Americans are the backbone of our commitment to keep our troops safe and protect our Nation. But these vital civilian employees of the Department of Defense have been under sustained attack from the Bush administration. Instead of honoring and fairly rewarding their patriotic service, the administration has gone on a binge of outsourcing, forcing Federal workers to fight to keep their jobs in a competition where the deck is stacked against them.

The Department of Defense has been an aggressive accomplice to the administration's effort. More than 121,000 civilian Defense employees could lose their jobs in the next 3 years. In fact, these employees are more likely to lose their jobs than employees of any other Federal agencies. Ill-advised outsourcing has not only hurt the DOD employees who are deprived of their jobs and benefits; it also has a massive impact on our brave men and women in uniform. Our Armed Forces deserve the very best workers supporting them. They also deserve the opportunity to continue serving their country after they come home from the battlefield. Thirty-five percent of civilian Defense employees are veterans. These loyal Americans deserve to be commended and cheered for choosing to continue to serve their country when they return home. Yet the administration is bent on taking their opportunity away from them, and from Americans currently serving overseas as well, by outsourcing their jobs.

At the very least, we owe these patriotic Americans a fair chance to compete for important work. But the administration's irresponsible outsourcing rules are heavily biased against Federal employees. The point, it is insidious. The rules are different for contractors than for Federal workers. Private companies get advantages that dedicated Federal workers do not. The current system is designed to promote outsourcing, even when it doesn't save money. One of the most appalling roadblocks preventing fair competition is the unjust advantage contractors gain by shortchanging workers' health and retirement benefits. At a time when 47 million Americans don't have health insurance and only one in five Americans has a secure retirement plan, we should be doing all we can to encourage more companies to provide fair benefits to their employees. But current Federal contracting rules actually discourage private companies from providing health coverage or helping employees to save for retirement.

Firms that provide no benefits or inadequate benefits win bids to perform Government work, even when the cost savings from their bid are attributed solely to the fact that they are shortchanging workers. We understand that. These veterans have served in the Armed Forces. They come back, are

working in the Defense Department. More than a third of all workers have served, been in the military, served our country. Now they are working. Because they are working for the Defense Department, they get health insurance and some retirement benefits. Now a contractor comes in and says they want to bid for a particular job. In the bidding process, the Government has to add the cost of retirement and their health insurance, while the private contractor provides no health insurance and no security for these workers in terms of pensions. They have some obvious advantage in what is now a rush to the bottom, constantly outsourcing and winning contracts.

This is unfair. Our amendment, spoken to brilliantly last evening by Senator MIKULSKI, says, let's exclude those and have real competition. Let's take the fact that they have health insurance and have retirement benefits off. Let them compete and have real competition for this work. We know in circumstances where they have that real competition, these workers will win the jobs.

The unfair practice creates a dangerous race to the bottom in which the private sector companies compete against each other to see who can provide the fewest benefits to their workers. It penalizes companies that want to do the right thing. As a result, the bidding process is actually increasing the number of Americans whose health and future security are in jeopardy. That is irrational and unconscionable. It is patently unfair to the thousands of Federal employees who lose their jobs every year because of irresponsible contractors. Workers should not be unfairly disadvantaged and lose contracts simply because they receive decent benefits. Each and every Member of Congress has good health insurance. Each and every Member of Congress has a secure retirement. Americans who serve our country in the Defense Department deserve the same.

One of the key protections in the fair competition amendment corrects this injustice. It prevents contractors from winning bids to perform Government contracts solely because they provide inadequate benefits or no benefits at all. The Department is instructed not to consider health care and retirement costs in comparing contract bids. The winners of competition should be employers who operate more efficiently, not employers who provide the fewest benefits. The amendment does not dictate the benefits that employers must provide. It does not state the benefits employers have to provide or require contractors to modify their existing benefits. All it does is eliminate the perverse incentive that discourages contractors from providing fair benefits and give Federal employees a fair chance to prove they are the best workers for the job.

It is a realistic solution to improve the process of public-private competition, and it has bipartisan support. The

health care provisions have been a part of the appropriations legislation for years and a bipartisan Kennedy-Hatch amendment, providing the same treatment for retirement costs, was accepted on the Defense appropriations bill last year. Members on both sides of the aisle recognized it is not good policy for the Government to shift work from the public sector employees to private sector employees solely because it is cheaper to deny health and retirement benefits to employees. The fair competition amendment contains other important protections to level the playing field for civilian Defense employees in public-private competition. It allows Federal employees to appeal unfair privatization decisions, as contractors can do now. We are making sure those employees have the right to appeal. It allows managers to extend a contract when Federal employees perform well, as they can for private contractors under law. It prohibits the use of outsourcing quotas so agencies aren't forced to such privatization against their will. It ensures that outsourcing will occur only when it produces real savings to taxpayers. Shouldn't that be the criteria? Shouldn't that be the test, real savings, quality work for the taxpayers?

It calls on the Department of Defense to stop dragging its feet and issue long overdue guidelines so civilian employees have a fair opportunity to compete for new work or work that has been outsourced incorrectly or unfairly in the past. This amendment is about fairness. Americans understand fairness—fairness to the taxpayer, fairness to civilians, fairness to Government workers, fairness to our men and women in uniform who deserve the very best possible support for their missions at home and abroad.

I urge my colleagues to support the fair competition amendment.

I will take a moment to demonstrate what the challenge has been. Competition: in 2004, 10 percent of the jobs were lost; 29 percent in 2005. This is the projection for 2006 and 2007. It is a real crisis for many workers. This says thousands of veterans could lose their jobs under the Bush outsourcing rules. Thirty-four percent of civilian Defense employees are veterans. Our amendment ensures that these 226,000 dedicated Americans who have served our country will not lose their jobs because of unfair outsourcing. That is what this amendment is basically about. This is the issue. We are looking at fairness—fairness for the taxpayer, fairness to those who have served our country as men and women in uniform and now are serving in the Defense Department, fairness to them, fairness to the civilian employees, and, most of all, fairness to the men and women in the services who deserve to have the best trained, highly skilled, highly motivated workers working on the various products that are necessary to keep our Nation secure.

They deserve the best. We want the best. This decision ought to be based

upon the best and not about who can provide the least health benefits to workers in this country. That is the issue. The issue is fairness. Hopefully, this amendment will be accepted.

I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

Mr. WARNER. 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.

Mr. WARNER. Mr. President, Senator REED and I have talked with our colleague Senator SANDERS. He has two very laudable amendments. It is our hope we can work through these amendments, but they do relate to the responsibilities of other committees of the Senate, primarily the Veterans' Affairs Committee and the Appropriations Committee.

I think we have agreed that our distinguished colleague from Vermont would have an opportunity this morning to discuss these amendments to make a case in the CONGRESSIONAL RECORD for use by many on Monday as we further assess the amendments should they actually be brought up before the body and acted upon. I would ask Senator REED if that is a fair appraisal of the situation?

Mr. REED. Yes, it is.

Mr. WARNER. Is that agreeable to the Senator from Vermont?

Mr. SANDERS. Yes, it is. I thank the Senator very much.

Mr. WARNER. So the status on the floor is the Defense bill is pending and there is an amendment at this time, and there is no request at this time to set aside that pending amendment.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

AMENDMENT NO. 3082

Mr. SANDERS. Mr. President, let me thank Senator WARNER very much for his consideration, and Senator REED, Senator LEVIN, and Senator MCCAIN. I ask unanimous consent that the pending amendment be set aside, and that the Sanders-Byrd-Burr-Bond-Webb-Feingold amendment No. 3082 at the desk, and later the Sununu-Kerry-Brown amendment at the desk, No. 2905, be called up.

Mr. REED. Mr. President, could I make a parliamentary inquiry?

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. REED. I think the Senator from Virginia suggested that the amendment is pending, so that the Senator from Vermont would not be requesting to set it aside; he just wants to speak to his amendments.

Mr. SANDERS. That is correct.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

Mr. SANDERS. Mr. President, let me begin by discussing amendment No. 3082. I appreciate the opportunity, and I look forward to working with Senator WARNER and others early next week on this issue.

The amendment I am offering, along with my colleagues Senators BYRD, BOND, BURR, FEINGOLD, and WEBB, would authorize \$15 million in funding for gulf war illnesses within the Department of Defense's congressionally directed medical research programs. These funds would go to a peer-reviewed research program open to researchers inside and outside of Government, focusing on the chronic effects of neurotoxic exposures, body functions underlying the illnesses, and the identification of treatments. This funding level matches the funding level that is included in the Defense appropriations bill passed out of the committee a few weeks ago.

This research is done by the Congressionally Directed Medical Research Programs, which is a research organization focused on finding and funding the best research to eradicate diseases to protect the health of current, future, and former members of the Armed Forces, while also benefiting the overall health of the American public. Importantly, a few days ago, as a member of the Senate Veterans' Affairs Committee, I can tell my colleagues that we had a very interesting hearing where we heard from the colonel at the DOD who runs this program using the \$5 million appropriated by Congress last year to them, and the colonel described what has been happening. She reported to us that there was a great deal of interest in the initial solicitation for research proposals. They received 80 proposals. They recently granted \$4.4 million to nine researchers from prestigious academic institutions across the country to find treatments for gulf war illnesses.

The truth is, this is an issue that I and many others in Congress have been working on for many years. The reality is that in the first gulf war, as a result of service in the first gulf war, we have today well over 100,000 soldiers who are suffering—veterans who are suffering from a myriad of illnesses which we call gulf war illness. Some of these illnesses reflect themselves as fibromyalgia. Some people have headaches. Some people have short-term memory loss. Some people have gastrointestinal problems. We heard testimony from a young woman whose life, as a result of her service in the gulf, has been radically changed and her health has significantly deteriorated. There is a great deal of evidence that many of the children born to those men and women who served in the gulf, including this particular woman, were born with significant problems and disabilities.

I would be less than honest if I did not say that substantial sums of money went to the DOD and the VA—and believe me, as a member of the Govern-

ment Reform Committee in the House, I spent dozens of hours—dozens of hours—along with Representative CHRIS SHAYS of Connecticut listening to testimony. I have to tell my colleagues that from many people in the veterans organizations, there was extreme frustration with the actions of the VA and the DOD; that, in the very beginning of this process, refused to even recognize the problem, and then what they said is: Well, maybe it is a psychological problem. There was a widespread feeling that the VA and the DOD were not responding to the real problems impacting tens and tens of thousands of our soldiers who returned.

We have an obligation. Obviously, right now, all kinds of attention is being paid, appropriately enough, to our soldiers who come home from Iraq, who come home from Afghanistan. We are worried about TBI, traumatic brain injury; we are worried about post-traumatic stress disorder, and we should be. But we cannot in good conscience turn our backs on the tens and tens of thousands of soldiers who today are suffering from their service in the first gulf war. They are hurting.

The good news is there is now a line of research being developed through the DOD organization that I mentioned before, and that is the Congressionally Directed Medical Research Program that is beginning to have some results. Without going into great medical and scientific analysis, what they are beginning to find is that as a result of the extremely toxic theater that existed in the gulf war, including burning oil wells, bromide given as an anti-nerve gas agent, DEET being used to protect soldiers from mosquitoes, and of course the sarin released into the air, what researchers are now beginning to find is that there appears to be brain damage that is the cause of some of the symptoms our soldiers are seeing, and we are beginning to see more, very promising research in this area.

My concern is if you talk to the veterans of the gulf war, they will tell you that there is a very high level of frustration about the huge amounts of money being spent by people who didn't even acknowledge or appreciate the pain our soldiers were experiencing. So what this amendment does is focuses research into those areas where we are already seeing some significant progress. That is what this amendment is about. I look forward to discussing this issue further with the members of the relevant committees when we return next week. That is one of the amendments we are working on.

AMENDMENT NO. 2905

The other amendment is amendment No. 2905, which deals with a very immediate crisis. The former amendment deals with what happened 16 years ago. This is an amendment dealing with the problem we are seeing today. I don't have to tell anyone in this body that the studies are very clear that we are likely to see a record-breaking level of post-traumatic stress disorder coming

from service in the theater in Iraq. It appears at this point, based on several studies I have read, that the numbers will be a lot higher than Vietnam, and God only knows that Vietnam was high enough. I think the evidence is pretty clear that we did not do a good job in addressing the post-traumatic stress disorder of those soldiers who came home from Vietnam.

Now, what this amendment does is it would create a \$30 million pilot project—and I should indicate this amendment is supported by Mr. SUNUNU of New Hampshire, Mr. KERRY of Massachusetts, and Mr. BROWN of Ohio, the sitting Presiding Officer. It builds on a program, a small program we developed in the State of Vermont. Here is what the issue is.

We can put zillions of dollars into research and into treatment for PTSD, but it will only do a limited amount of good if we don't bring those soldiers who are hurting into the facilities and into the counseling for them and their families that could provide help. I can tell you that in a rural State such as Vermont, where you have people from the National Guard who do not have the active-duty military infrastructure, a lot of these men and women will come home from Iraq, they will return to their small towns, and they will be hurting, their kids will be hurting, their wives will be hurting, and they are not going to stand up and say: You know what. I am having nightmares or when I go through a tunnel, I am having a panic attack.

That is not what they are going to do. They are going to sit home and suffer and not know how to reach out for counseling. Some of them will be embarrassed; that is part of the problem.

The history of the VA and the DOD is not good in knocking on doors and reaching out. What we have done in Vermont, working with the National Guard, in cooperation with the VA, is we established what we call a door-knocking program where we have men and women who have served in Iraq who are going into our communities and knocking on doors, sitting down and having a cup of coffee, talking to the families, asking them how things are going. The conversation might be: My husband hasn't been able to sleep. Oh, really. And they have that discussion. It is reaching out. The problem they may be having is a problem that may be experienced by tens of thousands of other people who went to Iraq. That is what this program is about.

Some people say the VA has done a good job historically in outreach, but I don't believe that. I offered an amendment when I was in the House to counteract a rule that said the VA cannot do any outreach at all. So we have a major problem called post-traumatic stress disorder. Part of the problem is people are not going to stand up and say: I am hurting, how can I get help? I think the answer, to some degree, is to have people who served in Iraq knock on doors, and maybe they are

dressed in blue jeans, maybe they are not, but to come in an unofficial and informal way, sit down, have a cup of coffee, and try to assess what is going on.

I appreciate the support of the Presiding Officer for this amendment, as well as others in the Senate. It is a very important amendment. I believe we owe it to our soldiers. I look forward to continuing this discussion early next week with my colleagues.

With that, I yield the floor.

Mr. LEVIN. Mr. President, let me just, first, thank the Senator from Vermont for his willingness to work over the next couple of days to see if we can figure out a way to address the issues, which are very important issues, that his amendments incorporate. I commend him also on his extraordinary commitment to the veterans of both wars—the ones we don't reach, as well as the ones we know about.

We are going to work with him over the next couple days to see if there is a way to work these amendments out. I appreciate his willingness to hold off offering them.

Mr. SANDERS. Mr. President, I thank the Senator from Michigan. I know his heart is in the right place. He will agree that we can spend zillions of dollars, but it doesn't do any good if it doesn't reach the people we want to reach. And we cannot turn our backs on people who fought in another war which is not in the newspaper today.

Mr. LEVIN. The American people are divided on the war, but they are not divided on supporting our troops and our veterans who fought in former wars. This unites the American people. I commend the Senator for that feeling and the strong identity he has with the men and women who have represented this country and put their lives on the line and are now hurting.

I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

Mr. LEVIN. 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.

Mr. WARNER. Mr. President, can we determine from the Presiding Officer the pending matters? Are we in morning business?

The ACTING PRESIDENT pro tempore. No. The Senate is debating the bill, H.R. 1585. Pending is the Kennedy amendment.

UNANIMOUS CONSENT AGREEMENT—H.R. 2640

Mr. LEVIN. Mr. President, on behalf of Senators LEAHY and SCHUMER, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 2640 and that the Senate proceed to its immediate consideration; further, I ask that a Leahy-Schumer substitute amendment at the desk be agreed to, the bill, as amended,

be read the third time and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements related to the bill be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. WARNER. Mr. President, I object on behalf of Senator COBURN, who was unable to be here today. I understand he has spoken to the colleagues enumerated in this request and they are aware of the basis for his objection. So, for the moment, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

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

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

The legislative clerk proceeded to call the roll.

Mr. LEVIN. 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.

Mr. AKAKA. Mr. President, I rise today to express my support for the fair competition amendment proposed by my colleague from Massachusetts, Senator KENNEDY, to H.R. 1585, the Defense Department authorization bill.

This amendment would minimize the harmful effects that the current A-76 process for outsourcing federal functions to private contractors has on Federal workers. It will do this by leveling the playing field between Federal workers and private contractors by removing several unfair advantages that contractors currently have in the process. I want to highlight just two of the important improvements that the amendment would make to the A-76 process.

First, this amendment would take away the competitive advantage that contractors currently have if they deny their employees health and retirement benefits. I have fought to improve and protect federal workers' benefits as the chairman of the Federal Workforce Subcommittee. At a time when more and more Americans have no health insurance, it is simply wrong to give private contractors an advantage in winning work done by DOD employees by denying their workers the health benefits that Congress has guaranteed to Federal employees.

Also, this amendment would give employees the same right to protest unfair contract awards under the A-76 process that private contractors already have. The current situation makes no sense. Private contractors were given the right to protest contracting decisions in the Competition in Contracting Act of 1984, a law that was written for competitions between private contractors. The same protest right was never extended to Federal workers who compete against private contractors under the A-76 process. Basic fairness dictates that if one party can protest the results of a contest, both sides should be able to.

I believe this amendment introduces a more appropriate level of caution into the process for outsourcing Federal jobs. Caution is especially important for jobs related to national defense and security. The recent events involving Blackwater as a contract security provider in Iraq remind us how difficult it can be to hold outside contractors accountable. The Federal Government over time has been a model for fair and equal employment practices, and in turn Federal workers have shown strong loyalty, courage, and dedication to serving their country. When we award jobs that are currently done by Federal workers to private contractors, we limit our ability to demand a high level of accountability and fairness from the private companies that win the contracts, nor can we expect the same level of dedication from their employees.

When used properly on a limited basis, the A-76 process can improve Government efficiency by injecting competition into certain Federal functions that mirror activities performed by the private sector. However, the results of A-76 competitions suggest that there is limited economic value to the process. Federal employees do their jobs more efficiently than private contractors in most cases. Federal employees win 80 percent of the competitions under the A-76 process despite advantages given to private contractors. These positive results do not justify keeping the advantages granted to the private sector. Leveling the playing field will do more than make A-76 competitions objectively fairer. It can undo the harm to Federal employee morale that is caused by forcing them to compete for their jobs within a system that is rigged against them.

At a time when the Federal Government faces tremendous challenges in hiring and retaining talented workers, it is important that we act to address the harmful effects that the current A-76 process has on the Federal workforce. That is what the fair competition amendment would do, and I urge my colleagues to support it.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate now proceed to executive session to consider Executive Calendar nominations Nos. 317 through 330 and all nominations on the Secretary's desk; that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

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

The nominations considered and confirmed are as follows:

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. Kevin P. Chilton, 0000

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Ted F. Bowlds, 0000

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Thomas G. Miller, 0000

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. William E. Ward, 0000

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. David N. Blackledge, 0000

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Keith D. Jones, 0000

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Christopher A. Ingram, 0000

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Oliver J. Mason, Jr., 0000

IN THE MARINE CORPS

The following named officer for appointment to the grade of general in the United States Marine Corps while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. James N. Mattis, 0000

IN THE NAVY

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be admiral

Vice Adm. Mark P. Fitzgerald, 0000

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. Carl V. Mauney, 0000

The following named officer for appointment as Chief of Naval Operations, United

States Navy and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 5033:

To be admiral

Adm. Gary Roughead, 0000

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be admiral

Vice Adm. Jonathan W. Greenert, 0000

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Lawrence S. Rice, 0000

IN THE AIR FORCE

PN798 AIR FORCE nomination (41) beginning LAURA E. BARNES, and ending KEVIN L. WRIGHT, which nominations were received by the Senate and appeared in the Congressional Record of July 25, 2007.

PN799 AIR FORCE nominations (70) beginning DANA M. ADAMS, and ending MONICA L. WHEATON, which nominations were received by the Senate and appeared in the Congressional Record of July 25, 2007.

PN833 AIR FORCE nomination of William H. Sneider Jr., which was received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN881 AIR FORCE nomination of Frank W. Shagets, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN882 AIR FORCE nominations (2) beginning MARK W. DUFF, and ending ANDREW STOY, which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN923 AIR FORCE nomination of John M. Alden Jr., which was received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN949 AIR FORCE nomination of Frederick M. Abruzzo, which was received by the Senate and appeared in the Congressional Record of September 18, 2007.

PN950 AIR FORCE nominations (4) beginning WILLIAM W. DODSON, and ending JOHN R. SHAW, which nominations were received by the Senate and appeared in the Congressional Record of September 18, 2007.

PN951 AIR FORCE nominations (3) beginning THOMAS E. MARCHIONDO, and ending KYUNG L. BOEN, which nominations were received by the Senate and appeared in the Congressional Record of September 18, 2007.

PN952 AIR FORCE nominations (83) beginning DAVID W. ASHLEY, and ending MARC D. WILSON, which nominations were received by the Senate and appeared in the Congressional Record of September 18, 2007.

IN THE ARMY

PN834 ARMY nomination of Dwayne S. Tupper, which was received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN835 ARMY nomination of Suzanne R. Todd, which was received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN836 ARMY nomination of Ralph C. Beaton, which was received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN837 ARMY nomination of Kristen M. Bauer, which was received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN838 ARMY nomination of Jose M. Torres, which was received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN839 ARMY nominations (20) beginning RICHARD D. ARES, and ending YVETTE WOODS, which nominations were received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN840 ARMY nominations (12) beginning KENNETH E. DESPAIN, and ending THOMAS J. STEINBACH, which nominations were received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN841 ARMY nominations (77) beginning MARVELLA BAILEY, and ending GAYLA W. WILSON, which nominations were received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN842 ARMY nominations (118) beginning CARA M. ALEXANDER, and ending D060835, which nominations were received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN883 ARMY nomination of Shirley Haynes, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN884 ARMY nomination of Adam R. Liberman, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN885 ARMY nominations (3) beginning JOSEPH W. BROWN, and ending CYNTHIA D. SANCHEZ, which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN886 ARMY nomination of Pamela J. Meyers, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN887 ARMY nomination of Jerry D. Michel, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN888 ARMY nominations (3) beginning ANTONIO MARINEZLUENGO, and ending THOMAS R. ROESEL, which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN889 ARMY nominations (2) beginning DANIEL L. DUCKER, and ending PAUL J. WATKINS, which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN890 ARMY nomination of Scott T. Krawczyk, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN891 ARMY nomination of Roland D. Aut, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN892 ARMY nomination of Eileen G. McGonagle, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN893 ARMY nomination of Val L. Peterson, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN894 ARMY nomination of Jordan T. Jones, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN895 ARMY nomination of Martin E. Weisse, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN896 ARMY nominations (2) beginning JEFFREY L. ANDERSON, and ending DAVID S. LEE, which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN897 ARMY nominations (2) beginning MICHAEL J. NORTON, and ending WILLIAM J. THOMAS JR., which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN898 ARMY nominations (2) beginning JOHN J. GARCIA, and ending KEITH E.

KNOWLTON, which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN899 ARMY nominations (2) beginning DANIEL C. DANAHER, and ending JESSE D. WADE, which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN900 ARMY nominations (2) beginning TRACY R. NORRIS, and ending GARY B. TOOLEY, which nominations were received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN924 ARMY nomination of David M. Ruffin, which was received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN925 ARMY nomination of Todd A. Wichman, which was received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN926 ARMY nominations (431) beginning DONALD S. ABBOTTMCUNE, and ending D070066, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN927 ARMY nominations (919) beginning MALIK A. ABDULSHAKOOR, and ending D060714, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN928 ARMY nominations (505) beginning JESSE ABREU, and ending D060773, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN929 ARMY nominations (397) beginning HECTOR J. ACOSTAROBLES, and ending D060704, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN930 ARMY nominations (652) beginning ALBERT J. ABADESSA, and ending D070028, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN931 ARMY nominations (412) beginning DAVID W. ALLEY, and ending X1966, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN953 ARMY nomination of Shawn D. Smith, which was received by the Senate and appeared in the Congressional Record of September 18, 2007.

PN954 ARMY nominations (2) beginning BRIAN D. ALLEN, and ending MICHAEL R. CONNERS, which nominations were received by the Senate and appeared in the Congressional Record of September 18, 2007.

IN THE COAST GUARD

PN878 COAST GUARD nomination of Thomas T. Pequignot, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN946 COAST GUARD nominations (4) beginning JOSEPH E. VORBACH, and ending THOMAS W. DENUCCI, which nominations were received by the Senate and appeared in the Congressional Record of September 18, 2007.

PN947 COAST GUARD nominations (11) beginning JEFFREY G. ANDERSON, and ending Conrad W. Zvara, which nominations were received by the Senate and appeared in the Congressional Record of September 18, 2007.

PN948 COAST GUARD nominations (61) beginning Christopher D. Alexander, and ending Steven A. Weiden, which nominations were received by the Senate and appeared in the Congressional Record of September 18, 2007.

IN THE MARINE CORPS

PN901 MARINE CORPS nomination of Jon B. Livingston, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN903 MARINE CORPS nomination of Arthur E. Verdugo, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

IN THE NAVY

PN843 NAVY nomination of Ronnie M. Citro, which was received by the Senate and appeared in the Congressional Record of August 2, 2007.

PN846 NAVY nominations (3) beginning KATHLEEN M. BALDWIN, and ending TANYA D. LEHMANN, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN847 NAVY nominations (3) beginning MICHAEL L. FARMER, and ending THOMAS S. PRICE, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN848 NAVY nominations (13) beginning SUZANNA G. BRUGLER, and ending ERIK J. REYNOLDS, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN849 NAVY nominations (15) beginning ALDRITH L. BAKER, and ending ENNIS E. WILLIAMS, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN850 NAVY nominations (20) beginning VICTOR ALLENDE, and ending DARREN B. WRIGHT, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN851 NAVY nominations (21) beginning ERIK E. ANDERSON, and ending WILLIAM WRIGHT, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN852 NAVY nominations (36) beginning LANE C. ASKEW, and ending RICHARD M. ZAMORA, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN853 NAVY nominations (43) beginning SHARON D. BARNES, and ending DEBORAH B. YUSKO, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN854 NAVY nominations (63) beginning JAY P. ALDEA, and ending ERIC D. WYATT, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN855 NAVY nominations (211) beginning DARYL G. ADAMSON and ending MICHAEL D. YELANJIAN, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN856 NAVY nominations (905) beginning JEFFREY J. ABBADINI, and ending RONALD W. ZITZMAN, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN857 NAVY nominations (21) beginning CHARLES R. ALLEN, and ending MICHAEL D. VANCAS, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 2007.

PN904 NAVY nomination of Martin K. De Fant, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN905 NAVY nomination of Gregory E. Walters, which was received by the Senate and appeared in the Congressional Record of September 6, 2007.

PN932 NAVY nominations (42) beginning BRETT T. BOWLIN, and ending JEANINE B. WOMBLE, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN933 NAVY nominations (274) beginning RUBEN D. ACOSTA, and ending LUKE A. ZABROCKI, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN934 NAVY nominations (136) beginning PAUL H. ABBOTT, and ending CAROL B. ZWIEBACH, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN935 NAVY nominations (35) beginning RENE J. ALOV A, and ending JOYCE N. YANG, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN936 NAVY nominations (145) beginning MARK E. ALLEN, and ending GEORGINA L. ZUNIGA, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN937 NAVY nominations (95) beginning DON N. ALLEN JR., and ending JEFFERY S. YOUNG, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN938 NAVY nominations (27) beginning CERINO O. BARGOLA, and ending TEDDY L. WILLIAMS JR., which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN939 NAVY nominations (57) beginning JAMES ALGER, and ending JASON N. WOOD, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

PN940 NAVY nominations (10) beginning DOUGLAS E. BAKER, and ending SHEILA R. WILLIAMS, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 2007.

Mr. LEVIN. Mr. President, let me quickly indicate that the three combatant commanders who have been nominated are part of this list. Admiral Roughead, who is nominated to be the Chief of Naval Operations, is also on this list. I point out, particularly with Senator WARNER on the floor but even if he was not on the floor, not only does he play an active role in moving these nominations very expeditiously—and this is as expeditious as any nomination could move. We had the hearings yesterday, I believe, and we had the markup last night and the nomination is on the floor today for these combatant commanders and CNO. Senator WARNER, with his particular history with the U.S. Navy, was keeping an especially keen eye on the nomination of Admiral Roughead. That doesn't diminish his interest in the others. As a former Secretary of the Navy, he had a very special personal interest in this nomination moving forward and avoiding any gap between the current CNO and the next CNO. There will not be a gap. That is in good measure because of Senator WARNER's very special interest in this matter.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I thank my distinguished colleague and longtime friend of 29 years, standing here together with the Defense bill. It was important in this case. On Monday, the current Chief of Naval Operations, a man of great distinction, Admiral Mullen, as we say in the Navy, lowered his flag as Chief of Naval Operations and becomes the Chairman of the Joint Chiefs of Staff.

I felt it imperative there not be a moment's gap in the Navy for the new Chief of Naval Operations, Admiral

Roughead, who is in this group of nominations confirmed by the Senate, and that he be in position to assume the full responsibilities as soon as he is able to take the oath of office.

I thank my good friend. I thank him kindly for his personal mention. I have had a long association with the U.S. Navy. I have learned more from them than they have ever learned from me, beginning as a young sailor a half century ago. I feel a strong obligation toward all men and women in the Armed Forces, as does my distinguished chairman, but there is something very special about the U.S. Navy. I was privileged for 5 years to serve as Under Secretary and Secretary many years ago. So there will not be a gap. I thank my chairman for making that possible and allowing me to go forward with this nomination.

Mr. LEVIN. Has the Chair ruled on the request?

The ACTING PRESIDENT pro tempore. Consent has been granted.

Mr. LEVIN. I thank Senator SALAZAR for his patience. We wanted to get these nominations completed.

Mr. WARNER. Has the Chair formally ruled on the nominations?

The ACTING PRESIDENT pro tempore. Yes.

Mr. WARNER. And the President will be so notified?

The ACTING PRESIDENT pro tempore. Yes.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. Madam President, I want to take this time to thank my good friends and managers of this bill, and leaders of the Armed Services Committee, Senator LEVIN and Senator WARNER, for moving forward and moving quickly with the nomination of Admiral Roughead.

I mention this because I knew Admiral Roughead personally as he served in the Pacific Command. I can recall how he was a great leader in the role of taking relief to the tsunami victims in the southeast Asia area of the Pacific while he was Deputy Commander of the U.S. Pacific Command. He was recently the Commander of the U.S. Pacific Fleet.

I had the great fortune to work with Admiral Roughead during his tenure as deputy commander, U.S. Pacific Command, and commander, U.S. Pacific Fleet and was consistently impressed by his skills as commanding officer, dedication to duty and commitment to protecting and defending our Nation.

Since his graduation from the U.S. Naval Academy in 1973, Admiral Roughead has served this country with absolute distinction in a variety of positions including most recently commander, U.S. Fleet Forces. In particular, I want to note the leadership and compassion Admiral Roughead, as deputy commander, U.S. Pacific Command, displayed during the United States Navy's participation in the international response to the destruction following the December 2004 tsu-

nami in South and Southeast Asia. Similarly Admiral Roughead has demonstrated his deep understanding of the importance of honoring cultural diversity. In his capacity as representative of our U.S. naval forces, he has truly embodied the true spirit of aloha in his interactions with the many diverse communities in my home state of Hawaii.

I look forward to continuing to work with Admiral Roughead in his new capacity and I am pleased to support his confirmation as chief of Naval Operations.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now return to legislative session.

MORNING BUSINESS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate proceed to morning business, with the understanding that the remarks that are made in morning business that relate to the bill that is currently on the floor be placed at the appropriate place in the proceedings as part of the debate on the Defense authorization bill but that we now technically move to morning business, with Senators limited to 10 minutes each.

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

DEFENSE AUTHORIZATION

Mr. LEVIN. I, again, thank Senator SALAZAR.

Mr. WARNER. If I might ask my colleague, I think it is the intention of the leadership that this bill—I believe it is in the order—will be brought up again on Monday, with the hope and expectation that we will complete the bill during the course of business on Monday.

Mr. LEVIN. The Senator is correct. I think the unanimous consent agreement actually provides that all votes remaining on this bill begin at approximately 5:30. That is the expectation. And we again thank everybody who was involved in working out that unanimous consent.

Mr. President, I ask unanimous consent that after Senator SALAZAR is recognized, Senator AKAKA be recognized at that point for his remarks in morning business.

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

Mr. WARNER. Mr. President, if I might add, earlier I had the opportunity, as did the chairman, to speak to Senator AKAKA. Admiral Roughead served with great distinction in an assignment in Hawaii and is personally known to the distinguished Senator from Hawaii, Mr. AKAKA.

Mr. President, I yield the floor.

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

Mr. SALAZAR. Mr. President, I come to the floor this morning to speak about the Department of Defense authorization bill, which is a very good bill that has been put together with the leadership of my good friend, Senator LEVIN and Senator WARNER, Senator MCCAIN, and others, who have been involved in this legislation. I come to the floor to speak in support of this legislation, and I am certain when we get to Monday we will have a resounding adoption of this bill, which is so important to our men and women in uniform across the globe.

I will be supporting this legislation, but what will be missing from this legislation is legislation that crafts a new way forward in Iraq, a way forward that transitions our mission from one of combat, policing a sectarian civil war, to one which is a limited mission that I believe both Democrats and Republicans believe we should be able to attain in Iraq.

It is in that context that I was proud to have been one of the participants in crafting the legislation that would have implemented the recommendations of the Iraq Study Group. I thank the 17 cosponsors of that legislation for trying to help this body find a way out of the wilderness of Iraq and move forward with a bipartisan approach that would unite our Nation behind an effort that we ultimately agree must result in bringing our troops home from Iraq and maximizing the possibility for us to bring about some level of security in Iraq and defend the strategic interests of the United States in that region and around the world.

But it wasn't only the 17 sponsors we had on the legislation which Senator ALEXANDER and I crafted with the Iraq Study Group, there were also other efforts that were underway in this Chamber during the last week to try to figure out whether there was a common way forward. Senator LEVIN, Senator VOINOVICH, Senator NELSON, Senator COLLINS, and others were very involved in that effort, and it is not over. My hope is that as we move forward in debating what is the foreign policy and national security issue of our time that there may be a way in which we can unite the country in a common way forward.

Mr. WARNER. Mr. President, if the Senator will yield, I want to commend the Senator for the leadership he has taken in this area. I had the opportunity to work with the Senator. As a matter of fact, one of the amendments we jointly worked on eventually became law in the appropriations cycle that required Ambassador Crocker to come before the Senate, General Petraeus to come before the Senate, and the President to make a report to the Nation.

We also created the Jones Commission. All of these matters had the Senator's support all along, and I wish to

say that the Senator has been absolutely tireless in his efforts to try to help the Senate do the necessary oversight on this situation.

While we have not, in this current legislation, specific things—the Senator from Michigan brought up an amendment which failed. It should not be looked at as a failure. The Senate is doing oversight. The Senate will continue every single day to give oversight on this situation. But we also have to be respectful to the Constitution, which delegates very carefully the responsibilities of the legislative branch, i.e. the Senate and the House of Representatives, and that of the President in his role as Commander in Chief, where specifically it is entrusted to the President to decide the strategy and the mission, and the Senate and the House are primarily responsible for the authorization and appropriation of funds.

But it does not relieve in any way the obligation of this body to watch what is taking place in Iraq, to give our best thought and counsel to the executive branch—namely, the President—to try to bring about an achievement of the basic goals of a free and sovereign and stable Iraq, which hopefully someday can join the other nations of the world, particularly as it relates to the ongoing war with those who are termed “terrorists,” for lack of a better term, who are challenging our respective countries, whether it is the United States or other nations in the world.

So I just wanted to thank the Senator for his leadership. Senator SALAZAR has done a marvelous job.

Mr. SALAZAR. Mr. President, I thank my good friend from Virginia, and I will always remember my very first trip into that war-torn country of Iraq was a trip that was led by Senator WARNER and Senator LEVIN. It was the Levin-Warner codel that went into Iraq to try to learn more about what was happening in that country, to figure out a way in which we might be able to move forward.

The Senator from Virginia is correct. I think the debate in this Chamber and in this country has been helpful to bring about a better understanding and to deliver a message to the Iraqi people that we do not have an open-ended commitment. I was proud to have been a part of supporting the Senator from Virginia as we moved forward with the legislation that included the benchmarks that are now part of our national policy and that also required the General Accounting Office to report on those benchmarks and created the Jones Commission to give us an independent assessment of the security situation on the ground. So I think there has been progress that has been made.

But I would also respond to my good friend from Virginia, for whom I have the greatest amount of respect, that it is important this debate be one which we continue to have because it is the central foreign policy and national se-

curity issue of our time. Even though we all understand we live under a constitution which has divided the powers between three branches of Government, we all know from the jurisprudence of our past that the power of the President is, frankly, at its highest when, in fact, there is a relationship where he and the Congress agree on a way forward.

What we have seen over the last several years is a great division in this country in terms of where many of the members of the legislative branch of our Government is and where the President is. So I think our continuing efforts to try to find a way forward in a way that the Senator from Michigan, Mr. LEVIN, and others have been trying to do is something we should continue to do. I do not believe it is something that at this point in time we should give up on because this issue is too important. It is too important for the 170,000 men and women currently serving in Iraq. It is too important to their families in the United States. It is too important to the fiscal consequence this war is bringing upon the United States.

So I am hopeful the dialogue that has taken place in the Senate over the last week with different groups of Senators trying to find a common way forward ultimately will get us to success.

Mr. WARNER. Mr. President, I assure my colleague that I fully anticipate we will have further debates on the very issues that have been of concern to my colleague from Colorado during the Defense appropriations bill, which we will be following up with at the conclusion of work on this bill.

But I point out that it has not all been lost. I will give the Senator specific examples. A number of us have indicated a desire to have some of our troops brought home as early as possible, and the President initiated, after testimony by General Petraeus, the steps to start bringing our troops home, some elements of them, before Christmas. He laid out a program for reduction in forces with an objective to be at what we call a presurge force level by late next spring or very early next summer. So the voices in this Chamber are being heard.

I know personally that the President is quite anxious, more so than most, to bring our forces home, but only after achievement of the goals for which heavy sacrifices have been made. We are now crossing 3,800 who have been lost and many others wounded. We must be certain that great sacrifice was not in vain.

I thank the Chair, and I thank my colleague.

Mr. LEVIN. Will the Senator yield for a quick reaction?

Mr. SALAZAR. Absolutely.

Mr. LEVIN. There has been no one in this Chamber who has worked harder to try to bring enough Senators together to pass a resolution calling for a change of course in Iraq than Senator SALAZAR. He has been absolutely in-

trepid. There is not a day that goes by when he is not working with colleagues looking for a path forward where we can accomplish a change in course, where we could not only begin the transition to a new mission—which is out of a civil war, out of the middle of this sectarian conflict—but also where there is, at a minimum, a goal set for the completion of that transition to those more limited ambitions which would be supportive of Iraq, supportive of their army, but part of a change of policy which would force the Iraqis to finally take responsibility for their own country.

I just want to commend the Senator for his insistence. He has a theme, and it is the correct theme, which is that a bipartisan solution and resolution is absolutely critical in foreign policy, and particularly in war. There is no partisan position in war which is right for the Nation. It is always in the middle of a security conflict—as we are in the middle of now—where there has to be a bipartisan approach. The Senator from Colorado has pled for it, called for it, worked for it, and has asserted his vast energy to try to achieve it.

We haven't accomplished it—being 60 votes. The rules of the Senate are that it takes 60 votes to adopt something like this, and the Iraq resolutions are operating under that rule, so we need to get the 60. It is not because of a lack of effort on the part of many of us, but surely Senator SALAZAR is at the head of that list. The Senator from Colorado has put forth such Herculean efforts to get to that mass of 60 who could agree on a formula that could represent those goals—to begin the reduction of our troops and the transition to the new missions, which are not in the middle of sectarian conflict but supportive missions—and to have a binding period under Levin-Reed, and then a goal under some permutation of Levin-Reed to accomplish that in 9 months.

So I wanted to add my thanks to those of the Senator from Virginia, who very appropriately interrupted the Senator from Colorado, and I join in that interruption to thank him and to agree that the Senator from Virginia has been very much a part of an effort in this Senate to move this process forward over the last few years. And I want to also add my thanks to those of the Senator from Colorado of my dear friend from Virginia because he has played an important role to the extent that we have been able to move this process forward. He has been in the middle of that movement.

It is not nearly enough from my perspective. We have obviously tried to get to Levin-Reed, which would change the course in Iraq, and we haven't done that yet. But we are going to keep plugging away because it is critically important that we succeed in Iraq and that we recognize that the only way we are going to succeed is if the Iraqi Government works out the political differences among them because there is

no military solution. And the only hope of success is if the Iraqi leaders finally do what they promised to do a year ago, which is to work out their political differences.

If I could take one more minute of the Senator's time, there is a book out recently about President Bush. I am trying to remember the name of the author, who had great access to the President. In this book, in the appendix, there is a reference to the fact that I had previously told the President that I and many others had taken the message to the Iraqi leaders that they have to change, they have to work out their political differences; that the American people's patience has run out. The President was asked to refer to that and also to the debate on the Senate floor.

What was his reaction to these efforts to change course in Iraq and to tell the Iraqi leaders that it is their responsibility?

The President's response is interesting. He said, accurately, that when I told him this report, that a number of us go to Iraq repeatedly and tell the Iraqi leaders: You have lost the support of the American people. You guys better get your political act together because, folks, we are going to begin to reduce troops here. We can't save you from yourself—what was the President's response when I told him of that? He said:

Thank you, Senator. Thank you for carrying that message to the Iraqi troops. They've got to hear that.

It was a positive response—not just to the message which many of us have carried, including the Senator from Virginia, the Senator from Colorado, and a dozen other Senators—but he thanked me and others for telling the Iraqi leaders what he, I think it is clear, would like to tell them himself. (Ms. KLOBUCHAR assumed the Chair.)

Mr. WARNER. I remember being in the Cabinet room when that dialog took place.

Mr. LEVIN. And he confirmed it in this book.

Mr. WARNER. Interesting, but it is important we constantly reiterate the message there is no military solution. As you well know in all the hearings of the Armed Services Committee, every uniformed officer has told us that straightforwardly. They are carrying out their orders from the President, but they are reminding us, the Congress and others, there is no military solution. The solution has to come by reconciliation amongst the Iraqi people, and it is incumbent among the current leadership to exercise their sovereign rights to do so.

I think we have generously taken up the time of our colleague.

Mr. LEVIN. If I can take 10 more seconds, I thank the Presiding Officer, Senator KLOBUCHAR, for helping me out with the name of the author. It is Robert Draper.

Mr. SALAZAR. I thank my colleagues for the colloquy. I do think

this debate has had an impact. I do remember well the conversations we had in the room with the President after we came back from Iraq. There was a conversation where the President said that our sending this message to the Iraqi people was a very important message, and certainly Senator LEVIN and Senator WARNER have been a part of making sure that message is, in fact, heard.

Madam President, what is the parliamentary situation?

The PRESIDING OFFICER. The Senate is in morning business. Senators are allowed to speak up to 10 minutes each.

Mr. SALAZAR. I ask unanimous consent that I be given 10 more minutes to conclude my remarks on the Iraq Study Group.

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

Mr. SALAZAR. Madam President, echoing off the comments of my colleagues, I go back to the Iraq Study Group—some of the best that we have in America—and the vision they set out in their recommendations, after they spent a year, saying: We have this huge problem in Iraq. What is the best way that we move forward?

They came up with 79 recommendations on how we ought to move forward in Iraq. The heart of the recommendations is set forth in a letter that was sent as part of that report by Congressman Hamilton and former Secretary James Baker. What they said is this, and I quote from the report language that is also included in our legislation. It says:

Our political leaders must build a bipartisan approach to bring a responsible conclusion to what is now a lengthy and costly war. Our country deserves a debate that prizes substance over rhetoric and a policy that is adequately funded and sustainable. The President and Congress must work together. Our leaders must be candid and forthright with the American people in order to win their support.

It was in that vein that Democrats and Republicans came together to co-sponsor the legislation on the implementation of the recommendations. I thank them for having stood up, in the sponsorship of the legislation. They include Senator MARK PRYOR from Arkansas, Senator BOB CASEY from Pennsylvania, Senator BLANCHE LINCOLN from Arkansas, Senator BILL NELSON from Florida, Senator MARY LANDRIEU from Louisiana, Senator CLAIRE MCCASKILL from Missouri, Senator KENT CONRAD from North Dakota, Senator TOM CARPER from Delaware. These are all good Senators who want to figure out a way forward in this issue that befuddles America today. But it wasn't just Democrats who came with us to say we have to find a new way forward in Iraq. There were Republicans who came forward and joined us. We saw Senator LAMAR ALEXANDER coming to the floor time and time again, wanting to fashion a new way forward. He was joined by Senator BOB BENNETT, Senator JUDD GREGG, Senator SUSAN COL-

LINS, Senator JOHN SUNUNU, Senator PETE DOMENICI, Senator ARLEN SPECTER, and Senator NORM COLEMAN. At the end of the day, there were 17 co-sponsors for this legislation which only 10 months ago everybody would have come together and said this is the right way to go.

We remember those days before the Iraq Study Group recommendations came out last December when it was highly anticipated. The President even delayed a speech and his own set of recommendations until he heard from the Iraq Study Group. Most people said this is a very thoughtful and good way forward.

I wanted to come to the floor today and say a few things about the legislation. It is legislation which would have set forth a new state of law with respect to Iraq. Yes, we have had a tough time in the Congress, coming forward with legislation that can muster 60 votes in the Senate, so not much legislation has been passed with respect to creating a new direction for Iraq. Our legislation would have made it a statement of policy—which in essence is a statement of law. This is not a sense of the Senate, this is a statement of law. This would have been the law of the land with respect to the U.S. efforts concerning Iraq. I wish to review a few provisions of the legislation.

The first of those has to do with the sense of the Congress that we move forward with a major diplomatic surge in the region. That is a sense of Congress because, appropriately, that belongs with the President and with the State Department, in terms of what we have to do to reassert the international involvement to bring about a long-term solution to the problem we face in Iraq. Similar to most of my colleagues who traveled to Iraq in the last few years, I always wonder: Where are the neighbors? Why aren't they more involved in dealing with the issue that is so vitally important to the populations of all those in the Middle East? Where are they?

Some of them are sitting on their hands. Some of them who are not sitting on their hands are actually helping foment the violence we see in Iraq today, whether that is Iran or whether that is Syria. What we need to do is have a diplomatic surge to move forward to help bring the world together to find a solution that will work to bring about stability in Iraq. We set forth that as a sense of the Senate.

In addition to the sense of the Senate, which has some 24 measures, all of which were taken out of the Iraq Study Group recommendations, we also include the statements of law. Those are the statements of policy. The first and most important of those statements of policy is in section 5 of the legislation. That section says "it shall be"—"it shall be." Not it could be, not it might be, not it ought to be considered. It says: It shall be the policy of the United States to move forward to a changed mission—to a changed mission

from one of combat to one of training, equipping, advising and providing support for security and military forces in Iraq and to support counterterrorism operations in the country of Iraq. So we do a mission change with this legislation.

Next, also the statement of law, we call for the strengthening of the U.S. military. I think there is a broad, bipartisan consensus that what has happened in the war in Iraq and in Afghanistan is that our military has been strained. Our military has been strained because of the humongous effort that has gone into prosecuting the war in those two places over the last 5½ years. So we, in our legislation, follow the recommendations of the Iraq Study Group, requiring the strengthening of the U.S. military.

Third, a statement of policy with respect to the police and criminal justice system in Iraq. On several of the codels I have taken to Iraq, one of the things that is absolutely phenomenal to me is that there is not a criminal justice system that today is working in Iraq. So the bad guys, when they are caught—what ends up happening to them? Are they prosecuted in the way that we would prosecute bad guys here in the United States of America? Is there a system of courts that is up and functioning? The police system, especially the national police in Iraq, is dysfunctional. It is infiltrated by members of the militias. Those are some of the findings of the GAO, as well as some of the findings in General Jones' recent report. So one of the things we require as a statement of policy is that the police and criminal justice system in Iraq be transformed.

Also in our legislation we required the statement of policy on the oil sector in Iraq. We know the Iraqis need to come up with a reformation of their law and with changes to their law that will require the equitable distribution of the oil resources in Iraq.

There are other measures here that are set forth in the legislation. One that I will refer to briefly has to do with conditions and the support of the United States in Iraq. This is section 11 of our legislation. In section 11 of our legislation we say: It shall be the policy of the United States to condition continued U.S. political, military and economic support for Iraq upon the demonstration by the Government of Iraq of sufficient political will and the making of substantial progress toward achieving the milestones that are described in that legislation. So the conditioning of the U.S. support for Iraq is based on them taking on the responsibility for achieving the milestones that were set forth in the Iraq Study Group's recommendation.

Those are major changes. I believe this legislation—although there is other legislation here that I have supported, including legislation that called for timelines with respect to the reduction of troops—this legislation also is very good and very substantive legislation.

Let me essentially sum up what this legislation would have done. The first thing it would have done is call for the mission change. I think more and more I hear a chorus rising in the Senate, in many of the pieces of legislation that we have seen, that it is time for us to change the mission from one of combat to one of assistance; from one of combat, where we are policing a sectarian civil war today, to one of training and equipping and counterterrorism within Iraq. That change of mission is something we ought to be able to accomplish in the Senate.

Second, the diplomatic surge. We know without the diplomatic surge we are not going to be able to succeed in Iraq. We know we need to have the neighborhood, the region, much more involved in trying to bring about stability in Iraq.

Third, the conditioning of the U.S. support on progress and on the milestones set forth there.

I think, regarding these broad agreements, we need to keep pressuring the Iraqis to move forward to adopt those, not only to adopt, implement the milestones and benchmarks they themselves came up with.

Let me conclude by saying this debate is not yet over. There are still groups, numbers of Senators, who are trying to figure out whether we can bring enough of a bipartisan way forward that will help us change the mission in Iraq. I look forward to working with both my Democratic and Republican colleagues, seeing whether we can in fact achieve that end.

At the end of the day, there is a lot at stake in this issue for all of us in America. When one thinks, first of all, about the fact that we are approaching 4,000 of our best, our bravest men and women who have died in this war in Iraq, and we know as a fact we have 30,000 American men and women in uniform who have been grievously injured in that nation; we know the fiscal consequence of this war is now \$750 billion and rising—expectations now are that the war costs will be at \$1 trillion—we as a Senate and Congress have a responsibility, in my view, to address this issue.

I hope, in the days ahead, as we address the Defense appropriations legislation, as well as the supplemental which the President has requested—additional money for the ongoing effort, the so-called bridge funding—that we can revisit this issue and see whether we can come together to try to forge a new way forward in Iraq.

I yield the floor.

AMERICA'S NORTHERN BORDER

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Madam President, I rise today to shed light on a serious national security vulnerability facing our Nation, a dangerous gap in the United States-Canadian border. For the past 2 weeks, we have been debating the De-

partment of Defense authorization bill, a bill that authorizes many of the programs that keep us safe from foreign terrorists on foreign soil.

What we have not been focused on in these 2 weeks is the threat that comes when people cross our own borders without inspection. In fact, I would argue we haven't been focusing on this problem enough this year. We haven't taken the steps necessary to keep our borders, particularly the northern border, safe.

That is simply unacceptable. It is no secret that today our immigration system is in shambles. To say our borders are not secure is an incredible understatement. Although most of my Republican colleagues would agree with me, they have failed to take comprehensive action. So our borders remain unsafe and insecure.

Securing our borders is a catchy political phrase, a sound bite guaranteed to get on the evening news. And 99 percent of the time, it is used in reference to our southern borders. Stories run with pictures of immigrants crossing the United States-Mexico border as politicians lament about the dangers these immigrants pose, those who would be gardeners, nannies, busboys, and maids.

It is as if no one remembers that this country has a northern border as well, a porous border that represents just as many problems and dangers. Today, I hope that will change. The Government Accountability Office has released a report detailing the vulnerabilities of our northern border, and people are starting to pay attention. MSNBC is even showing images of people carrying bags and boxes across the border without any inspection whatsoever.

I hope my colleagues are as attentive as the media is on this issue. Let me take a moment to read some of the Government Accountability Office's report.

It said:

Our visits [referring to the GAO's investigations of the Northern border] show that Customs and Border Protection faces significant challenges in effectively monitoring the border and preventing undetected entry into the United States. Our work shows that a determined cross-border violator would likely be able to bring radioactive materials or other contraband undetected into the United States by crossing the United States-Canadian border at any of the locations we investigated.

Think about that for a moment. The Government Accountability Office is saying that terrorists are currently able to smuggle radiological, biological, or chemical weapons into our country without much difficulty. If this were to happen, our worst nightmare scenario would become a reality.

Millions could be killed from a single barbaric act. Right now, this very day, such an action is possible because of our lack of border security, our lack of northern border security.

Now, this report may be a recent release, but the vulnerabilities it revealed are old news. In July, during the

debate over the Department of Homeland Security Appropriations bill, Senator SALAZAR and I introduced an amendment that was approved, compelling the President and the Secretary of Homeland Security to improve security at our northern border until they are able to certify that they have 100 percent operational control of the border.

We introduced this amendment because the Bush administration was not living up to the requirements of existing law. The law requires, requires—does not suggest, does not allow, it requires—that 20 percent of all new border agents be sent to the northern border. But the administration has flaunted that requirement. In fact, only 965 agents out of a total of 13,488 agents are stationed in the North—only 7 percent. And that is after the number of agents actually decreased by nearly 9 percent from fiscal year 2005 to 2006.

Such numbers are ludicrous when you consider that our northern border spans over 5,525 miles and is almost three times as large as the 1,993-mile southern border; almost three times as large, yet it is allocated an infinitesimal amount of our overall border security.

Some of my Republican colleagues will argue that the risk of terrorism is much greater from our border with Mexico than our border with Canada. But they would be flat wrong. History has proven that today. Let me recite some of it.

Over the last several years, nearly 69,000 individuals have been apprehended crossing the northern border. That is the tip of the iceberg as countless others have crossed the border illegally without apprehension because, notwithstanding the law, the administration has only got a handful of people up on the border that is almost three times as long as the southern border.

So we have no idea what the magnitude of this vulnerability is or what consequences will result from the administration's dereliction of duty. We know terrorists seek to exploit vulnerabilities. I created the first task force on homeland security when I was in the House of Representatives. I sat on the select committee that created the Department of Homeland Security. I was the chief Democratic negotiator for the first element of the 9/11 bill. I have spent a lot of time on this issue. The one thing we can be assured of is that terrorists don't continuously operate in the same way. They study, and seek to exploit, vulnerabilities. We know they study how our Nation works and where the holes in our security are. We can be sure they will seek out the easiest path of entry to the United States, and right now that path is through the northern border where it can be easy to avoid the mere 965 agents scattered along more than 5,500 miles.

Those agents are not all on duty at one time. They go through a rotational system. They have 8-hour shifts. That means only a third of those people are

covering the northern border at any given time of day.

I remind my colleagues that in 1999, Ahmed Ressam, the millennium bomber, because he came at the time we were ready to turn to the year 2000, snuck in through the northern border to kill as many American citizens in cold blood as possible. Although we were able to stop Ahmed Ressam from carrying out his deadly plans, we do not appear to have learned any lessons from this near catastrophe. That incident should have been a wake-up call illustrating the vulnerabilities of our northern border and the dire need to remedy them. But instead we remain complacent, focusing the Senate and the Nation on a more politically attractive issue, our southern border. If I am a terrorist seeking to commit an act against the United States, I am going to go to the course of least resistance. If I have nearly 12,500 border agents at one border and 900 some odd in another border, what are my chances? Where am I better off, especially when that border is three times the size of the southern border? Where am I better off to try to cross to the United States and do harm?

We must never order our security priorities based on the political winds of the time. We must examine the evidence and analyze the risks and implement the strongest, most appropriate national defense strategy that ignores the unfounded, often bigoted fears that currently influence the debate. If you are concerned about terrorists, as we all should be, you should be concerned about the state of both of our borders.

I urge my colleagues to join with us in pressuring the administration to take its border security responsibilities more seriously and to send our resources out where we need them. Trying to secure our Nation by focusing on only one of two borders is a recipe for disaster. You either protect the entire country or you have protected none of it.

If my Republican colleagues do not join us soon to secure our northern border, then I question their motives in past debates on immigration. I wonder whether they are more concerned about the ethnicity of immigrants crossing the border than the threats they present. I hope this newly released GAO report will be a call to action for my colleagues from both sides of the aisle. I hope they will support efforts to secure our northern border and make our Nation more secure. This is too important an issue to allow partisan politics to play a role.

I will continue to fight to secure the northern border, the southern border, and all other points of entry, including those by water and by aviation. I hope my colleagues will join me. The Nation cannot afford anything less.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MENENDEZ. I ask unanimous consent that the order for the quorum call be rescinded.

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

UKRAINE PARLIAMENTARY ELECTIONS

Mr. LUGAR. Madam President, on September 30, the people of Ukraine will return to the ballot box to vote in critical parliamentary elections. I rise today to express my hope that Ukraine preserves and extends the tremendous accomplishments they have achieved in establishing a stable and representative government.

I was privileged to represent our country as President Bush's personal representative for the November 21, 2004, presidential runoff election in Ukraine. I was not an advocate of either candidate in the election. My focus was to stress free and fair election procedures that would strengthen worldwide respect for the legitimacy of the winning candidate.

The 2004 campaign for president in Ukraine had been marked by widespread political intimidation and failure to give equal coverage to candidates in the media. Physical intimidation of voters and illegal use of governmental administrative and legal authorities had been evident and persistent.

Unfortunately the situation worsened on the day of the runoff election. The government of then-President Kuchma allowed, or aided and abetted, wholesale fraud and abuse that changed the results of the election. It was clear that Prime Minister Yanukovich, a position that he again holds today, did not win the 2004 election despite erroneous election announcements and calls of congratulations from Moscow.

I joined thousands of election observers who were sent by the United States and European states through organizations such as the National Endowment for Democracy, the Organization for Security and Cooperation in Europe, and the European Network of Election Monitoring Organizations. Most importantly, more than 10,000 Ukrainian citizens were organized by the Committee of Voters of Ukraine to carefully observe individual polling stations. These observers outlined an extensive list of serious procedural violations.

Even in the face of these attempts to end any hope of a free and fair election, I was inspired by the courage of so many citizens of Ukraine demonstrating their passion for free expression and for a truly democratic Ukraine. As corrupt authorities tried to disrupt, frighten, and intimidate citizens, brave Ukrainians pushed back by continuing to do their best to keep the election on track and to prevent chaos.

The day after the runoff election, I told the international and local press and the people of Ukraine through a

live television broadcast in Kyiv that President Kuchma had the responsibility and the opportunity to produce an outcome that was fair and responsible. I pointed out that he would enhance his legacy by prompt and decisive action that maximized worldwide confidence in the presidency of Ukraine and the extraordinary potential of that country.

That day, the people of Ukraine demanded change and the Orange Revolution was born. Tens of thousands of Ukrainians rallied and marched in Kyiv and other cities around the country. There commitment to democracy was heard loud and clear. The Central Election Commission that oversaw the flawed runoff election was fired. A new commission was appointed and a new election law was agreed to by all parties in an effort to eliminate fraud.

While the Orange Revolution had a few more twists and turns to navigate, on December 26, 2004, Ukraine's maturing democracy held free and fair elections. For the first time, Ukraine enjoyed the fruits of a true democratic process and elected a representative government. The people of Ukraine built upon their 2004 achievement by holding free and fair parliamentary elections in 2006. What made this accomplishment even more notable was that the 2006 results favored the party that had been voted out of office in 2004, a testament to the fairness of the process. Now it is time for the Government of Ukraine to preserve and extend the impressive gains and to provide a stable and representative government by holding another free and fair parliamentary election.

The people of Ukraine deserve a representative government that will work together to improve the quality of life in that country. In the years since the Orange Revolution, Ukraine has enjoyed a strong commitment to human rights and the rule of law, a growing free press, and a rapidly improving independent judiciary. Free and fair elections on September 30 will mark another important step in the right direction.

I encourage the Ukrainian people to continue their march to true freedom and democracy. A democratic Ukraine is in the national security interests of all parties.

The candidates and leaders of Ukraine must replicate their efforts of 2004 and 2006 and conduct these elections consistent with the standards established by the OSCE. A fraudulent and illegal election would be a major defeat for democracy and leave Ukraine crippled. The new parliament would lack legitimacy with the Ukrainian people and the international community.

Free and fair elections are the first step, but they are not the last. The elected leaders of Ukraine must overcome their past differences and govern together. In recent years, opportunities have been lost because of the failure of governmental leaders to unite and con-

structively work across party and ideological lines. A government that is committed to working together to improve the lives of the people, despite ideological differences will assist the people of Ukraine in reaching their full potential.

CHILDREN'S HEALTH INSURANCE PROGRAM

Ms. MURKOWSKI. Madam President, the rising number of Americans without health insurance is a problem that is recognized by all Members of this body. There are some 46.6 million Americans today who are not receiving proper medical care.

Compounding the problem is the reality that, as my colleague from Oregon—Senator WYDEN—likes to say, we do not have a health care system in this country; we have a sick care system.

As we look at the growing cost to our economy that health care represents, the number one thing we can do today to reduce that cost is preventative medicine—making sure that Americans can access health care today, so that they are not sick tomorrow.

The Children's Health Insurance Program is an important means to provide the most vulnerable of our population—our children—with health care. And we all know that when our children are sick, it is not just the child that is impacted but the parents as well; missing time at work to care for their child or catching the latest bug their child brings home from the daycare center. The social and economic impact of a sick child goes well beyond the need for cough syrup or a band-aid. And the impact is even greater in our Native communities.

Section 401 of the CHIP reauthorization bill provides \$10 million in grants for child health studies, including: preventative health care, treatment for chronic and acute conditions, and discovery of knowledge gaps within CHIP and child health. Studies such as these will help to narrow the gap in treatment disparities among native and non-White children, as well as to provide preventative health care services so our children stay healthy while reducing the expensive costs of sick care in America.

This is just one reason why it is important that programs such as CHIP continue their viability. If the President vetoes the bill as he said he would, the resulting straight reauthorization of CHIP at the current baseline assumption means that 800,000 children currently enrolled in CHIP would lose their coverage. But under the CHIP reauthorization bill, those children, plus 4 million more children would be able to access health care—preventative care.

We should not have to read about tragedies such as 12-year old Deamonte Driver from Maryland who died from a tooth abscess. Deamonte's life could have been saved by a routine \$80 tooth extraction but his family was booted

from Medicaid and his mother couldn't afford to pay for Deamonte to receive the necessary dental care. Deamonte Driver died in February of this year.

This heartbreaking story is just one example of why the reauthorization of CHIP—at the Finance Committee passed levels—is so important. 800,000 more children should not be put in a similar position as Deamonte.

In addition, outreach programs will allow more children to be enrolled in the CHIP and Medicaid programs. This bill provides \$100 million in grants for outreach and reenrollment efforts—\$10 million will provide grants to Indian organizations to improve enrollment of Native Americans. Another \$10 million will be spent on a national outreach program and the remaining \$80 million will target rural areas with high rates of eligible but not enrolled children, racial and ethnic minorities and populations with cultural barriers to enrollment.

But CHIP is only one part of the health care struggle. As I noted before, some 46.6 million Americans are without health care insurance. In my State of Alaska, about one out of six people do not have health insurance. And the sad reality is that most of those without health insurance are employed. Only 1 in 10 of the uninsured in Alaska are unemployed people in the workforce.

For every family that is covered through an employer-based health care policy or is able to purchase their own health care insurance, fewer adults and children will rely on Medicaid and CHIP for their health care needs, and create less of a strain on Federal resources.

We know that preventive care is much more effective, both medically and economically, than caring for an illness. Likewise, providing our businesses with the ability to offer affordable health care insurance to their employees is a preventative means to lower the Federal Government's costs as mandatory spending for health care programs takes up a greater and greater portion of the Federal budget.

Until we reach the point where we in Congress can agree on how to address the future of our Nation's health care policies, however, programs like CHIP are needed to ensure that those who are most vulnerable are not left out.

I support this reauthorization bill as a temporary fix of a long standing problem, but we as a Congress must be willing to take a serious look at the future of our health care system, and ask ourselves if we are serious about fixing it. It is a decision that will impact millions of Americans. I urge the President to support the CHIP bill to allow more American children access to the healthcare they need to stay healthy, to stay alert and to function well in school. The best investment we can make is in our children and by signing the CHIP bill, the President can grant our future generation of over 10 million children access to vital health care services.

HONORING HEROIC MARINES

Mrs. DOLE. Madam President, it is with great honor that I rise today in order to recognize the heroism of Marine PFC C. Stuart Upchurch, Sr., and Marine Cpl Richard E. Vana.

The Battle of Okinawa, fought on the Japanese island of Okinawa, was the largest amphibious assault during the Pacific Campaigns of World War II. The battle lasted from late March through June 1945, and was the last major campaign of the War in the Pacific. The battle has been referred to as the "Typhoon of Steel" in English, and *tetsu no ame*—"Rain of Steel"—in Japanese. These nicknames refer to the ferocity of the fighting, the intensity of gunfire, and sheer numbers of Allied ships and armored vehicles that assaulted the island. More ships were used, troops put ashore, supplies transported, bombs dropped, and naval guns fired against shore targets than any other operation in the Pacific.

There were over 72,000 United States casualties at Okinawa, of which 12,513 were killed or missing.

In the last days of the Battle for Okinawa, PFC C. Stuart Upchurch, Sr., and Cpl Richard E. Vana were marines assigned to the 2nd Squad, 3rd Platoon, Baker Company, 4th Regiment, 6th Marine Division.

On or about June 1, 1945, Baker Company came under heavy Japanese mortar fire. Corporal Vana and Private First Class Upchurch were on the way back to their unit, having filled in at Charlie Company's defensive line the night before. With no foxhole of their own, Vana and Upchurch jumped into the first position they could find, sharing the foxhole with a new lieutenant and another marine.

When a nearby foxhole was struck by enemy mortar fire, a marine manning the position could be heard crying for help. Under the onslaught of constant enemy fire, and with complete disregard for their own well being, Vana and Upchurch ran up the hill to assist the marines. Inside the foxhole that took a direct hit, they found "Red" and Richey, cousins from the Boston area. "Red" had been fatally wounded and Richey was seriously injured. Richey was suffering from a life-threatening arterial wound to the upper thigh.

Still under the barrage of Japanese mortars, Vana and Upchurch proceeded to drag Richey out of the foxhole and down the hill. Upchurch then carried the marine while Vana provided protective cover. They made way for a cave which was being used as an aid station. Inside the cave, Vana and Upchurch provided critical lifesaving first-aid until a corpsman was able to assist.

Without the selfless and courageous actions of Vana and Upchurch, Richey would have perished from his severe wounds. Their actions exemplify the Marine Corps motto "Semper Fidelis," meaning "Always Faithful."

PFC C. Stuart Upchurch, Sr., and Cpl Richard E. Vana's gallant actions in

close contact with the enemy, and unyielding courage and bravery, are in the highest traditions of military service, and reflect great credit upon themselves, their unit, the U.S. Marine Corps, and the United States of America.

ADDITIONAL STATEMENTS

TRIBUTE TO JUDGE RICHARD SHEPPARD ARNOLD

• Mrs. LINCOLN. Madam President, this morning in Little Rock, AR, at 10 a.m. local time, the new annex to the Richard Sheppard Arnold United States Courthouse will be dedicated. In honor of that event, I wanted to take a moment to reflect on the life of Judge Arnold and the contributions he made to Arkansas and this nation.

Judge Richard Arnold served his Nation with honor and distinction in the Federal judiciary for a little over 25 years. Considered by some to be the greatest jurist of his time not to serve on the Supreme Court, Judge Arnold was respected for his reasoned, straightforward decisions that he rendered from the bench without any ideological bias. In short, he was a brilliant, fair, effective judge.

His colleagues in the legal community recognized his brilliance. In 1999, Judge Arnold was awarded the highly prestigious Edward J. Devitt Distinguished Service to Justice Award. This honor is presented to a Federal judge who has achieved an exemplary career and has made significant contributions to the administration of justice, the advancement of the rule of law, and the improvement of society as a whole.

Judge Arnold also received the prestigious Meador-Rosenberg Award from the American Bar Association for his work and dialogue with members of Congress about the problems facing the Federal courts during his service as Chairman of the Budget Committee of the Judicial Conference of the United States. The award, which has only been presented five times since its inception in 1994, was presented through the ABA's Standing Committee of Federal Judicial Improvements.

Born in Texarkana, TX, in 1936, Judge Arnold and his younger brother, U.S. District Court Judge Morris "Buzz" Arnold, had many role models in their early life that were active in the legal community. Their father, Richard Lewis Arnold, was a public utilities law specialist, and their paternal grandfather, William H. Arnold, Sr., was a circuit judge and former Arkansas Bar Association President. In addition, their maternal grandfather was U.S. Senator Morris Sheppard of Texas.

Judge Arnold received a Classical Diploma from Phillips Exeter Academy in 1953. He graduated from Yale with a B.A., *summa cum laude*, in 1957. Afterwards, Judge Arnold attended the Harvard Law School where he received the

Sears Prize for achieving the best grades in the first-year class and the Fay Diploma for being first academically in his graduating class. Judge Arnold concluded his formal education upon receiving his LL.B. from Harvard magna cum laude in 1960.

After law school, Judge Arnold served as a law clerk to Justice William J. Brennan, Jr. Arnold then practiced law in Washington, D.C., and Texarkana, Arkansas. After serving the Honorable Dale Bumpers while Bumpers was Governor of Arkansas and a United States Senator, Judge Arnold was appointed to the federal judiciary by President Jimmy Carter in 1978. He served on the District Bench for the Eastern and Western Districts of Arkansas and was elevated to the Eighth Circuit Court of Appeals in 1980. He was Chief Judge for the Circuit from 1992-1998 and achieved senior status in April 2001 after he turned 65.

In 2003, Congress renamed the U.S. District Courthouse for Eastern Arkansas the Richard Sheppard Arnold United States Courthouse. Judge Arnold continued to live a full life until he succumbed to complications while being treated for lymphoma in 2004. His passing has left a void, but his legacy continues to live on at the courthouse that bears his name in Little Rock.

The recent addition of the annex will bring 21st Century changes to the Richard S. Arnold Courthouse originally built in 1932. A beautiful glass atrium will connect the original structure to the new wing. The annex will house 12 judges' chambers, courtrooms, and a parking garage. In addition, the exterior will feature a fountain and water sculpture, as well as a beautiful plaza. The design that is dedicated today will ensure that Judge Arnold will be remembered and his name will continue to live on for generations to come.●

PAT FARR RECOGNITION

• Mr. SMITH. Madam President, I would like to recognize Pat Farr for his service as the executive director of FOOD for Lane County. A veteran of the Oregon State legislature, the Eugene City Council, and the Oregon Commission for Child Care, Mr. Farr has dedicated himself to bettering the lives of Oregonians.

Mr. Farr accepted his position at FOOD for Lane County with three goals in mind: create financial stability, develop a strong staff, and restore the agency's public image. During Mr. Farr's tenure, all of these goals were accomplished. The agency has been lifted out of debt and into financial sustainability; a base of reserves has been created to increase long-term stability and improve donor confidence; and both the number of volunteers and the amount of distribution have been increased.

FOOD for Lane County is an important member of the community, providing food assistance to the many Lane County residents who are still unsure when their next meal will be. The

organization distributes more than 7 million pounds of food each year, enough for 22 emergency food pantries and more than 70 hunger relief centers. The agency also plays a critical role assisting our youth, as one out of three children in Lane County will eat from an emergency food box or a subsidized meal program.

Mr. Farr recently left FOOD for Lane County to work as a consultant for nonprofits. I would like to extend my sincere appreciation to Mr. Farr for his distinguished work and unwavering commitment to serving his community.●

MESSAGE FROM THE HOUSE

At 11:05 a.m., a message from the House of Representatives, delivered by one of its clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3121. An act to restore the financial solvency of the national flood insurance program and to provide for such program to make available multiperil coverage for damage resulting from windstorms and floods, and for other purposes.

H.R. 3567. An act to amend the Small Business Investment Act of 1958 to expand opportunities for investments in small businesses, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3121. An act to restore the financial solvency of the national flood insurance program and to provide for such program to make available multiperil coverage for damage resulting from windstorms and floods, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 3567. An act to amend the Small Business Investment Act of 1958 to expand opportunities for investments in small businesses, and for other purposes; to the Committee on Small Business and Entrepreneurship.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 2693. An act to direct the Occupational Safety and Health Administration to issue a standard regulating worker exposure to diacetyl.

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. LEVIN:

S. 2116. A bill to amend the Internal Revenue Code of 1986 to provide that corporate tax benefits based upon stock option compensation expenses be consistent with accounting expenses shown in corporate financial statements for such compensation; to the Committee on Finance.

By Mr. LUGAR (for himself and Mr. BINGAMAN):

S. 2117. A bill to encourage the development of research-proven programs funded under the Elementary and Secondary Education Act of 1965; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LUGAR (for himself and Mr. BINGAMAN):

S. 2118. A bill to encourage the use of research-proven programs in the Elementary and Secondary Education Act of 1965; 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 Mrs. FEINSTEIN (for herself and Mr. BENNETT):

S. Res. 337. A resolution authorizing the Committee on Rules and Administration to prepare a revised edition of the Standing Rules of the Senate as a Senate document; considered and agreed to.

ADDITIONAL COSPONSORS

S. 130

At the request of Mr. ALLARD, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. 130, a bill to amend title XVIII of the Social Security Act to extend reasonable cost contracts under Medicare.

S. 261

At the request of Mr. BINGAMAN, his name was added as a cosponsor of S. 261, a bill to amend title 18, United States Code, to strengthen prohibitions against animal fighting, and for other purposes.

S. 358

At the request of Ms. SNOWE, the name of the Senator from Pennsylvania (Mr. CASEY) was added as a cosponsor of S. 358, a bill to prohibit discrimination on the basis of genetic information with respect to health insurance and employment.

S. 400

At the request of Mr. SUNUNU, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 400, a bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to ensure that dependent students who take a medically necessary leave of absence do not lose health insurance coverage, and for other purposes.

S. 612

At the request of Ms. SNOWE, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 612, a bill to improve the health of women through the establishment of Offices of Women's Health within the Department of Health and Human Services.

S. 625

At the request of Mr. KENNEDY, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor

of S. 625, a bill to protect the public health by providing the Food and Drug Administration with certain authority to regulate tobacco products.

S. 700

At the request of Mr. CRAPO, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 700, a bill to amend the Internal Revenue Code to provide a tax credit to individuals who enter into agreements to protect the habitats of endangered and threatened species, and for other purposes.

S. 790

At the request of Mr. LUGAR, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 790, a bill to amend the Richard B. Russell National School Lunch Act to permit the simplified summer food programs to be carried out in all States and by all service institutions.

S. 1382

At the request of Mr. REID, the names of the Senator from Maine (Ms. COLLINS) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 1382, a bill to amend the Public Health Service Act to provide the establishment of an Amyotrophic Lateral Sclerosis Registry.

S. 1466

At the request of Mr. DODD, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 1466, a bill to amend the Internal Revenue Code of 1986 to exclude property tax rebates and other benefits provided to volunteer firefighters, search and rescue personnel, and emergency medical responders from income and employment taxes and wage withholding.

S. 1638

At the request of Mr. LEAHY, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 1638, a bill to adjust the salaries of Federal justices and judges, and for other purposes.

S. 2063

At the request of Mr. CONRAD, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2063, a bill to establish a Bipartisan Task Force for Responsible Fiscal Action, to assure the economic security of the United States, and to expand future prosperity and growth for all Americans.

At the request of Mr. GREGG, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 2063, *supra*.

S. 2065

At the request of Mrs. MURRAY, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 2065, a bill to provide assistance to community health coalitions to increase access to and improve the quality of health care services.

S.J. RES. 13

At the request of Mr. LEAHY, the name of the Senator from Connecticut

(Mr. DODD) was added as a cosponsor of S.J. Res. 13, a joint resolution granting the consent of Congress to the International Emergency Management Assistance Memorandum of Understanding.

AMENDMENT NO. 2905

At the request of Mr. SANDERS, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of amendment No. 2905 intended to be proposed to H.R. 1585, to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

AMENDMENT NO. 3073

At the request of Mr. OBAMA, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of amendment No. 3073 proposed to H.R. 1585, to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

AMENDMENT NO. 3078

At the request of Mr. OBAMA, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of amendment No. 3078 proposed to H.R. 1585, to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

STATEMENTS ON INTRODUCED
BILLS AND JOINT RESOLUTIONS

By Mr. LEVIN:

S. 2116. A bill to amend the Internal Revenue Code of 1986 to provide that corporate tax benefits based upon stock option compensation expenses be consistent with accounting expenses shown in corporate financial statements for such compensation; to the Committee on Finance.

Mr. LEVIN. Mr. President, there is a growing chasm in our country between the amount of money paid to our corporate executives and the earnings of the rank and file workers.

J.P. Morgan once said that executive pay should not exceed 20 times average worker pay. In the U.S., in 1990, average pay for the chief executive officer, CEO, of a large U.S. corporation was 100 times average worker pay; in 2004, the difference was 300 times; today, it is nearly 400 times.

The single biggest factor responsible for this massive pay gap is stock options. Stock options are a huge contributor to executive pay. A key factor encouraging companies to pay their executives with stock options is a set of

outdated and misguided Federal tax provisions that favor stock options over other types of compensation. That is why I am introducing today a bill to eliminate federal corporate tax breaks that give special tax treatment to corporations that pay their executives with stock options. It's called the Ending Corporate Tax Favors for Stock Options Act.

This bill has been endorsed by the Consumer Federation of America, Citizens for Tax Justice, the Tax Justice Network—USA, OMBWatch, the Financial Policy Forum, and the AFL-CIO, each of which sees it as needed to eliminate federal tax breaks providing special tax favors for corporations that issue large stock option grants to their executives.

Stock options give employees the right to buy company stock at a set price for a specified period of time, typically 10 years. Virtually every CEO in America is paid with stock options, which are a major contributor to sky-high executive pay.

According to Forbes magazine, in 2006, the average pay of CEOs at 500 of the largest U.S. companies was \$15.2 million. Nearly half of that amount, 48 percent, came from stock options that had been cashed in for an average gain of about \$7.3 million. In 2006, one CEO cashed in stock options for about \$290 million; another cashed them in for about \$270 million. Forbes also published a list of 30 CEOs who, in 2006, each had at least \$100 million in vested stock options that had yet to be exercised. Corporate executives are, in short, showered with stock options and the millions of dollars they produce.

A key reason behind this flood of executive stock options is the tax code which, when combined with certain U.S. accounting rules, favors the issuance of stock option grants. Right now, U.S. accounting rules require companies to report their stock option expenses one way on the corporate books, while Federal tax rules require them to report the same stock options a completely different way on their tax returns. In most cases, the resulting book expense is far smaller than the resulting tax deduction. That means, under current U.S. accounting and tax rules, stock option tax deductions often far exceed the stock option expenses recorded by the companies.

Stock options are the only type of compensation where the Federal tax code permits companies to claim a bigger deduction on their tax returns than the corresponding expense on their books. For all other types of compensation, cash, stock, bonuses, and more, the tax return deduction equals the book expense. In fact, companies cannot deduct more than the compensation expense shown on their books, because that would be tax fraud. The sole exception to this rule is stock options. In the case of stock options, the tax code allows companies to claim a tax deduction that can be two, three, even ten times larger than the actual expense shown on their books.

When a company's compensation committee learns that stock options can produce a low compensation expense on the books, while generating a generous tax deduction that is multiple times larger, it is a pretty tempting proposition for the company to pay its executives with stock options instead of cash or stock. It is a classic case of U.S. tax policy creating an unintended incentive for corporations to act.

The problem is that these mismatched stock option accounting and tax rules also shortchange the Treasury to the tune of billions of dollars each year, while fueling the growing chasm between executive pay and average worker pay. This same mismatch also results in companies reporting one set of stock option compensation expenses to investors and the public through their public financial statements, and a completely different set of expenses to the Internal Revenue Service on their tax returns. Such huge book-tax disparities breed confusion, distrust, and schemes to maximize the differences.

The bill I am introducing today would put an end to these contradictions and to the harmful, unintended consequences that have resulted. It would put a stop to the stock option book-tax disparity, an end to the conflicting stock option expenses reported to investors and Uncle Sam, and an end to the special tax treatment that currently fuels excessive stock option compensation.

To understand why this bill is needed it helps to understand how stock option accounting and tax rules got so out of kilter with each other in the first place.

Calculating the cost of stock options may sound straightforward, but for years, companies and their accountants engaged the Financial Accounting Standards Board, FASB, in an all-out, knock-down battle over how companies should record stock option compensation expenses on their books.

U.S. publicly traded corporations are required by law to follow Generally Accepted Accounting Principles, GAAP, issued by FASB, which is overseen by the Securities and Exchange Commission, SEC. For many years, GAAP allowed U.S. companies to issue stock options to employees and, unlike any other type of compensation, report a zero compensation expense on their books, so long as, on the grant date, the stock option's exercise price equaled the market price at which the stock could be sold.

Assigning a zero value to stock options that routinely produced millions of dollars in executive pay provoked deep disagreements within the accounting community. In 1993, FASB proposed assigning a "fair value" to stock options on the date they are granted to an employee, using a mathematical valuation tool such as the Black Scholes model. FASB proposed further that companies include that amount as a compensation expense on

their financial statements. Critics responded that it was impossible accurately to estimate the value of executive stock options on their grant date. A bruising battle over stock option expensing followed, involving the accounting profession, corporate executives, FASB, the SEC, and Congress.

In the end, after years of fighting and negotiation, FASB issued a new accounting standard, Financial Accounting Standard, FAS, 123R, which was endorsed by the SEC and became mandatory for all publicly traded corporations in 2005. In essence, FAS 123R requires all companies to record a compensation expense equal to the fair value on grant date of all stock options provided to an employee in exchange for the employee's services.

The details of this accounting rule are complex, because they reflect an effort to accommodate varying viewpoints on the true cost of stock options. Companies are allowed to use a variety of mathematical models, for example, to calculate a stock option's fair value. Option grants that vest over time are expensed over the specified period so that, for example, a stock option which vests over four years results in 25 percent of the cost being expensed each year. If a stock option grant never vests, the rule allows any previously booked expense to be recovered. On the other hand, stock options that do vest are required to be fully expensed, even if never exercised, because the compensation was actually awarded. These and other provisions of this hard-fought accounting rule reflect painstaking judgments on how to show a stock option's value.

Opponents of the new accounting rule had predicted that, if implemented, it would severely damage U.S. capital markets. They warned that stock option expensing would eliminate corporate profits, discourage investment, depress stock prices, and stifle innovation. Last year, 2006, was the first year in which all U.S. publicly traded companies were required to expense stock options. Instead of tumbling, both the New York Stock Exchange and Nasdaq turned in strong performances, as did initial public offerings by new companies. The dire predictions were flat out wrong.

During the years the battle raged over stock option accounting, relatively little attention was paid to the taxation of stock options. Section 83 of the tax code, first enacted in 1969 and still in place after more than three decades, is the key statutory provision. It essentially provides that, when an employee exercises compensatory stock options, the employee must report as income the difference between what the employee paid to exercise the options and the market value of the stock received. The corporation can then take a mirror deduction for whatever amount of income the employee realized.

For example, suppose a company gave an executive options to buy 1 mil-

lion shares of the company stock at \$10 per share. Suppose, 5 years later, the executive exercised the options when the stock was selling at \$30 per share. The executive's income would be \$20 per share for a total of \$20 million. The executive would declare \$20 million as ordinary income, and in the same year, the company would take a corresponding tax deduction for \$20 million. Although in 1993, Congress enacted a \$1 million cap on the compensation that a corporation can deduct from its taxes, so taxpayers wouldn't be forced to subsidize millions of dollars in executive pay, the cap was not applied to stock options, allowing companies to deduct any amount of stock option compensation, without limit.

The stock option accounting and tax rules that evolved over the years are now at odds with each other. Accounting rules require companies to expense stock options on the grant date. Tax rules tell companies to deduct stock option expenses on the exercise date. Companies have to report grant date expenses to investors on their financial statements, and exercise date expenses on their tax returns. The financial statements report on all stock options granted during the year, while the tax returns report on all stock options exercised during the year. In short, company financial statements and tax returns report expenses for different groups of stock options, using different valuation methods, and resulting in widely divergent stock option expenses for the same year.

To examine the nature and consequences of the stock option book-tax differences, the Permanent Subcommittee on Investigations, which I chair, initiated an investigation and held a hearing on June 5, 2007. Here is what we found.

To test just how far the book and tax figures for stock options diverge, the Subcommittee contacted a number of companies to compare the stock option expenses they reported for accounting and tax purposes. The subcommittee asked each company to identify stock options that had been exercised by one or more of its executives from 2002 to 2006. The subcommittee then asked each company to identify the compensation expense they reported on their financial statements versus the compensation expense on their tax returns. In addition, we asked the companies' help in estimating what effect the new accounting rule would have had on their book expense if it had been in place when their stock options were granted. At the hearing, we disclosed the resulting stock option data for nine companies, including three companies that were asked to testify. The subcommittee very much appreciated the cooperation and assistance provided by the nine companies we worked with.

The data provided by the companies showed that, under then existing rules, the 9 companies showed a zero expense on their books for the stock options that had been awarded to their execu-

tives, but claimed millions of dollars in tax deductions for the same compensation. The one exception was Occidental Petroleum which, in 2005, began voluntarily expensing its stock options, but even this company reported massively greater tax deductions than the stock option expenses shown on its books. When the subcommittee asked the companies what their book expense would have been if the new FASB rule had been in effect, all 9 calculated book expenses that remained dramatically lower than their tax deductions. Altogether, the nine companies calculated that they would have claimed \$1 billion more in stock option tax deductions than they would have shown as book expenses, even using the tougher new accounting rule. Let me repeat that just 9 companies produced a stock option book-tax difference of more than \$1 billion.

KB Home, for example, is a company that builds residential homes. Its stock price has more than quadrupled over the past 10 years. Over the same time period, it has repeatedly granted stock options to its then CEO. Company records show that, over the past 5 years, KB Home gave him 5.5 million stock options of which, by 2006, he had exercised more than 3 million.

With respect to those 3 million stock options, KB Home recorded a zero expense on its books. Had the new accounting rule been in effect, KB Home calculated that it would have reported on its books a compensation expense of about \$11.5 million. KB Home also disclosed that the same 3 million stock options enabled it to claim compensation expenses on its tax returns totaling about \$143.7 million. In other words, KB Home claimed a \$143 million tax deduction for expenses that on its books, under current accounting rules, would have totaled \$11.5 million. That is a tax deduction 12 times bigger than the book expense.

Occidental Petroleum disclosed a similar book-tax discrepancy. This company's stock price has also skyrocketed in recent years, dramatically increasing the value of the 16 million stock options granted to its CEO since 1993. Of the 12 million stock options the CEO actually exercised over the past five years, Occidental Petroleum claimed a \$353 million tax deduction for a book expense that, under current accounting rules, would have totaled just \$29 million. That is a book-tax difference of more than 1200 percent.

Similar book-tax discrepancies applied to the other companies we examined. Cisco System's CEO exercised nearly 19 million stock options over the past 5 years, and provided the company with a \$169 million tax deduction for a book expense which, under current accounting rules, would have totaled about \$21 million. UnitedHealth's former CEO exercised over 9 million stock options in the past 5 years, providing the company with a \$318 million tax deduction for a book expense which would have totaled about \$46 million.

Safeway's CEO exercised over 2 million stock options, providing the company with a \$39 million tax deduction for a book expense which would have totaled about \$6.5 million.

Altogether, these 9 companies took stock option tax deductions totaling \$1.2 billion, a figure five times larger than the \$217 million that their combined stock option book expenses would have been. The resulting \$1 billion in excess tax deductions represents a windfall for these companies simply because they issued lots of stock options to their CEOs.

Tax rules that produce outsized tax deductions that are many times larger than the related stock option book expenses give companies an incentive to issue huge stock option grants, because they know the stock options will produce a relatively small hit to the profits shown on their books, while also knowing that they are likely to get a much larger tax deduction that can dramatically lower their taxes.

The data we gathered for nine companies alone disclosed stock option tax deductions that were five times larger than their book expenses, generating over \$1 billion in excess tax deductions. To gauge whether the same tax gap applied to stock options across the country as a whole, the subcommittee asked the IRS to perform an analysis of some newly obtained stock option data.

For the first time last year, large corporations were required to file a new tax Schedule M-3 with their tax returns. The M-3 Schedule asks companies to identify differences in how they report corporate income to investors versus what they report to Uncle Sam, so that the IRS can track and analyze significant book-tax differences. The first batch of M-3 data, which became available earlier this year, applies mostly to 2004 tax returns.

In analyzing this data, the IRS found that stock option compensation expenses were one of the biggest factors in the difference between book and tax income reported by U.S. corporations. The data shows that, in 2004, stock option compensation expenses produced a book-tax gap of about \$43 billion, which is about 30 percent of the entire book-tax difference reported for the period. That means, as a whole, corporations took deductions on their tax returns for stock option compensation expenses which were \$43 billion greater than the stock option expenses actually shown on their financial statements for the same year. Those massive tax deductions enabled the corporations, as a whole, to legally reduce their 2004 taxes by billions of dollars, perhaps by as much as \$15 billion.

When asked to look deeper into who benefited from these stock option deductions, the IRS was able to determine that the entire \$43 billion book-tax difference was attributable to about 3,200 corporations nationwide, of which about 250 corporations accounted for 82 percent of the total dif-

ference. In other words, a relatively small number of corporations was able to generate \$43 billion in tax deductions simply by handing out substantial stock options to their executives.

There were other surprises in the data as well. One set of issues disclosed by the data involves what happens to unexercised stock options. Under the current mismatched set of accounting and tax rules, stock options which are granted, vested, but never exercised by the option holder turn out to produce a corporate book expense but no tax deduction.

Cisco Systems told the subcommittee, for example, that in addition to the 19 million exercised stock options previously mentioned, their CEO holds about 8 million options that, due to a stock price drop, will likely expire without being exercised. Cisco calculated that, had FAS 123R been in effect at the time those options were granted, the company would have had to show a \$139 million book expense, but would never be able to claim a tax deduction for this expense since the options would never be exercised. Apple made a similar point. It told the subcommittee that, in 2003, it allowed its CEO to trade 17.5 million in underwater stock options for 5 million shares of restricted stock. That trade meant the stock options would never be exercised and, under current rules, would produce a book expense without ever producing a tax deduction.

In both of these cases, under FAS 123R, it is possible that the stock options given to a corporate executive would have produced a reported book expense greater than the company's tax deduction. While the M-3 data indicates that, overall, accounting expenses lag far behind claimed tax deductions, the possible financial impact on an individual company of a large number of unexercised stock options is additional evidence that existing stock option accounting and tax rules are out of kilter and should be brought into alignment. Under our bill, if a company incurred a stock option expense, it would always be able to claim a tax deduction for that expense.

A second set of issues brought to light by the data focuses on the fact that the current stock option tax deduction is typically claimed years later than the initial book expense. Normally, a corporation dispenses compensation to an employee and takes a tax deduction in the same year for the expense. The company controls the timing and amount of the compensation expense and the corresponding tax deduction. With respect to stock options, however, corporations may have to wait years to see if, when, and how much of a deduction can be taken. That is because the corporate tax deduction is wholly dependent upon when an individual corporate executive decides to exercise his or her stock options.

UnitedHealth, for example, told the subcommittee that it gave its former

CEO 8 million stock options in 1999, of which, by 2006, only about 730,000 had been exercised. It does not know if or when he will exercise the remaining 7 million options, and so cannot calculate when or how much of a tax deduction it will be able to claim for this compensation expense.

Right now, stock options are the only form of compensation in which the book expense and tax deduction often take place in different years, and the timing of the deduction is under the control of the employee, rather than the employer. Under current law, it is not unusual for a stock option tax deduction to be claimed 3, 5, or even 10 years after the year in which the stock option compensation was granted. Our bill would completely eliminate this delay and uncertainty, by requiring stock option expenses to be deducted in the same year as they appear on the company books.

If the rules for stock option tax deductions were changed as suggested in our bill, companies would typically be able to take the deduction years earlier than they do now, without waiting to see if and when particular options are exercised. Companies would also be allowed to deduct stock options that are vested but never exercised. In addition, by requiring stock option expenses to be deducted in the same year they appear on the company books, stock options would become more consistent with how other forms of compensation are treated in the tax code.

Right now, U.S. stock option accounting and tax rules are mismatched, misaligned, and out of kilter. They allow companies collectively to deduct billions of dollars in stock option expenses in excess of the expenses that actually appear on the company books. They disallow tax deductions for stock options that are given as compensation but never exercised. They often force companies to wait years to claim a tax deduction for a compensation expense that could and should be claimed in the same year it appears on the company books.

The bill we are introducing today would cure these problems. It would bring stock option accounting and tax rules into alignment, so that the two sets of rules would apply in a consistent manner. It would accomplish that goal simply by requiring the corporate stock option tax deduction to equal the stock option expenses shown on the corporate books each year. Stock option deductions would no longer exceed the expenses recorded on a company's publicly available financial reports. Stock option expenses for both accounting and tax purposes would be the same.

Specifically, the bill would end use of the current stock option deduction under Section 83 of the tax code, which allows corporations to deduct stock option expenses when exercised in an amount equal to the income declared by the individual exercising the option, replacing it with a new Section 162(q),

which would require companies to deduct the stock option expenses shown on their books each year.

The bill would apply only to corporate stock option deductions; it would make no changes to the rules that apply to individuals who have been given stock options as part of their compensation. Individuals would still report their compensation on the day they exercised their stock options. They would still report as income the difference between what they paid to exercise the options and the fair market value of the stock they received upon exercise. The gain would continue to be treated as ordinary income rather than a capital gain, since the option holder did not invest any capital in the stock prior to exercising the stock option and the only reason the person obtained the stock was because of the services they performed for the corporation.

The amount of income declared by the individual after exercising a stock option will likely often be greater than the stock option expense booked and deducted by the corporation who employed that individual. That is in part because the individual's gain often comes years later than the original stock option grant, and the underlying stock will usually have gained in value. In addition, the individual's gain is typically provided, not by the corporation that supplied the stock options years earlier, but by third parties active in the stock market.

Consider, for example, an executive who exercises options to buy 1 million shares of stock at \$10 per share, obtains the shares from the corporation, and then immediately sells them on the open market for \$30 per share, making a total profit of \$20 million. The individual's corporation didn't supply the \$20 million. Just the opposite. Rather than paying cash to its executive, the corporation received a \$10 million payment from the executive in exchange for the 1 million shares. The \$20 million profit from selling the shares was paid, not by the corporation, but by third parties in the marketplace who purchased the stock. That's why it makes no sense for the company to declare as an expense the amount of profit that an employee, or sometimes a former employee, obtained from unrelated parties in the marketplace.

The bill we are introducing today would put an end to the current approach of using the stock option income declared by an individual as the tax deduction claimed by the corporation that supplied the stock options. It would break that old artificial symmetry and replace it with a new symmetry more consistent with other tax code provisions, one in which the corporation's stock option tax deduction would match its book expense.

I consider the current approach to corporate stock option tax deductions to be artificial, because it uses a construct in the tax code that, when first implemented over thirty years ago, en-

abled corporations to calculate their stock option expense on the exercise date, when there was no consensus on how to calculate stock option expenses on the grant date. The artificiality of the approach is demonstrated by the fact that it allows companies to claim a deductible expense for money that generally does not come from a company's coffers, but from third parties in the stock market. Now that U.S. accounting rules provide a detailed rule for calculating stock option expenses on the grant date, however, there is no longer any need to rely on an artificial construct that calculates corporate stock option expenses on the exercise date using third party funds.

Our bill would eliminate the existing grant date-exercise date disparity between U.S. accounting and tax rules, and eliminate the stock option double standard by ensuring that companies' stock option tax deductions are equal to, and not greater than, the actual stock option expenses shown on their books.

It is also important to note that the bill would not affect in any way current tax provisions that provide favored tax treatment to so-called Incentive Stock Options under Sections 421 and 422 of the tax code. Under these sections, in certain circumstances, corporations can surrender their stock option deductions in favor of allowing their employees with stock option gains to be taxed at a capital gains rate instead of ordinary income tax rates. Many start-up companies use these types of stock options, because they don't yet have taxable profits and don't need a stock option tax deduction. So they forfeit their stock option corporate deduction in favor of giving their employees more favorable treatment of their stock option income. Incentive Stock Options would not be affected by our legislation and would remain available to any corporation providing stock options to its employees.

And again, as mentioned earlier, the bill would have no effect on the tax treatment of stock options for individuals; the bill would affect only corporations.

The bill would make one other important change to the tax code as it relates to corporate stock option tax deductions. Right now, Section 162(m) of the tax code applies a \$1 million cap on corporate deductions for the compensation paid to the top executives of publicly held corporations. The purpose of this cap is to eliminate any taxpayer subsidy for compensation that exceeds \$1 million annually and is paid to a top corporate executive. As currently written, however, the cap does not apply to compensation paid in the form of stock options. By exempting stock option compensation from the \$1 million cap, the provision creates a significant incentive for corporations to pay their executives with stock options. The bill would eliminate this favored treatment of executive stock options by making deductions for this type of compensa-

tion subject to the same \$1 million cap that applies to other forms of compensation covered by Section 162(m).

The bill also contains several technical provisions. First, it would make a conforming change to the research tax credit so that stock option expenses claimed under that credit would match the stock option deductions taken under the new tax code section 162(q). Second, the bill would authorize the Secretary of the Treasury to adopt regulations governing how to calculate the deduction for stock options issued by a parent corporation to the employees of a subsidiary.

Finally, the bill contains a transition rule for applying the new Section 162(q) stock option tax deduction to existing and future stock option grants. This transition rule would make it clear that the new tax deduction would not apply to any stock option exercised prior to the date of enactment of the bill.

The bill would also allow the old Section 83 deduction rules to apply to any option which was vested prior to the effective date of Financial Accounting Standard, FAS, 123R, and exercised after the date of enactment of the bill. The effective date of FAS 123R is June 15, 2005 for most corporations, and December 31, 2005, for most small businesses. Prior to the effective date of FAS 123R, most corporations would have shown a zero expense on their books for the stock options issued to their executives and, thus, would be unable to claim a tax deduction under the new Section 162(q). For that reason, the bill would allow these corporations to continue to use Section 83 to claim stock option deductions on their tax returns.

For stock options that vested after the effective date of FAS 123R and were exercised after the date of enactment, the bill takes another tack. Under FAS 123R, these corporations would have had to show the appropriate stock option expense on their books, but would have been unable to take a tax deduction until the executive actually exercised the option. For these options, the bill would allow corporations to take an immediate tax deduction, in the first year that the bill was in effect, for all of the expenses shown on their books with respect to these options. This "catch-up deduction" in the first year after enactment would enable corporations, in the following years, to begin with a clean slate so that their tax returns the next year would reflect their actual stock option book expenses for that same year.

After that catch-up year, all stock option expenses incurred by a company each year would be reflected in their annual tax deductions under the new Section 162(q).

The current differences between stock option accounting and tax rules make no sense. They require companies to show one stock option expense on their books and a completely different expense on their tax returns. They require corporations to report one set of

figures to their investors and a different set of figures to the IRS.

The current book-tax difference is the historical product of accounting and tax policies that have not been coordinated or integrated. The resulting mismatch has allowed companies to take tax deductions that, usually, are many times larger than the actual stock option book expenses shown on their books, which not only short-changes the Treasury, but also provides a windfall to companies doling out huge stock options, and creates an incentive for those companies to keep right on doling out those options and producing outsized executive pay.

Right now, stock options are the only compensation expense where the tax code allows companies to deduct more than their actual expenses. In 2004, companies used the existing book-tax disparity to claim \$43 billion more in stock option tax deductions than the expenses shown on their books. We cannot afford this multi-billion dollar loss to the Treasury, not only because of deep federal deficits, but also because this stock option book-tax difference contributes to the ever deepening chasm between the pay of executives and the pay of average workers.

I urge my colleagues to join me in enacting this bill into law this year.

I ask unanimous consent that the text of the bill and a bill summary be printed in the RECORD.

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

S. 2116

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 "Ending Corporate Tax Favors for Stock Options Act".

SEC. 2. CONSISTENT TREATMENT OF STOCK OPTIONS BY CORPORATIONS.

(a) CONSISTENT TREATMENT FOR WAGE DEDUCTION.—

(1) IN GENERAL.—Section 83(h) of the Internal Revenue Code of 1986 (relating to deduction of employer) is amended—

(A) by striking "In the case of" and inserting:

"(1) IN GENERAL.—In the case of", and

(B) by adding at the end the following new paragraph:

"(2) STOCK OPTIONS.—In the case of property transferred to a person in connection with the exercise of a stock option, any deduction by the employer related to such stock option shall be allowed only under section 162(q) and paragraph (1) shall not apply."

(2) TREATMENT OF COMPENSATION PAID WITH STOCK OPTIONS.—Section 162 of such Code (relating to trade or business expenses) is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) TREATMENT OF COMPENSATION PAID WITH STOCK OPTIONS.—

"(1) IN GENERAL.—In the case of compensation for personal services that is paid with stock options, the deduction under subsection (a)(1) shall not exceed the amount the taxpayer has treated as an expense with respect to such stock options for the purpose of ascertaining income, profit, or loss in a report or statement to shareholders, partners,

or other proprietors (or to beneficiaries), and shall be allowed in the same period that the accounting expense is recognized.

"(2) SPECIAL RULES FOR CONTROLLED GROUPS.—The Secretary shall prescribe rules for the application of paragraph (1) in cases where the stock option is granted by a parent or subsidiary corporation (within the meaning of section 424) of the employer corporation."

(b) CONSISTENT TREATMENT FOR RESEARCH TAX CREDIT.—Section 41(b)(2)(D) of the Internal Revenue Code of 1986 (defining wages for purposes of credit for increasing research expenses) is amended by inserting at the end the following new clause:

"(iv) SPECIAL RULE FOR STOCK OPTIONS.—The amount which may be treated as wages for any taxable year in connection with the issuance of a stock option shall not exceed the amount allowed for such taxable year as a compensation deduction under section 162(q) with respect to such stock option."

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply to stock options exercised after the date of the enactment of this Act, except that—

(1) such amendments shall not apply to stock options that were granted before such date and that vested in taxable periods beginning on or before June 15, 2005,

(2) for stock options that were granted before such date of enactment and vested during taxable periods beginning after June 15, 2005, and ending before such date of enactment, a deduction under section 162(q) of the Internal Revenue Code of 1986 (as added by subsection (a)(2)) shall be allowed in the first taxable period of the taxpayer that ends after such date of enactment,

(3) for public entities reporting as small business issuers and for non-public entities required to file public reports of financial condition, paragraphs (1) and (2) shall be applied by substituting "December 15, 2005" for "June 15, 2005", and

(4) no deduction shall be allowed under section 83(h) or section 162(q) of such Code with respect to any stock option the vesting date of which is changed to accelerate the time at which the option may be exercised in order to avoid the applicability of such amendments.

SEC. 3. APPLICATION OF EXECUTIVE PAY DEDUCTION LIMIT.

(a) IN GENERAL.—Subparagraph (D) of section 162(m)(4) of the Internal Revenue Code of 1986 (defining applicable employee remuneration) is amended to read as follows:

"(D) STOCK OPTION COMPENSATION.—The term 'applicable employee remuneration' shall include any compensation deducted under subsection (q), and such compensation shall not qualify as performance-based compensation under subparagraph (C)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to stock options exercised or granted after the date of the enactment of this Act.

Section 1—Short title

"Ending Corporate Tax Favors for Stock Options Act"

Section 2—Consistent treatment of stock options by corporations

Eliminates favored tax treatment of corporate stock option deductions, in which corporations are currently allowed to deduct a higher stock option compensation expense on their tax returns than shown on their financial books—(1) creates a new corporate stock option deduction under a new tax code section 162(q) requiring the tax deduction to be consistent with the book expense, and (2) eliminates the existing corporate stock option deduction under tax code section 83(h) allowing excess deductions.

Allows corporations to deduct stock option compensation in the same year it is recorded on the company books, without waiting for the options to be exercised.

Makes a conforming change to the research tax credit so that stock option expenses under that credit will match the deductions taken under the new tax code section 162(q).

Authorizes Treasury to issue regulations applying the new deduction to stock options issued by a parent corporation to subsidiary employees.

Establishes a transition rule applying the new deduction to stock options exercised after enactment, permitting deductions under the old rule for options vested prior to adoption of Financial Accounting Standard (FAS) 123R (on expensing stock options) on June 15, 2005, and allowing a catch-up deduction in the first year after enactment for options that vested between adoption of FAS 123R and the date of enactment.

Makes no change to stock option compensation rules for individuals.

Section 3—Application of executive pay deduction limit

Eliminates favored treatment of corporate executive stock options under tax code section 162(m) by making executive stock option compensation deductions subject to the same \$1 million cap on corporate deductions that applies to other types of compensation paid to the top executives of publicly held corporations.

By Mr. LUGAR (for himself and Mr. BINGAMAN):

S. 2117. A bill to encourage the development of research-proven programs funded under the Elementary and Secondary Education Act of 1965; to the Committee on Health, Education, Labor, and Pensions.

Mr. BINGAMAN. Mr. President, I rise today, along with Senator LUGAR, to introduce the Proven Programs for the Future of Education Act of 2007, and the Education Research and Development to Improve Achievement Act of 2007. These bills would encourage the use and development of research-proven programs in the Elementary and Secondary Education Act of 1965.

In 2002, Congress enacted the No Child Left Behind Act to close the achievement gap between low-income, underperforming students, and their more affluent peers. Without a renewed dedication to the quality of programs used in our schools, this goal, as well as providing an excellent education for students, will be difficult to achieve. While there is no question that we have made progress in recent years in advancing educational opportunity, I remain concerned about the number of schools that are failing to meet the criteria set out in the No Child Left Behind Act. We need to look at ways to improve the quality of education in a meaningful and comprehensive manner.

The purpose of the bills that I am introducing today is to create incentives for schools to use the programs that meet the highest standards for evidence of effectiveness and provide increased investment in the research and development to create and evaluate new programs. The future of our students' success depends on the quality

of their educational experience. It is for that reason I have been committed to, and will continue to strive for, an improved educational system.

It is my strong belief that one of the clearest ways we can improve the quality of education in our schools is to encourage schools to focus on existing proven programs that meet the highest quality standards. The Proven Programs for the Future of Education Act would offer a competitive preference of 10 percent of the total number of points awarded to grant applicants who choose to use research-proven programs.

In addition, this legislation would also provide a ten-percent competitive preference for applicants who choose research-proven reading programs. I believe that the goals of the Reading First program are important in improving students' literacy levels. While I am very concerned that this program has been beleaguered by greed and partisanship, the program has shown to be effective, particularly in New Mexico, where according to reports from the U.S. Department of Education, in 2006–2007, 58 percent of New Mexico's third-grade students in Reading First programs scored proficient or above in reading. This is up from 39 percent in 2003–2004. That said, it is crucial that states such as New Mexico have the opportunity to consider and use research-proven reading programs to further advance educational opportunity.

I believe that stressing quality education programs fosters greater academic achievement and motivation in later years, particularly for children from low-income families. To this end, this legislation provides schools the incentive to advance research-proven programs, raising the bar for all educational programs both now and in the future.

As you know, title I-A provides supplemental services to low-achieving students attending schools with a relatively high concentration of students from low-income families. Title I-A is the largest Federal elementary and secondary education assistance program, with services provided to more than 90 percent of all local educational agencies; approximately 52,000—54 percent of all—public schools; and approximately 16.5 million—34 percent of all—pupils, including approximately 188,000 pupils attending private schools. If the national goal of leaving no child behind is to be met, attention and resources must also be invested in the research necessary to bring improved quality and increased innovation to core areas of title I.

The Education Research and Development to Improve Achievement Act would authorize at least \$100 million for rapid development and rigorous evaluation of practical programs for use in title I programs capable of increasing student achievement in such areas as School Improvement and Restructuring, Supplemental Educational Services, Reading First, and other

areas determined to be in need of further development.

I want to thank Senator LUGAR for his leadership and commitment to improving education in this country. Senator LUGAR remains a tireless advocate for our Nation's students, and I am pleased to be working with him on this legislation as we begin reauthorizing the No Child Left Behind Act.

This legislation represents a critical step forward in advancing research-proven programs for millions of students across the country, and I urge my colleagues to support this legislation.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 337—AUTHORIZING THE COMMITTEE ON RULES AND ADMINISTRATION TO PREPARE A REVISED EDITION OF THE STANDING RULES OF THE SENATE AS A SENATE DOCUMENT

Mrs. FEINSTEIN (for herself and Mr. BENNETT) submitted the following resolution; which was considered and agreed to:

S. RES. 337

Resolved,

SECTION 1. PRINTING THE STANDING RULES OF THE SENATE.

(a) AUTHORIZATIONS.—The Committee on Rules and Administration shall prepare a revised edition of the Standing Rules of the Senate and such standing rules shall be printed as a Senate document.

(b) ADDITIONAL COPIES.—In addition to the usual number, 2,500 additional copies shall be printed for use by the Committee on Rules and Administration.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia be authorized to meet on Friday, September 28, 2007, at 10 a.m. in order to conduct a hearing entitled "The Role of Federal Executive Boards in Pandemic Preparedness."

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

ORDER FOR MEASURES TO BE INDEFINITELY POSTPONED

Mr. MENENDEZ. Madam President, I ask unanimous consent that the following calendar items be indefinitely postponed: Calendar No. 296, S. 1539; Calendar No. 297, S. 1596; Calendar No. 298, S. 1732; Calendar No. 300, S. 1781.

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

ORDER FOR THE RECORD TO REMAIN OPEN

Mr. MENENDEZ. I ask unanimous consent that the RECORD remain open today until 2 p.m. for the submission of statements and cosponsorships.

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

RULES COMMITTEE AUTHORIZATION

Mr. MENENDEZ. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 337, submitted earlier today.

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

The bill clerk read as follows:

A resolution (S. Res. 337) authorizing the Committee on Rules and Administration to prepare a revised edition of the Standing Rules of the Senate as a Senate document.

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

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

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

The resolution (S. Res. 337) was agreed to, as follows:

S. RES. 337

Resolved,

SECTION 1. PRINTING THE STANDING RULES OF THE SENATE.

(a) AUTHORIZATIONS.—The Committee on Rules and Administration shall prepare a revised edition of the Standing Rules of the Senate and such standing rules shall be printed as a Senate document.

(b) ADDITIONAL COPIES.—In addition to the usual number, 2,500 additional copies shall be printed for use by the Committee on Rules and Administration.

ORDERS FOR MONDAY, OCTOBER 1, 2007

Mr. MENENDEZ. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 2 p.m., Monday, October 1; that on Monday, following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders reserved for their use later in the day, and there then be a period of morning business until 3 p.m., with Senators permitted to speak therein for up to 10 minutes each, and the time equally divided and controlled between the two sides; that at 3 p.m., the Senate resume consideration of H.R. 1585.

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

ADJOURNMENT UNTIL MONDAY, OCTOBER 1, 2007, AT 2 P.M.

Mr. MENENDEZ. Madam President, if there is no further business to come

before the Senate, I now ask unanimous consent that the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 12:56 p.m., adjourned until Monday, October 1, 2007, at 2 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate Friday, September 28, 2007:
IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. KEVIN P. CHILTON, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. TED F. BOWLDS, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. THOMAS G. MILLER, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. WILLIAM E. WARD, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. DAVID N. BLACKLEDGE, 0000

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. KEITH D. JONES, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. CHRISTOPHER A. INGRAM, 0000

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. OLIVER J. MASON, JR., 0000

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. JAMES N. MATTIS, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be admiral

VICE ADM. MARK P. FITZGERALD, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. CARL V. MAUNEY, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS CHIEF OF NAVAL OPERATIONS, UNITED STATES NAVY AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 5033:

To be admiral

ADM. GARY ROUGHEAD, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be admiral

VICE ADM. JONATHAN W. GREENERT, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. LAWRENCE S. RICE, 0000

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING WITH LAURA E. BARNES AND ENDING WITH KEVIN L. WRIGHT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 25, 2007.

AIR FORCE NOMINATIONS BEGINNING WITH DANA M. ADAMS AND ENDING WITH MONICA L. WHEATON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 25, 2007.

AIR FORCE NOMINATION OF WILLIAM H. SNEEDER, JR., 0000, TO BE COLONEL.
AIR FORCE NOMINATION OF FRANK W. SHAGETS, 0000, TO BE COLONEL.

AIR FORCE NOMINATIONS BEGINNING WITH MARK W. DUFF AND ENDING WITH ANDREW STOY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.
AIR FORCE NOMINATION OF JOHN M. ALDEN, JR., 0000, TO BE LIEUTENANT COLONEL.
AIR FORCE NOMINATION OF FREDERICK M. ABRUZZO, 0000, TO BE MAJOR.

AIR FORCE NOMINATIONS BEGINNING WITH WILLIAM W. DODSON AND ENDING WITH JOHN R. SHAW, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 18, 2007.
AIR FORCE NOMINATIONS BEGINNING WITH THOMAS E. MARCHIONDO AND ENDING WITH KYUNG L. BOEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 18, 2007.

AIR FORCE NOMINATIONS BEGINNING WITH DAVID W. ASHLEY AND ENDING WITH MARC D. WILSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 18, 2007.

IN THE ARMY

ARMY NOMINATION OF DWAYNE S. TUPPER, 0000, TO BE MAJOR.

ARMY NOMINATION OF SUZANNE R. TODD, 0000, TO BE MAJOR.

ARMY NOMINATION OF RALPH C. BEATON, 0000, TO BE MAJOR.

ARMY NOMINATION OF KRISTEN M. BAUER, 0000, TO BE MAJOR.

ARMY NOMINATION OF JOSE M. TORRES, 0000, TO BE MAJOR.

ARMY NOMINATIONS BEGINNING WITH RICHARD D. ARES AND ENDING WITH YVETTE WOODS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 2, 2007.

ARMY NOMINATIONS BEGINNING WITH KENNETH E. DESPAIN AND ENDING WITH THOMAS J. STEINBACH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 2, 2007.

ARMY NOMINATIONS BEGINNING WITH MARVELLA BAILEY AND ENDING WITH GAYLA W. WILSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 2, 2007.

ARMY NOMINATIONS BEGINNING WITH CARA M. ALEXANDER AND ENDING WITH D060835, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 2, 2007.

ARMY NOMINATION OF SHIRLEY HAYNES, 0000, TO BE MAJOR.

ARMY NOMINATION OF ADAM R. LIBERMAN, 0000, TO BE MAJOR.

ARMY NOMINATIONS BEGINNING WITH JOSEPH W. BROWN AND ENDING WITH CYNTHIA D. SANCHEZ, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

ARMY NOMINATION OF PAMELA J. MEYERS, 0000, TO BE MAJOR.

ARMY NOMINATION OF JERRY D. MICHEL, 0000, TO BE LIEUTENANT COLONEL.

ARMY NOMINATIONS BEGINNING WITH ANTONIO MARINEZLUENGO AND ENDING WITH THOMAS R. ROESSEL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

ARMY NOMINATIONS BEGINNING WITH DANIEL L. DICKER AND ENDING WITH PAUL J. WATKINS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

ARMY NOMINATION OF SCOTT T. KRAWCZYK, 0000, TO BE COLONEL.

ARMY NOMINATION OF ROLAND D. AUT, 0000, TO BE COLONEL.

ARMY NOMINATION OF EILEEN G. MCGONAGLE, 0000, TO BE COLONEL.

ARMY NOMINATION OF VAL L. PETERSON, 0000, TO BE COLONEL.

ARMY NOMINATION OF JORDAN T. JONES, 0000, TO BE COLONEL.

ARMY NOMINATION OF MARTIN E. WEISSE, 0000, TO BE COLONEL.

ARMY NOMINATIONS BEGINNING WITH JEFFREY L. ANDERSON AND ENDING WITH DAVID S. LEE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

ARMY NOMINATIONS BEGINNING WITH MICHAEL J. NORTON AND ENDING WITH WILLIAM J. THOMAS, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

ARMY NOMINATIONS BEGINNING WITH JOHN J. GARCIA AND ENDING WITH KEITH E. KNOWLTON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

ARMY NOMINATIONS BEGINNING WITH DANIEL C. DANAHAR AND ENDING WITH JESSE D. WADE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

ARMY NOMINATIONS BEGINNING WITH TRACY R. NORRIS AND ENDING WITH GARY B. TOOLEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

ARMY NOMINATION OF DAVID M. RUFFIN, 0000, TO BE MAJOR.

ARMY NOMINATION OF TODD A. WICHMAN, 0000, TO BE MAJOR.

ARMY NOMINATIONS BEGINNING WITH DONALD S. ABBOTTMCCUNE AND ENDING WITH D070066, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

ARMY NOMINATIONS BEGINNING WITH MALIK A. ABDULSHAKOOR AND ENDING WITH D060714, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

ARMY NOMINATIONS BEGINNING WITH JESSE ABREU AND ENDING WITH D060773, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

ARMY NOMINATIONS BEGINNING WITH HECTOR J. ACOSTAROBLES AND ENDING WITH D060704, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

ARMY NOMINATIONS BEGINNING WITH ALBERT J. ABBADESSA AND ENDING WITH D070028, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

ARMY NOMINATIONS BEGINNING WITH DAVID W. ALLEY AND ENDING WITH X1966, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

ARMY NOMINATION OF SHAWN D. SMITH, 0000, TO BE MAJOR.

ARMY NOMINATIONS BEGINNING WITH BRIAN D. ALLEN AND ENDING WITH MICHAEL R. CONNERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 18, 2007.

IN THE COAST GUARD

COAST GUARD NOMINATION OF THOMAS T. PEQUIGNOT, 0000, TO BE LIEUTENANT.

COAST GUARD NOMINATIONS BEGINNING WITH JOSEPH E. VORBACH AND ENDING WITH THOMAS W. DENUCCI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 18, 2007.

COAST GUARD NOMINATIONS BEGINNING WITH JEFFREY G. ANDERSON AND ENDING WITH CONRAD W. ZVARA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 18, 2007.

COAST GUARD NOMINATIONS BEGINNING WITH CHRISTOPHER D. ALEXANDER AND ENDING WITH STEVEN A. WEIDEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 18, 2007.

IN THE MARINE CORPS

MARINE CORPS NOMINATION OF JON B. LIVINGSTON, 0000, TO BE MAJOR.

MARINE CORPS NOMINATION OF ARTHUR E. VERDUGO, 0000, TO BE COLONEL.

IN THE NAVY

NAVY NOMINATION OF RONNIE M. CITRO, 0000, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATIONS BEGINNING WITH KATHLEEN M. BALDWIN AND ENDING WITH TANYA D. LEHMANN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH MICHAEL L. FARMER AND ENDING WITH THOMAS S. PRICE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH SUZANNA G. BRUGLER AND ENDING WITH ERIK J. REYNOLDS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH ALDRITH L. BAKER AND ENDING WITH ENNIS E. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH VICTOR ALLENDE AND ENDING WITH DARREN B. WRIGHT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH ERIK E. ANDERSON AND ENDING WITH WILLIAM WRIGHT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH LANE C. ASKEW AND ENDING WITH RICHARD M. ZAMORA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH SHARON D. BARNES AND ENDING WITH DEBORAH B. YUSKO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH JAY P. ALDEA AND ENDING WITH ERIC D. WYATT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH DARYL G. ADAMSON AND ENDING WITH MICHAEL D. YELANJIAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH JEFFREY J. ABBADINI AND ENDING WITH RONALD W. ZITZMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE

AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATIONS BEGINNING WITH CHARLES R. ALLEN AND ENDING WITH MICHAEL D. VANCAS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 2007.

NAVY NOMINATION OF MARTIN K. DE FANT, 0000, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATION OF GREGORY E. WALTERS, 0000, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATIONS BEGINNING WITH BRETT T. BOWLIN AND ENDING WITH JEANINE B. WOMBLE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

NAVY NOMINATIONS BEGINNING WITH RUBEN D. ACOSTA AND ENDING WITH LUKE A. ZABROCKI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

NAVY NOMINATIONS BEGINNING WITH PAUL H. ABBOTT AND ENDING WITH CAROL B. ZWIEBACH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

NAVY NOMINATIONS BEGINNING WITH RENE J. ALOVA AND ENDING WITH JOYCE N. YANG, WHICH NOMINATIONS

WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

NAVY NOMINATIONS BEGINNING WITH MARK E. ALLEN AND ENDING WITH GEORGINA L. ZUNIGA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

NAVY NOMINATIONS BEGINNING WITH DON N. ALLEN, JR. AND ENDING WITH JEFFREY S. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

NAVY NOMINATIONS BEGINNING WITH CERINO O. BARGOLA AND ENDING WITH TEDDY L. WILLIAMS, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

NAVY NOMINATIONS BEGINNING WITH JAMES ALGER AND ENDING WITH JASON N. WOOD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.

NAVY NOMINATIONS BEGINNING WITH DOUGLAS E. BAKER AND ENDING WITH SHEILA R. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 12, 2007.