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House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, September 14, 2010, at 2 p.m.

Senate

MONDAY, AUGUST 2, 2010

The Senate met at 2 p.m. and was called to order by the Honorable MARK R. WARNER, a Senator from the Commonwealth of Virginia.

PRAYER

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

Let us pray.

Eternal God, center of our hope, You have given us this day for our use. From the rising of the Sun until the setting of the same, Your Name deserves our praise.

Today, bless our lawmakers with Your guidance and peace. Give them hope and purpose as they labor on Capitol Hill, reminding them that their steps are ordered by You and that You won't withhold from them any good thing. Show them that righteousness is the true measure of national greatness and that sin will destroy any nation or people. Lord, encourage them to wisely use their time to contribute to the quality of life in our Nation and in our world.

We pray in Your sovereign Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MARK R. WARNER 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. INOUYE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 2, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK R. WARNER, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

DANIEL K. INOUYE,
President pro tempore.

Mr. WARNER 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, following leader remarks, there will be a period of morning business until 3 p.m. with Senators permitted to speak for up to 10 minutes each.

Following morning business, the Senate will resume consideration of the motion to concur to H.R. 1586, which is the legislative vehicle for FMAP and education funding. The time from 5:15 p.m. to 5:45 p.m. will be controlled between the leaders or their designees, with the majority leader controlling the final 15 minutes. At 5:45 p.m., the Senate will proceed to a rollcall vote on that matter.

I have completed a meeting with the Republican leader and we are working to find a way to complete our work this week. We are going to have that vote tonight. There will be a consent agreement to move to take care of the Cobell, Pigford funding matter. That will be after we vote tonight.

We are going to start the Kagan nomination in the morning. I haven't had the chance to call the chairman of the Judiciary Committee, Senator LEAHY, and I am sure Senator MCCONNELL hasn't had a chance to call Senator SESSIONS because we just completed our meeting, but we should be ready to start that early in the morning.

Interspersed between that debate, we have other things we want to accomplish. We are going to have competing energy bills that we will set up a time to have debate on, and we will have competing cloture votes on those two measures—the Democratic and Republican energy issues that we have put into bills for a vote prior to the recess.

There is a consent agreement that the Republicans are looking at dealing with child nutrition. It is my understanding that both Senator LINCOLN and Ranking Member CHAMBLISS have signed off on that agreement.

We also have to work on the Defense authorization bill. We are trying to see a path forward on that so debate can start on that as soon as we get back in September. But we want a path for that to be accomplished. We have a number of nominations at which we are also looking.

So I think I have covered about everything we have to work on this week, which is quite a bit. But with each of

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

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them, I think we have a way forward to get this done.

On the small business matter, we are pretty close to having an agreement. The Republican leader has to check with his people on a number of issues. I have to check with mine. But I think we are headed so that we can have a number of votes and complete that matter before we leave.

RECOGNITION OF THE MINORITY LEADER

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

RESPONSE TO THE RECESSION

Mr. MCCONNELL. Mr. President, the American people have run out of patience with Washington's response to the recession. The first response was a so-called stimulus bill that was meant to keep unemployment under 8 percent. But after borrowing $1 trillion, unemployment is stuck well above 9 percent—some would argue closer to 10 percent. Now Democrats in Washington want to do it again.

Later on today, our friends on the other side will vote for a summer sequel to the original stimulus. A year and a half after the first stimulus, the seemingly unlimited spending continues.

You will recall the original stimulus was meant to be timely, targeted, and temporary. Yet here we are again, a year and a half later, and they are already coming back for more. The $100 billion they got for teachers the first time wasn't enough.

Forget about the fact that more than a third of the original $100 billion hasn't even been spent and that none of the extra money they are asking for has to be used to retain teachers. Our friends on the other side are now in the business of paying for States to hire more workers even if they can't afford it on their own. Why? Why? Because it creates a permanent need for future State bailouts, at a time when we can least afford it.

The same with health care spending: The original stimulus included about $90 billion in additional Medicaid spending—funds that were said to be timely, targeted, and temporary. Yet here we are, a year and a half later, and they want billions more.

Let's be clear: This bill is a brazen attempt to funnel more money to public employee unions before an election at a moment of record deficits and debt, and to set the stage for a massive tax hike before the end of the year. It is time Democrats in Congress stop funneling billions of dollars to their favorite constituencies and asking the American people to pay for it with higher taxes. It is time they actually do something to address the jobs crisis in this country rather than using this and every other crisis as an opportunity to advance their vision of government without bounds.

Enough is enough. Democrats can say these bills are a response to the job crisis all they want, but the American people have already issued their verdict. The American people have seen the bitter results of the Democrats' so-called economic agenda. Every bill they pass only adds more burden on the people we need to get us out of this economic ditch. Whether it is the health care bill or financial regulation, every bill they pass seems to have as a prerequisite that it kill more jobs. If a bill doesn't kill jobs or make it harder to create them, they are not particularly interested.

When the centerpiece of your jobs agenda is to pass a bill that adds another $34 billion to the national debt to get checks to millions of chronically unemployed Americans who can't find work in the climate you have created, then it is time for a different approach. The approach of the past year and a half isn't working. Unemployment has now been above 9 percent for more than a year. Yet Democrats can't seem to come up with anything other than to expand the size of government, transfer more Federal dollars to the States.

Americans are tired of their tax dollars being spent on more government, more regulations, more taxes, and more burden. They want new solutions that actually enable businesses to recover. Those are the kinds of solutions Republicans are offering and that Americans want.

IRAQ

Mr. MCCONNELL. Mr. President, the President today announced his plans to transition the mission of our military in Iraq from combat to an advisory and assistance mission. For context, it is worth remembering that prior to the full deployment of this force, some Democrats were already declaring the surge the President is referring to today as a complete failure.

But thanks to the vision and the determination of General Petraeus, General McChrystal, and Ambassador Crocker, the counterinsurgency strategy was allowed to take root and to succeed. The population was protected, al-Qaida in Iraq was weakened, and, crucially, our political relationship with the Maliki government grew stronger.

None of this was easy. Between that brave decision to execute a counterinsurgency strategy, the surge, and the Anbar awakening, we had to prevail on many votes on timelines for withdrawal and fights over whether we would ever fund ongoing combat operations—all of which allowed for the strategic framework agreement and the security agreement between the U.S. and Iraqi Governments—by the way, executed in the previous administration—that outlined drawdown of forces and the transition of mission the President announced today. Of course, the Iraqis must work through the formation of the next government and continue to combat insurgents.

There are valuable lessons in all of this as General Petraeus works to build the Afghan security forces and defeat the Taliban. The surge in Iraq helped create the conditions that resulted in the security agreement between our two countries, which took a lot of hard work, and back in 2007, some—including the current President and Vice President—thought it could not be achieved. The credit, of course, goes to General Petraeus, General Odierno, our fighting forces, Ambassador Crocker, and our Iraqi partners. It is their sacrifice we should remember today.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader.

THE ECONOMY

Mr. REID. Mr. President, I know we are all eager to return to our States next week to talk to our constituents. We have 1 more week to go. We hope to complete everything this week. I just outlined to the Chair and the Members listening about the heavy workload we have that we need to finish. We should be able to finish this week. That is what we all want, and we are going to do our utmost to do that. There are some matters we have to complete this week. We have an extremely important list of unfinished business.

Democrats have dedicated this work period, as in every work period, to jobs, putting the unemployed back to work, helping small businesses grow and saving jobs hanging in the balance. I am disappointed in my friend, the Republican leader, who has denigrated the work we have done and tried to do. Remember, because of the policies of the prior administration, 8 million jobs were lost. There is no dispute about that. In the last 6 months George Bush was President, we lost 3 million jobs. The economic recovery package—or the stimulus bill, as it is known—has created or saved at least 3 million jobs. That doesn't make up for the 8 million that were lost, but it is a step in the right direction.

Talk to anyone in the State of Nevada or any other State about the money in this recovery act that helped teachers. The reason there weren't huge layoffs last year is because of that bill. FMAP is the reason why there weren't more layoffs than there were—as a result of that money that went to States.

We have taken historic steps to clean up Wall Street.

We have made progress on an energy plan that will create hundreds of thousands of green jobs, lower consumers' utility bills, make sure BP pays the price for its disaster, and end our dangerous addiction to oil. It is not everything we wanted to do. It wasn't our first choice, but it is our first step, because we could not get any Republican support for an energy bill.

After a shamefully long fight, we finally extended unemployment insurance to the hardest hit victims of the

recession. I have said it before, and I will say it again. Mark Zandi, JOHN MCCAIN's chief economic adviser, has said that for every $1 of unemployment money we send to the States, it creates $1.61.

We passed other good bills too—for example, the HIRE Act. That was very good for business. I saw the fruits of that legislation in Nevada a week ago last Saturday. I went to a restaurant. All 24 people working there took advantage of the HIRE Act. What part of that bill did they take advantage of? They hired everyone who had been out of work for at least 60 days. They hired them for at least 30 hours a week, and they didn't have to pay the money for withholding. At the end of the year, they will get a $1,000 tax credit for every one of those employees. They will get $24,000 in tax credits for that small business.

The HIRE Act did other things. It extended the highway bill for a year, saving 1 million jobs. It also allowed those small businesses to write off purchases up to $250,000 that they previously had to depreciate. It added money to the Build America Bonds, which has worked so well across the country.

I wish we could have done more. I wish our small business jobs bill, which we are working on now, could have passed when we brought it up the first time. It would create a lot of jobs. The Presiding Officer is one of those who have worked hard on that legislation. I think we see the light at the end of the tunnel. We should be able to get that done this year.

Having said all that, we have a lot more to do, and we acknowledge that. Unfortunately, most of what we have accomplished has taken longer than it should have. The minority has made it clear it will say no, no matter the question, no matter who suffers, and no matter how much of the American people's time they waste. These procedural votes we have gone through have been unnecessary. They have been only to kill time. At every turn, we have met more unprecedented and unnecessary delays from our friends on the other side.

Nowhere was that more painfully plain than the refusal to work with us last month on a bill that would have put half a million more hard-working Americans to work in small businesses. It would have helped those businesses get capital and get tax cuts and would have allowed them to hire and to grow. Karen Mills, the head of the Small Business Administration, has been traveling the country the last 2 weeks, alerting small businesses that we need to pass this bill so she can do some things to help small businesses. Right now, there is no money to do that.

I am very sad to report that this has not been the most bipartisan work period in Senate history. Quite the contrary. But it is still our responsibility to do right by our constituents. We still need to do that, and we still have time to do that, and I hope we can start today.

I hope we can come together and show the country that all Senators have at least one basic belief: we have to do all we can to make sure our children have teachers in the classrooms and police officers and firefighters on the streets. That is what the vote tonight at quarter to 6 is all about. We will vote in a few hours on that amendment that will keep teachers, firefighters, and policemen from being laid off, and it does that in a fiscally responsible way. It protects jobs while cutting spending elsewhere. Every penny spent with the vote at 5:45 will be paid for.

First, let's talk about teachers. The stimulus we passed last year kept hundreds of thousands of educators from losing their jobs. But as States continue to sacrifice education funding, school districts in Nevada and all across the country face the very real prospect of having to lay off thousands of teachers just weeks before the school year begins. Twelve hundred jobs are at risk in Nevada. Nearly twice as many teachers are at risk in Kentucky. In Kentucky, as many as 3,000 could lose their jobs as teachers. In California and Texas, those highly populated States, the number of jobs reaches over 10,000 for sure. All told, as many as 140,000 teachers could lose their jobs across our country. That would be tragic, especially considering we have the ability to prevent it.

Today's amendment would essentially extend the Recovery Act support that has worked so well—for teachers and for FMAP. States such as Nevada would get more than $80 million to help keep teachers in the classroom, and every penny would be offset by cutting spending elsewhere. It is fully paid for and doesn't interfere at all with the Department of Education programs—for example, Race to the Top—or funding for charter schools or ongoing education reform.

But what is at stake today is not just teachers. They are not the only ones who lose out when they lose their jobs. We also need to think about the scores of students they teach, mentor, help, and inspire. When we vote to save teachers' jobs, we are also voting to save our students' future.

Second, let's talk about public safety. The Medicaid Program ensures that the poorest of the poor in our communities can afford to see a doctor when they are sick. We know how States have been hammered with people moving into the need for Medicaid—people losing their jobs. It has been so necessary that these Medicaid Programs include more people. But the program does a lot more than just that. It benefits everyone by stimulating the economy. It is a source of money that is spent all over a community—in doctors' offices, hospitals, and other places. When the States get this money, it is fungible and they can use it for other things.

But just as we see in education, cash-strapped States are looking for places to save money. If they don't get the help they are counting on, if States don't get the money for which they budgeted, they are going to cut critical services such as police officers and teachers and firefighters. Nevada stands to lose as much as $80 million. Again, Kentucky stands to lose twice as much, and California and New York stand to lose $2 billion each. Across the country, $16 billion is at stake.

That is what is in this simple legislation before us—simple but extremely important. But let's be clear. This vote, like the principle behind it, is simple. It is about saving jobs—not just to keep unemployment from growing but because of how important those jobs are in our society. When our children go back to school at the end of this summer, there should be a teacher standing in front of the classroom. Without this bill, there might not be. Our teachers strengthen our future, and the least we can do is secure theirs.

Another thing: This money is not going to go to a State unless the Governor asks for the money. That is what the legislation says.

When a crime is committed in our communities or a fire breaks out in a family's home, we all expect enough police officers and firefighters to be on call. Without this bill, they might not even be on the job. They always look out for us. The least we can do is look out for them.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period of morning business until 3 p.m., with Senators permitted to speak therein for up to 10 minutes each.

The Senator from Arizona.

IMMIGRATION REFORM

Mr. KYL. Mr. President, I would like to speak for a few moments about a memorandum that was received in the offices of Senator CHARLES GRASSLEY, pursuant to a request of the Department of Homeland Security, which has, unfortunately, raised a lot of questions about the administration's commitment to enforcing congressional law. It is undated, but the memorandum is 11 pages. It is on the stationery of U.S. Citizenship and Immigration Services. It is a memorandum to Alejandro N. Mayorkas, the Director, from four individuals within the USCIS. The subject matter is described as ''Administrative Alternatives to Comprehensive Immigration Reform.''

After reading these 11 pages, I have to ask the question whether this administration, frustrated by the fact

that Congress has not acted to pass comprehensive immigration reform, is now considering an end-around the Congress by administrative action through reinterpretations, definitions, rules, and regulations, changing guidelines and the like—in other words, administrative actions to accomplish what cannot be accomplished because Congress is in no mood right now to adopt comprehensive immigration reform—in effect, to use the phrase in the memorandum, a ''nonlegislative version of amnesty.''

I hope this memorandum, which is designated a ''draft,'' will be thoroughly explained by the administration and will be disavowed in terms of an intention to do an end run around Congress. I am hopeful that some hearings can be held so the authors of the memorandum, or the Director, can explain why this memorandum would be written in the first place and what they intend to do about it.

The purpose of the memorandum is described as follows:

This memorandum offers administrative relief options—

To, among other things—

reduce the threat of removal for certain individuals present in the United States without authorization.

In other words, illegal aliens.

The summary of the memo reads:

In the absence of comprehensive Immigration Reform, USCIS can extend benefits and/or protections to many individuals and groups by issuing new guidance and regulations, exercising discretion with regard to parole-in-place, deferred action and the issuance of Notices to Appear and adopting significant process improvements.

Then they go on to summarize a variety of changes by which they can accomplish these purposes. Just to quote a few here: ''USCIS could reinterpret two 1990 General Counsel Opinions. . . .'' They could change the definition of ''dual intent.'' They could modify removal procedures in the public interest—strategically, they note. They could ''issue guidance or a regulation lessening the 'extreme hardship' standard.''

I quote from the ''Options'' part of the memo:

The following options—used alone or in combination—have the potential to result in meaningful immigration reform absent legislative action.

Indeed, they do. This would be a way for the bureaucrats within the administration to change Congress's intent by redefining terms, issuing guidelines, rules and regulations, and practices which would result in the same thing they would like to achieve in the form of comprehensive immigration reform, including, among other things, amnesty for illegal immigrants. But they could do all of this without Congress ever having passed a single law.

Just to go through some of the other things they talk about here, they could allow certain TPS applicants who entered without inspection—that means they entered the country illegally—to adjust their status. They could expand the meaning of ''urgent humanitarian reasons.'' One of the things they could—and I will quote it here:

To address these issues, OP&S is currently examining the feasibility of policy options so that individuals would not be deemed to have triggered the bar upon departure with prior authorization from DHS. These options include possibilities reexamining past interpretation of terms such as 'departure,' and 'seeking admission again.' ''

I know these are terms we can find in the dictionary, but these creative bureaucrats are in effect saying: We can define these terms in a more creative way and therefore allow a lot more illegal immigrants to stay in the country indefinitely.

They say:

To increase the number of individuals applying for waivers and improve their chances of receiving them, CIS could issue guidance or regulation specifying a lower evidentiary standard for extreme hardship.

If you don't like the law, you simply lower the bar. We could do that, they say, and allow more people to stay here.

They do note a couple of problems in doing these things. On page 10, they say:

While it's theoretically possible to grant deferred action to an unrestricted number of unlawfully present individuals, doing so would likely be controversial, not to mention expensive.

Well, they are right about that; it would be controversial indeed. One of the reasons they note is in the final page of the memorandum, when they say—and I am quoting again:

Rather than making deferred action widely available to hundreds of thousands and as a nonlegislative version of amnesty, USCIS could tailor the use of this discretionary option for particular groups such as individuals who would be eligible for relief under the Dream Act, an estimated 50,000; or under section 249 of the act, registry, who have resided in the U.S. since 1996; or, as of a different date, designed to move forward the registry provision now limited to entries before January 1, 1972.

In other words, pick a date and say that everyone after that date can stay in the United States legally even though they gained entry illegally.

Mr. President, this is highly disturbing. Because what you have is the administration explaining that well, A, this is only a draft; and, B, we have not adopted any of these recommendations yet; and, C, we probably would not do it for everyone who is here illegally.

Well, I would hope not, but I would hope the administration would be a little more forthcoming about its intentions. This is what fosters suspicion among the American people that the administration is not serious about enforcing our laws and that they want to try to accomplish an end run around the Congress by administrative fiat.

It is the kind of situation that fosters a lack of confidence in the transparency of this administration, which was supposed to be the most transparent in history, when we have to find out only through a process of a member of the Judiciary Committee literally forcing them to cough up this memo of what they are thinking about.

It is obvious from the language of the memo that a great deal of thought has been put into this, and it has gone throughout the Department of Homeland Security, when they talk about different groups having studied different options. This is the kind of thing that causes people to wonder about the administration's commitment to enforcing the law.

Finally, it is one of those things which ironically—or paradoxically—has caused people to back away from the notion of comprehensive immigration reform, because of the notion that the administration has been less than anxious to secure the border and enforce the law and, as was told to me on one occasion, the theory being that if we ever secure the border, then there will be less impetus to pass comprehensive immigration reform.

If your goal is comprehensive immigration reform and amnesty or you call it whatever term you want to there, letting people stay in this country who came here illegally, if that is your goal, and it does not appear the Congress is going to act on that anytime soon, then you resort to the tactics that are employed here by these employees at DHS. Let's figure out ways by reinterpreting commonly used phrases, by issuing new guidelines, by changing 1990 legal opinions, by other means that can be accomplished administratively, we will accomplish, in their words, a nonlegislative version of amnesty for at least specific groups of people, depending upon what date you want to use or what specific phraseology you want to use. This is why the American people do not trust Washington in general and why they have grave reservations about this administration's commitment to enforcing the law relating to illegal immigration.

A final point I would like to make is the decision that was rendered by the Federal district judge in Arizona on the now infamous Arizona law. I was troubled by one of the aspects of it because it reflected an argument the U.S. lawyers presented in court, which, in effect, was Arizona has no business trying to help the Federal Government enforce our immigration laws, among other reasons, because the Federal Government has decided—bear in mind, this is the executive branch of the Federal Government, not Congress, but this administration has decided to enforce the law selectively; that is to say, using its discretion; that is to say, not always enforcing it.

What would be some of the reasons you would not enforce it? Well, one of the main arguments they used—and the judge referred to this—is that we have to keep in mind the sensitivities of other governments—what do they think about our enforcement of our law; that there are legitimate foreign policy reasons why the administration might not want to enforce a congressionally enacted statute.

I find this to be remarkable. Of course, in dealings with foreign nations, every State Department, every President has to be careful to try to win friends and influence people. But I do not think that you make a deliberate decision not to enforce a law that Congress has passed, which the American people clearly want enforced, simply because people in the Government of Mexico are unhappy if the law is enforced. That is obviously the country we are talking about because the Mexican Government itself intervened in the litigation to make exactly that point.

So, again, is it any wonder the American people wonder about this administration's commitment to enforcing the law, when one of the key arguments it raises in the litigation is that we do not want to have to be under a standard of complete enforcement of the law because we have some other considerations we need to take into account.

The judge says: I will agree with that and therefore say that the State of Arizona cannot insist on complete enforcement of the law because the Federal Government may have reasons not to totally enforce it. That is a troubling proposition to me, among other things, because Congress has not interpreted the law in any way other than we wrote it; namely, enforce it.

That brings up the final point. Congress passed, as part of our immigration laws, a requirement that the Department of Homeland Security respond to inquiries by Federal, State, and local officials who call in about the status of individuals whom they have stopped, for example, at a traffic stop or who they may have reason to believe are in the country illegally, and they respond to about 1 million of those inquiries a year. They have 152 employees to do it.

The Federal Government actually argued in the case, believe it or not, that the reason Arizona had to butt out and not try to help the Federal Government enforce the law was because it would result in a lot more inquiries about the legal status of people and they could not handle anymore inquiries; their capacity was only 1½ million a year; they are up to 1 million; and they only have 152 people in this unit responding to these inquiries, so they could not possibly accept this burden.

As a result, the judge ruled that the U.S. Government would be harmed in such a way that she had to grant an injunction. It would be irreparably harmed as a result of Arizona enforcing the statue. The question, obviously, occurred to me: Well, why do we not hire a few more people to answer these inquiries? I calculated it might cost about $15 million to double the number of people, and certainly this law is not going to double the number of inquiries. But say you doubled the number of people to 300 instead of 150. That solves that problem.

In other words, people in the U.S. Government, under this administration, seem to be looking for reasons not to enforce a law. That is wrong. We take an oath to uphold the law. When Congress passes a law, we intend it to be enforced. Yet you have this administration, this Justice Department, making arguments as to why the law cannot or should not be completely enforced. Is it any wonder my fellow citizens in Arizona and others around the country want someone to do what they can to try to enforce the law? If the U.S. Government will not do it, then maybe we should start to get our States involved. I agree, it is better to have the U.S. Government do it. It should be our obligation.

But if our own administration is not willing to do it to the letter of the law, and if they are willing to abide by employees who spend their time writing memos such as this, to show how to get around the law, to grant a ''nonlegislative version of amnesty,'' then clearly something is wrong, and I think Congress has to speak up.

If you reward illegality, you are going to get more of it. When this administration tries to find ways to keep people in the country who came here illegally by virtue of redefinitions and guidelines and changing opinions that go back to 1990, it suggests to me we are simply inviting more illegality, and we should not do that.

So I am going to join my colleagues on the Judiciary Committee in asking for hearings on this matter, to find out why this is being done; hopefully, to confirm that they do not intend to move forward with this but, in any event, to try to reestablish with the American people that their government in Washington does represent them, it does want to carry out their intent expressed in properly enacted legislative laws, and that, once and for all, we can make a commitment in this country that the American people have been asking for for a long time now that when it comes to our immigration laws, the Federal Government is committed to enforcing them.

Until that is done, we are not going to make progress on all the other issues relating to immigration reform that so many people have asked for. As a result, we would do well to examine this issue carefully and then reach the appropriate conclusions. If we need more money, if we need more personnel, $15 to $20 million is a drop in the bucket of this administration's $3 trillion budget. We can clearly afford to hire a few more people to do the job, if that is the government's real concern about the immigration laws; otherwise, we should have these employees come and explain why they think it is within their purview to get around the law, in the absence of congressional action.

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. DORGAN. 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. DORGAN. I ask unanimous consent to speak for 15 minutes as in morning business.

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

ENERGY POLICY

Mr. DORGAN. Mr. President, I wished to talk for a moment on the subject of energy policy.

This week is our last week prior to the August break, and it is a very important week. We will likely see on the floor of the Senate the Clean Energy Jobs and Oil Company Accountability Act that was brought to the floor by the majority leader, Senator REID.

I wish to commend him for what he has proposed. He has proposed a piece of legislation that includes a number of very important issues, including issues that deal with the oil spill and oil companies' accountability for the Deepwater Horizon spill, issues that will enhance the use of natural gas in our truck fleet in this country, provisions for electric vehicles and infrastructure, provisions that will provide substantial consumer savings in the HOME Star Program, and provisions to protect the environment and create substantial new jobs.

But I wished to also say that this is but a first chapter of the book of energy changes that are essential to this country's future. I wished to chat about why it is important this week to start a process that I hope will last through September, and perhaps through the lame duck session as well. I hope there will be opportunities that will allow us to achieve the objectives we sought beginning last year, when we spent 12 weeks in the Senate Energy Committee trying to write an energy bill and finally reported out a bipartisan energy bill from that committee.

That committee product includes a lot of very important things. First and foremost, people might say: Well, what is the urgency?

Why are we concerned about energy? We have people exploring the globe trying to figure out where they can punch a hole in the planet and suck oil and gas out. We have been pretty successful in doing that. Each day we take about 85 million barrels of oil out of the Earth. Each day about one-fourth needs to come to the United States because that is our prodigious appetite for oil. Some call it an addiction. Whatever it is found around the globe, one-fourth of all the oil that is extracted every day has to be delivered to this little place called the United States. Seventy percent of all the oil we use, from foreign oil to domestically produced oil, is used in the transportation fleet.

It is pretty clear we have a very substantial dependence on foreign oil. Over 60 percent of the oil we use in this country comes from outside the country. Some of it comes from areas of the world that don't like us very much, areas that are unstable. If we go to bed tonight and, God forbid, tomorrow morning we wake up and discover that in one way or another concerted acts of terrorism have cut the pipeline of oil into our economy, very quickly this American economy would be flat on its back.

What do we do about that? We talk about it. We talk about it every decade, about how we are going to reduce our dependence on foreign oil. We speak really well. We do a lot better job talking than we do enacting policy. That is for sure. We are going to make us less dependent on foreign oil, we say. Meanwhile, for a couple of decades we are more and more dependent on foreign oil. That potentially holds our country's future and the economy hostage to oil coming from other countries over which, in many cases, we have very little long-term control.

Should we do something about that? I think we should. I believe it is urgent. There is an assumption—not just about oil but about everything that represents our country, its strength and the opportunities we have always provided. There is a notion that here in America, what always was will always be in the future. That is not necessarily the case. It was the case when I was a child. I always knew we were the biggest, the strongest, and the best, and we would produce opportunities that other countries could not for the masses of people to expand job opportunity, to expand income, to allow them to climb the economic ladder. It is the case that we were very successful in doing that for a long time. But polls now show that the majority of the American people believe their children will not have it quite as well as they did. That is the first time that we have ever seen that. Most people believe the future is going to be less advantageous to their children than it was to them.

Part of that reason is because they look at policies and say: Are you making the right choices for the future? Are you making hard choices? Are you doing the right thing to make decisions that will help promote a better economic future?

One of those decisions deals with the question of energy. The fact is, we live on energy. It is central to our daily lives. Yet none of us think much about it. We get up in the morning, and when we get up, we shut off an electric alarm. We turn on a light. We start a coffee maker. We put some toast in the toaster that is electric. We get in our car and turn a key where we use oil.

The fact is, we use so much energy even before we get to work, never even giving it a second thought. The dilemma is, in the mix of energy in this country, we are far too dependent on foreign oil.

At the same intersection of concern about that dependency, that vulnerability, now comes climate change. There is something happening to our global climate which leads us to ask how do we use energy, particularly fossil fuels. In the future while we put out less carbon into the atmosphere, how do we address these two things together? Both are very important.

I tell all of that because we wrote the Energy bill, the American Clean Energy Leadership Act. It took us 10 or 12 weeks in the Energy Committee, 13 months ago. We don't yet have that Energy bill on the floor of the Senate. There are a lot of complicated reasons for that. But first let me describe what was in that bill.

No. 1, we do, in fact, reduce our dependence on foreign energy and increase domestic production. This bill would do the things that give us the opportunity to maximize the production of renewable energy, where the wind blows and the Sun shines. There is no reason for us not to collect energy in one place and ship it to where it is needed in the load centers. We do that in this bill.

We establish a first ever national renewable electricity standard, what is called an RES. It says: Here is where we are headed. We want X percent of our electricity to be produced from renewable sources. That is the way we get to a desired destination, by deciding where we are headed. If we don't care where we are going, we will never be lost. But we will never get to where we want to head if we believe the country needs to achieve a certain direction.

That is very important. If we are going to have our country less dependent on foreign oil, we have to produce more at home. I believe in responsibly producing more oil and gas at home, but I also believe in producing more electricity from renewable sources.

It also creates a transmission superhighway. We built an interstate highway over which we can drive. One of the interstate highways goes through my State. It connects New York to Seattle. It is a wonderful thing. It is also the case that we have not built a strong, interstate transmission system, an interstate highway of transmission lines to allow us to collect the energy where the wind blows. My State is the windiest State in the Nation. My State is called the Saudi Arabia of wind, but we don't need more electricity in our State. We produce far more than we need or can use.

So the question is, How do we produce it where the wind blows and put it on a wire and move it to a load center where they can transmit the electricity? We do that by creating a transmission superhighway which we don't have. We need to build it. That itself will allow us to maximize the production of renewable energy and make us less dependent on foreign oil.

The bill electrifies and diversifies our vehicle fleet. The fact is, we will make ourselves less dependent on foreign oil by moving toward an electric vehicle fleet. That makes a lot of sense as well and is a responsible step to take. The Senate Energy Committee just passed legislation I wrote, along with my colleagues Senators ALEXANDER and MERKLEY, called the Promoting Electric Vehicles Act.

What we are trying to do is move the country in this direction by providing the right policies and incentives. It makes a lot of sense. If we build an electric system for peak load when people are air-conditioning and heating their homes during the day, and then at night that load requirement goes way down. But we still have the capability to produce all this energy, and we are just not using it. If we are able to plug in our cars in the garage at night to use energy that we have already developed an infrastructure to create, we make maximum use and opportunity of energy resources that currently exist.

That is what we do with respect to the electrification and diversification of the vehicle fleet. Energy efficiency is the lowest hanging opportunity in the country. We can achieve that through appliance standards, new technology, and building retrofits. We expand clean energy technology. All this means substantial job creation opportunities, and we train the energy workforce of tomorrow.

It is the case that the bills we will consider on the Senate floor, a piece of legislation that Senator REID has decided to bring to the floor includes some pieces of what I have just described and apparently another competing piece of legislation and perhaps cloture votes on these issues—they are steps in the right direction but very short, in my judgment, of what we could and should do before the end of this session to say to the American people: We understand your concern about the future of this country. We understand about the vulnerability you know exists when we send $1 billion a day, every day, 7 days a week to other people around the world to pay for their oil.

We understand that makes our country vulnerable, and we will do something about it. We are not going to take baby steps. We are going to take big steps in the right direction to fix the vulnerability that exists.

We have had some in this Chamber who have held up the Energy bill from the Senate Energy Committee because they said we shouldn't do this unless we also take up a climate bill. I believe we should put a cap on greenhouse gas emissions. Something is happening to our climate. We would be fools not to take a series of no-regrets steps so that 50 or 100 years from now, when we look in the rearview mirror, we decide to take commonsense steps. We would be fools not to have done some important things in the meantime that would help address these issues just in case.

I believe the consensus of scientists is that there is something happening to

the climate. But those who have insisted that this Congress in this year address climate change have said: If you are not going to address climate change, you can't do the bill from the Energy Committee.

If we brought a bill to the floor of the Senate that established all kinds of benchmarks on CO_2 emissions, how would we then limit CO_2? We would go back and do these very things I have just described. We would maximize the production of wind and solar energy, the biofuels, a whole series of things that represent what we have done in the Energy Committee. It has never made much sense to me that we would hold up or block the opportunity to do this bill. If we brought this bill to the Senate floor in September or in a lame-duck session, it would be wide open for amendments to offer a climate title.

I have said I will support limiting carbon. I will also support a mechanism to price carbon. I have also said—clearly, many times—that doesn't include cap and trade because I have no interest in the trade piece by creating a $1 trillion carbon securities market on Wall Street. The reason for my concern about that is, I have watched in the last several years what has happened with respect to various kinds of speculative excesses in other markets. I am not someone who wants to sign up the cost of our energy future to carbon securities traders.

There is an opportunity between now and the end of this year. I hope we don't miss it. It is easy for us to minimize our actions. It is easy to take small steps. It is much harder to take bold steps in the right direction. But I am mindful, as is everyone involved in the political system, that the American people are plenty upset about a lot of things. We have just been through the deepest recession since the 1930s, and we are not out of it yet. There is some improvement, to be sure, but we are not out of this. There are a whole lot of folks out of work, feeling hopeless and helpless. Some have looked for jobs for a year, 2, 2½ years, and can't find them. They are concerned about pension benefits, concerned about Social Security, about whether grandpa and grandma will have decent health care, and concerned about quality schools among other national issues.

They are concerned about whether they live in safe neighborhoods. They are concerned about whether they can find a job or whether they have a job and job security. They are concerned about a lot of things. This is one of them, however, the issue of energy. They worry that if we are not smart and if we don't take action that is bold and decisive in the right direction, we will miss the opportunity to address some very important issues in the future.

The most important issue to me with respect to energy is our unbelievable dependence and vulnerability of having to get so much of our energy outside of our country, especially from areas that are in troubled parts of the world. We can do a lot better.

We hear a lot of people talking about wanting to hear ''made in America'' again. I want to hear that about a lot of products. I want to see a vibrant manufacturing industry and sector built once again. But ''made in America'' can also mean produced in America. We can use our resources—yes, even our fossil energy—if we use them differently.

One final point is the question about the use of hydraulic fracturing for oil and natural gas production. I know this is very technical. In my State, we produce a lot of oil at the moment, and it increases all the time. It is the largest reservoir or largest reserve of technically recoverable oil ever assessed in the history of the lower 48 States. It is called the Bakken shale. That oil shale formation is 10,000 feet underground.

In recent years, we been able to access it with great success. We go down 2 miles, 10,000 feet, with a drill, and then we make a big curve with the same drill and go out 2 miles. So we can go 4 miles, including a curve in the middle, with one drilling rig. Then with a water solution, we initiate hydraulic fracturing to crack open the shale rock to release the oil. I understand that is 2 miles below the surface. It is 100 feet thick. They drill for the middle third of a 100-foot seam 2 miles below the surface. That is how sophisticated it is.

The oil can only be extracted from that deposit by using hydraulic fracturing techniques. The U.S. has been using hydraulic fracturing for 50 years. Some people have raised concerns about what that does to the water table when producing oil or natural gas. There is like chance of doing anything to the water table 10,000 feet below. Hydraulic fracturing has been used for a long time in a way that has not affected the water table. I am very concerned about carefully vetting issues from who have concerns about hydraulic fracturing. I don't want to shut down a substantial portion of that which can be produced in America to support our country's need for homegrown energy in the future. I will have more to say about that at some point when the bill comes to the floor, but I did want to mention that issue because I think it, too, is very important as we discuss energy issues.

All of us want the same thing for our country. We want stability, economic opportunity, and environmental protection. We want to give our kids hope that the future for them is going to be better than the future for their parents. We all want those things. But the only way we will achieve those things is if we at last, at long, long last make some big and bold decisions on a wide range of issues. Yes, fiscal policy on energy policy and on a wide range of other issues, we need to make some big and bold decisions, some of which may not be popular in the short term but are essential for this county's well-being in the long term.

We need to do that now, not later, not next year. We need to take those steps this year. That is why I wanted to talk about the opportunities that still can be achieved well beyond the size of the legislation we are going to consider this week on the oil spill and energy. There is an expanded capability on energy legislation that took us 12 weeks to write. It was passed on a bipartisan basis and represents a menu of things we could and should do in order to address both our vulnerability and dependence on foreign energy as well as to begin to address the issue of climate change.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Delaware.

Mr. KAUFMAN. Mr. President, I ask unanimous consent to speak in morning business.

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

STEM EDUCATION

Mr. KAUFMAN. Mr. President, there is no doubt we stand at a critical moment in history. I am honored to be a Senator at this time in our history but even more so to be an engineer Senator. I believe the key to the future of our country and the world rests on the ability of the United States to use STEM—science, technology, engineering, and math—to solve the major problems we face.

You can work on an issue in the shadows for decades and then suddenly the Sun breaks through and it is shining on you and it is shining very brightly. This is one of those moments for engineers, in particular for the promotion of STEM education.

Today, America's engineers have a central role to play in developing the innovative technologies that will help our economy recover and promote real job growth. In particular, as the global economy turns increasingly competitive, many nations are investing heavily in training their future scientists and engineers. We have to do the same.

We do not know from where the next generation of innovation will come. That is the very nature of innovation. But we do know the problems we face. We do know our central economic challenge. When we get through this crisis—and we will—when this recession has passed, we need to create new jobs. It is not enough to try to win back the jobs we have lost. To keep pace with our population and to keep the sacred promise to our children and grandchildren, we need to create a whole new generation of jobs.

As former President Bill Clinton has said, in recent years, we were creating jobs in three areas: housing, finance, and the consumer economy. All three of those benefited from loose credit and easy money to build up a bubble. All three of those have suffered in this economy.

I am very sorry to say that many of those jobs are not going to be coming

back. We cannot look forward to the day where carpenters are scarce because we built more houses than people could afford to buy. We do not need a revitalized legion of clever bankers any more than we need another Starbucks 1 block closer.

So where will tomorrow's jobs come from? I believe the answer lies in science, technology, engineering, and mathematics. STEM jobs will be, and must be, the jobs of the future. Whether it is energy independence, global health, homeland security or infrastructure challenges, STEM professionals will be at the forefront of the most important issues of our time.

In 2008, the National Academy of Engineering convened a panel of technology and engineering leaders to create a list of ''Grand Challenges for Engineering.'' The group included innovators from the private, public, and academic sectors with a wide range of expertise and experience. Eighteen committee members, including such well-known names as Google founder Larry Page and Segway inventor Dean Kamen, set to work to identify engineering challenges—both problems and opportunities—facing those born at the dawn of the 21st century.

After considering ideas and input from experts and the broader general public, 14 Grand Challenges were identified, some of which include: making solar energy economical, providing energy from fusion, providing access to clean water, restoring and improving urban infrastructure, engineering better medicines, preventing nuclear terror, and securing cyberspace.

Clearly, we will need STEM-educated professionals to address these Grand Challenges. In fact, according to a new study released by Georgetown University's Center on Education and the Workforce, by 2018, STEM occupations are projected to provide 2.8 million new hires. This includes over 500,000 engineering-related jobs.

So where will these STEM jobs be? What kind of work will be taking place in these jobs? The answer encompasses a myriad of locations, opportunities, skills, and subject knowledge. The following are just a few examples of what these jobs might look like.

STEM graduates can go into the biomedical fields. In the United States alone, nearly 1 out of 25 people has a history of cancer and 1 out of 13 people has diabetes. Finding scientific solutions to make health care more efficient, both in treatment and in cost, is essential for the health of our people and our economy.

This entails creating personalized medicines tailored to a patient's genetic makeup, processes to quickly and cheaply screen for diseases, materials and techniques to make surgeries and treatments less invasive, biomaterials to aid in the repair of damaged body tissues, and new strategies to overcome multiple drug resistances. Biomedical and materials engineers, as well as scientists with skills in chemistry and genetics, will be needed to tackle these issues.

STEM graduates can pursue jobs in clean energy fields, such as solar energy. Currently, solar energy's share of the total energy market is small—below 1 percent of total energy consumption. It is estimated by 2030, however, that solar electricity has the potential to satisfy the electricity needs of almost 14 percent of the world's population.

To get there, scientists and engineers will need to help us overcome the various practical and economic barriers to widespread solar power usage. This will require new technologies to capture the Sun's energy, to convert it to useful forms, and to store it for use when sunlight is unavailable. Electrical and computer engineers will be needed to lead the way and, indeed, in Delaware, my home State, they already are.

A consortium lead by engineers from the University of Delaware achieved a recordbreaking solar cell efficiency of 42.8 percent. Solar cells, as you know, convert the Sun's energy into electricity. This is a major achievement in the development of low-cost solar systems, and we will need many more of its kind.

STEM graduates can find jobs updating our Nation's infrastructure. Last year, the American Society of Civil Engineers rated the U.S. infrastructure as a D. This is unacceptable, unsustainable, and unsafe.

We need chemical and civil engineers to design, construct, and maintain streets, sidewalks, public transit, water supply networks, sewers, street lighting, waste management, public parks, and bicycle paths, just to name a few.

Professionals working on our Nation's infrastructure will also need skills in physics, electrical engineering, and urban planning. This is no small feat and will require the dedication of many new engineers. In fact, among engineering fields, civil engineering is expected to see the largest growth through 2018.

STEM graduates can help protect us from security threats. Plutonium or highly enriched uranium is used to build nuclear weapons. Vast quantities of this fissile material exists in the world today, some of it still unaccounted for, even though 260 tons of it has been secured over the last two decades under the Nunn-Lugar program. It takes less than 10 kilograms of plutonium or around 25 kilograms of highly enriched uranium to build a nuclear weapon, and several terrorist organizations have demonstrated interest in acquiring a nuclear weapon.

Consequently, we need nuclear engineers to determine how to secure these dangerous materials, detect nuclear threats at a distance, disarm potential devices, and respond and clean up after any explosion. Technical skills, in addition to various engineering skills, will be necessary to solve each of these dilemmas.

These are just a handful of the exciting and important job profiles that will be available to our Nation's STEM graduates. We will also need environmental engineers to provide access to clean water, mechanical and aerospace engineers to update our transportation methods, agricultural engineers to help tackle world hunger, and much more. All the surveys today say that young people want to ''make a difference'' with their lives, and certainly these STEM jobs will. But beyond the opportunity to make a difference, STEM graduates will also earn high salaries postgraduation. During our current economic times, this is no small incentive.

According to a recent survey by the National Association of Colleges and Employers, STEM majors account for the top five highest earning bachelor's degrees of those graduating in 2010. Specifically, engineering degrees accounted for four of the five most highly paid bachelor's degrees. Starting salaries for these graduates are between $60,000 and $75,000 per year.

Yet despite the various incentives, we are already behind in the number of scientists and engineers we will need to educate in order to fill the jobs of the future.

Between 1985 and 2007, the number of individuals receiving engineering bachelor's degrees fell by nearly 10,000. This precipitous decline occurred at the same time that the total number of undergraduate degrees rose by one-half million.

Moreover, employers are having a difficult time filling available engineering positions. Raytheon CEO William Swanson recently told the Greater Boston Chamber of Commerce that he plans to hire 4,500 engineers this year, but he finds it harder and harder to find them.

This trend must be reversed. Fortunately, organizations such as the American Society of Mechanical Engineers and the American Society for Engineering Education are working to ''prime the pump'' for the next generation of STEM professionals. To promote and improve K–12 STEM education, the American Society of Mechanical Engineers is fostering partnerships with educational groups such as the First Robotics Competition, the Junior Engineering Technical Society, Project Lead the Way, and the Girl Scouts and Boy Scouts. The American Society for Engineering Education has a publication called ''Engineering, Go For It,'' aimed at inspiring students, particularly girls and underrepresented minorities, to pursue an engineering career. They also administer a number of undergraduate and graduate fellowship and internship programs, including several sponsored by the National Science Foundation and the Department of Defense.

This type of organizational support is critical to ensuring that students across the country have access to quality STEM opportunities in K–12 education and beyond.

In my remaining time in the Senate, I will continue to encourage my colleagues in Washington to invest in STEM education. It is true we have our partisan problems in Washington these days, but I believe there is bipartisan consensus on the value of promoting STEM education.

Support for STEM education is essential for our economic growth and recovery. It is the future of our workforce. It is our children's and our grandchildren's future.

Thank you, Mr. President. I yield the floor and suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. ALEXANDER. 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.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

FAA AIR TRANSPORTATION MODERNIZATION AND SAFETY IMPROVEMENT ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the House message to accompany H.R. 1586, which the clerk will report.

The assistant legislative clerk read as follows:

House message on H.R. 1586, motion to concur in the House amendment to the Senate amendment to H.R. 1586 with an amendment, an act to modernize the air traffic control system, and so forth and for other purposes.

Pending:

Reid motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Reid (for Murray) amendment No. 4567 (to the House amendment to the Senate amendment to the bill), in the nature of a substitute.

Reid amendment No. 4568 (to amendment No. 4567), to change the enactment date.

Reid motion to refer the message of the House on the bill to the Committee on Appropriations, with instructions, Reid amendment No. 4569 (the instructions on motion to refer), to provide for a study.

Reid amendment No. 4570 (to the instructions (amendment No. 4569), of the motion to refer), of a perfecting nature.

Reid amendment No. 4571 (to amendment No. 4570), of a perfecting nature.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, would the Chair let me know when I have consumed 9 minutes.

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

Mr. ALEXANDER. Thank you very much.

The Presiding Officer is a distinguished former Governor, and I am a former Governor. I suggested during the health care debate that anyone who voted for the new health care law ought to be sentenced to go home and serve as Governor for 8 years under the new law and try to make it work. People thought I was kidding. I was serious. The vote we are about to have this afternoon is another symptom of the same problem.

Here is what the vote today, which is characterized as being about teachers and Medicaid, actually does. It is a $10 billion bailout to help States pay teachers, but it ties the Governors' hands so a Governor can't change education funding levels if their State budgets are in trouble, which almost every State is.

Second, there is $16 billion for States to pay for Medicaid—the Federal program that is a combination of Federal money and State money—but, again, this ties the Governors' hands so Governors can't adjust the State Medicaid programs in a way that will make it possible for them to afford to continue to run the program. In other words, if you are the Governor of Tennessee, because of receiving this money or the stimulus money earlier, your ability to change benefits is limited and, in some cases, taken away.

Third, what we are about to vote on this afternoon raises taxes by about $10 billion to help pay for these proposals. This $10 billion in permanent tax hikes is on American multinational companies. That sounds like: Well, let's stick it to the company. But these are companies which employ 22 million Americans, according to the National Association of Manufacturers. This makes it harder for those companies to continue to employ people in the United States and it gives them more incentive to send jobs overseas.

Then there is the additional offset to this bill of $3 billion in military and veterans funding cuts and, as the Senator from Kentucky has pointed out, these are very broad cuts, and there is nothing to keep these cuts from being made from the operation and maintenance of the fighting men and women in Iraq and Afghanistan.

Then the fourth problem with this vote this afternoon is it adds to the debt nearly $5 billion.

The fifth problem is we are already spending—41 cents out of every dollar we spend today is borrowed from someone, creating a serious deficit problem. There is sometimes back and forth about who caused the problem, but the solution to a boat with a hole in it is not to shoot another hole in the boat and have two holes or three holes, and that is what we would be doing with this bill.

We would be extending the so-called fiscal cliff in the States by tying the Governors' hands so they don't do what they normally would do in down times such as this, which is reduce spending so they can make their way through it. We are raising taxes on companies in a way that could send jobs overseas. We are adding to the debt. Those are all the things we are being asked to vote on this afternoon.

One might say that is a partisan comment I am making in describing the situation. I don't think so. I think it is the comment of someone with a background as Governor of a State who has consistently struggled with Washington's irresistible impulse to impose on States rules from Washington that may not fit States.

For example, the education money—the $10 billion—has five strings on it. No. 1, we have to keep spending on K–12 education at least as high as last year's money.

Again, that sounds good, but if you are a State that is reducing and has less revenue, you have to reduce costs or you will have fiscal cliff after fiscal cliff. The same with Medicaid—$16 billion more for Medicaid but, again, with restrictions on what States can do to change benefits. So, as a result, Governors and legislatures that have less State revenues continue to increase their spending on Medicaid. But guess what. Not on other programs such as public colleges and universities.

I am absolutely convinced the health care law and the new costs being tacked onto States to pay for an expansion of Medicaid is going to irreparably damage our public colleges and universities. It is going to hurt their quality because the money that should be going to colleges and universities is going to go to help pay for Medicaid requirements imposed from Washington.

Who else is going to be hurt? The students. I am sure the students protesting at the University of California the over 32 percent tuition hikes have no idea the reason they are having the hikes is because Washington keeps imposing new costs on State Medicaid Programs, causing Governor Schwarzenegger and the California Legislature to take money that otherwise most likely would have gone to the University of California and spend it instead on Medicaid.

Let me give a bipartisan twist to what I just said. There was a Wall Street editorial, written by Richard Ravitch in January of this year. He is the Democratic Lieutenant Governor of New York State. This is the way he describes this scenario we are being asked to vote on this year:

The Federal stimulus has provided significant budget relief to the states—

Mr. President, that was the money that was passed in the beginning of 2009 to try to create new jobs, which apparently hasn't worked so well since unemployment is still very high. He says:

But this relief is temporary and makes it harder for states to cut expenditures.

Just as this vote this afternoon will do so.

In major areas, such as transportation, education, and health care, stimulus funds come with strings attached. These strings prevent states from substituting federal money for state funds, require states to spend minimum amounts of their own funds,

and prevent states from tightening eligibility standards for benefits.

The Lieutenant Governor of New York continues:

Because of these requirements, states, instead of cutting spending in transportation, education, and health care, have been forced to keep most of their expenditures at previous levels and use federal funds only as supplements. The net result is this: The federal stimulus has led states to increase overall spending in these core areas, which in effect has only raised the height of the cliff from which state spending will fall if stimulus funds evaporate.

If we do it again this afternoon—the same thing done with the stimulus fund—we will be extending this fiscal cliff for New York, Tennessee, and States all over the country and making it more difficult for them to make the cuts they need to make the innovations they need to make, to try the different things they need to do, so they can afford their education programs, so they can afford their Medicaid Program.

I ask unanimous consent to have printed in the RECORD Lieutenant Governor Richard Ravitch's column in the Wall Street Journal.

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

[From the Wall Street Journal]

WASHINGTON AND THE FISCAL CRISIS OF THE STATES

(By Richard Ravitch)

As one whose interest in public service stems largely from the conviction that government can make a positive difference in people's lives, I have found the past year a paradox. From the financial crisis to health-care reform, the federal government has taken on challenges that urgently need to be addressed. Yet despite these actions—and sometimes because of them—the states, which provide most of the services that touch citizens' lives, are in their deepest crisis since the Great Depression. The state crisis has become acute enough to belong on the federal agenda.

New York State faces a budget deficit that could climb to $8 billion or $9 billion in fiscal year 2010–11 and the state could face another deficit in 2011–12 of about $14 billion to $15 billion. The causes of the larger deficits down the road include a drop off in federal stimulus funds, an increase in Medicaid costs, and the planned expiration of a state income tax surcharge, as well as the state's underlying structural deficit.

New York is in a tough spot, but few other states are immune from large and growing deficits. According to the Center on Budget and Policy Priorities, the states have faced and will face combined budget shortfalls estimated at $350 billion in fiscal years 2010 and 2011. Past experience suggests that these deficits will continue even if a national economic recovery takes hold. Moreover, we do not know how robust the recovery will be or what shape it will take. We know only that it will not spare the states the necessity of making acutely painful fiscal choices. New York and other states face draconian cuts in public services, higher taxes, or, more likely, a combination of both.

The federal stimulus has provided significant budget relief to the states, but this relief is temporary and makes it harder for states to cut expenditures. In major areas such as transportation, education, and health care, stimulus funds come with strings attached. These strings prevent states from substituting federal money for state funds, require states to spend minimum amounts of their own funds, and prevent states from tightening eligibility standards for benefits.

Because of these requirements, states, instead of cutting spending in transportation, education, and health care, have been forced to keep most of their expenditures at previous levels and use federal funds only as supplements. The net result is this: The federal stimulus has led states to increase overall spending in these core areas, which in effect has only raised the height of the cliff from which state spending will fall if stimulus funds evaporate.

Until recently, some people predicted that the stimulus funds would not evaporate—that instead the federal government would rescue the states once more with another stimulus bill. But the prospect of this kind of help looks doubtful as an increasing number of lawmakers in Washington worry about the federal deficit and seem intent on taking serious steps to rein it in.

If those steps include neglecting the fiscal situation facing the states, the country could be headed for fiscal problems that are larger than the ones we face now. We are in a time of extraordinary economic change and Washington is struggling with the sometimes-conflicting demands of the federal deficit and the unemployment rate. But the states' growing deficits present their own urgent national problem that the federal government must place in the balance.

Federal policy makers do not have the option of assuming that the state fiscal crisis is temporary or will cure itself without further involvement by Washington. This crisis reflects the growing long-term pressures on the states from the health-care needs of an aging population and the maintenance needs of an aging infrastructure. Moreover, the $3 trillion municipal bond markets have begun to notice the states' deficits: Moody's recently downgraded the bond ratings of Arizona and Illinois because of the deficits those states face. The rating agency says it is waiting to see whether New York will reduce its budget gaps and has warned the state against trying to do so solely through one-time actions.

It seems almost inevitable now that the states' fiscal problems will have further effects on capital markets, possibly as soon as next spring and summer. If more cracks appear in the capital markets that handle municipal bonds, the U.S. Treasury and the Federal Reserve will be faced with an unattractive set of options: They can allow those markets to deteriorate or use federal tax dollars to shore them up and thereby increase the federal deficit.

It is safe to say that one way or another events will force federal policy makers to spend money in response to state deficits. Federal officials shouldn't wait for an emergency to begin to address two questions: Which services should the federal government provide and which should the states provide? And how should the costs of these services be split among federal, state, and local tax bases?

For example, Medicare, not Medicaid, is the primary payor of health-care costs for the elderly and disabled. About 17% of Medicare beneficiaries are low-income and, thus, also receive varying levels of state Medicaid benefits. These ''dual eligible'' beneficiaries account for some 40% of state Medicaid spending.

For these beneficiaries, the current system is a nightmare: They disproportionately suffer from chronic diseases but must navigate two separate bureaucracies and sets of rules in order to receive care. For the states, this system is a costly burden. From the perspective of a rational health policy, the system is an anachronism. It developed when Medicare did not provide income-based aid and did not have income-based information about those it served. Medicare now provides such aid and has the information and capacity to provide these benefits more effectively, with more potential for cost containment, than the current system.

A federal takeover of services to dual eligibles would cost about $70 billion per year. For many states, a share of this amount would be the difference between chronic fiscal crisis and a chance at structural budget balance. After the Troubled Asset Relief Program and health-care reform—with the cost of the latter estimated by the Congressional Budget Office at almost $900 billion from now through 2019 and $1.8 trillion in the 10 years from 2014 through 2023—the bill for such a takeover does not seem huge or disproportionate to the relief it would provide to state budgets.

Those of us responsible for the states' budgets have the unpleasant duty of imposing greater burdens on our citizens before we can reach legitimate balance between revenues and expenditures. It is not unreasonable for us to hope that federal policy makers will treat our state deficit problems with the same seriousness with which they are now preparing to address the national deficit.

Mr. ALEXANDER. Not long ago, the State of Tennessee was one of two winners in the race to the top in education funding. I was very proud of the State. This was not my doing. This was their doing—the teachers, the Governor, and the legislature. Both parties worked hard. I came to the Senate floor last week and praised President Obama and his Secretary of Education, Arne Duncan, for their courage and vision on their K–12 education agenda, pushing for the holy grail of education, which is finding ways to award outstanding teaching and tying it to students' effectiveness and charter schools and higher standards, even common standards, and the race to the top itself, in terms of encouraging excellence. These are not easy things to do.

President Obama is not the first Democrat, or even the first Democratic President, who has pushed these changes. But he is the first President of either party who may have a chance to actually get them done. It may just be easier for a Democratic President to do this than a Republican President. When he does these things, it is important for Republican Senators to give him credit for it. I genuinely do.

Mr. President, it does not help for us now to come along and say, OK, we are going to make it harder to be the Governor of Tennessee and Virginia and Michigan and California and all these States because we are going to give them money, with more strings attached, and say when they take the money and spend it, they have to keep the same level of spending they had before. Just as Governor Ravitch says, it stops States from doing what they already need to do.

Mr. President, I wish every State had done what Tennessee has done. We have a Democratic Governor, Phil Bredesen, who is completing his time.

This is what he said in his State address in 2009:

Please let me make it clear that no proposed version of the stimulus is any panacea or silver bullet; substantial cuts are still needed under any circumstances.

He meant in the State budget.

Furthermore, it is vital to remember that this stimulus money is one-time funds.

The Governor is saying we are going to have to cut the budget. In fact, our State has little debt. It has among the lowest taxes in the country. It has a solid pension fund that has survived this as well as anybody. But when we say to any Governor that here is some money, and here are some rules to keep you from doing what you need to do, I think we are doing no service there.

I wanted to say that before we have this vote today, and to say that there are four or five reasons I hope we don't go forward with it. The first reason, both in terms of education and Medicaid, is it ties the Governors' hands to keep them from doing what they should be doing. The next reason is there is $10 billion in permanent taxes on multinational corporations which will make it more likely that American jobs would go overseas. Another reason is there is $3 billion in spending cuts in defense that likely could come out of the operation and maintenance budget of soldiers fighting in Iraq and Afghanistan. The next reason is it adds to the debt $5 billion at a time when we don't have the money any more than the States do. We are spending 41 cents out of every dollar, which is borrowed.

Mr. President, I am going to oppose this measure this afternoon. I will support efforts to rein in spending, to give States more freedom to do what they need to do, to try to create a more limited government, to try to create less debt, and to try to create an economy that can focus its attention for the foreseeable future on a progrowth environment that creates jobs in the private sector, which is the real challenge for our country today.

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

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

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. KAUFMAN). Without objection, it is so ordered.

Mr. BEGICH. I ask unanimous consent to speak as in morning business.

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

HONORING ALASKA AIRMEN

Mr. BEGICH. Mr. President, I rise to honor four members of Alaska's military family who lost their lives in a tragic airplane accident in Anchorage last week.

MAJ Michael Freyholtz and MAJ Aaron Malone were pilots assigned to the Alaska Air National Guard's 249th Airlift Squadron.

CAPT Jeffrey Hill was a pilot assigned to Elmendorf Air Force Base's 517th Airlift Squadron.

And SMSgt Thomas Cicardo was a loadmaster with the Alaska Air National Guard's 249th Airlift Squadron.

Last Wednesday evening, these airmen were honing their skills in a C–17 aircraft when it went down in the woods not far from downtown Anchorage.

Every Alaskan has been touched by this loss. It is a terrible tragedy for our State, where we consider Alaska's military installations extensions of our communities.

Service members are part of our extended Alaskan family.

Today in a large Elmendorf airplane hangar, thousands of Alaskans are gathering to mourn the loss of these brave airmen.

Each of the airmen who perished on July 28th played a pivotal role in standing up C–17 operations and training in Alaska.

They contributed to our Nation's defense and to the State of Alaska.

Major Malone was a C–17 pilot on leave from Alaska Airlines, his place of employment, to help stand up the 249th Airlift Squadron in Alaska.

Alaska was Major Malone's home State. In 2008, he transferred to the Alaska National Guard.

As a highly regarded airman, he became a C–17 instructor pilot. He proudly served his country for more than 12 years in the Air National Guard.

During his time of service, Major Malone flew the F–16 in defense of our airspace after 9/11, deployed to the Korean Peninsula, and flew missions in support of Operation Iraqi Freedom and Operation Enduring Freedom.

MAJ Michael Freyholtz was a member of the Alaska Air National Guard since 2007, when he left active duty.

During his time of service, he flew more than 600 hours of combat service in support of Iraqi Freedom and Operation Enduring Freedom.

He was recognized for his distinction as a pilot; he was awarded the Air Medal for his service.

Originally from Minnesota, Major Freyholtz was the first non-Alaskan pilot to help stand up the 249th Airlift Squadron.

A C–17 pilot since obtaining his wings from the Air Force in 2000 and a superior airman, he most recently flew with the Air Force Thunderbirds.

According to his loved ones, CAPT Jeffrey Hill cherished being a part of Alaska's 3rd Wing, to which he was assigned in 2007.

With his humor and positive attitude, he was an inspiration to his fellow airmen in the 517th Airlift Squadron as the Operations Flight commander and instructor in the tactical airlift mission.

He encouraged his fellow airmen to stay fit. He was a mentor to his fellow comrades.

A fitness buff and an outdoorsman, Captain Hill took advantage of all Alaska had to offer—hunting, fishing, camping and hiking.

With over 28 years in the Armed Forces, SMSgt Thomas Cicardo was handpicked to be part of the initial personnel to stand up the 249th Airlift Squadron.

He was a highly decorated combat veteran with more than 30 awards and decorations.

His hometown was Anchorage, and he contributed greatly to the State of Alaska with his service.

Sergeant Cicardo was a home-grown hero. During the 11 years he spent in search and rescue, he is credited with saving more than 66 lives in Alaska.

Helping to stand up the 249th Airlift Squadron, SMSgt Cicado formulated training and evaluation functions in the squadron. Due to his efforts, the squadron received an outstanding rating during the last inspection.

Every Alaskan is deeply saddened by the loss of these airmen. They are sons, they are fathers, and they are brothers. Today, I very much wanted to be with the families of these brave Alaskans in person. I am honored to offer my tribute and condolences to them and Alaska's entire military community on the floor of the Senate.

I ask my colleagues to join me in a moment of silence in honor of the memories of Major Freyholtz, Major Malone, Captain Hill, and Senior Master Sergeant Cicardo.

Let us pay tribute to their selfless service and sacrifice to our Nation and to Alaska.

(Moment of silence.)

Their service to our country and service in Alaska as Arctic Warriors will always be remembered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. NELSON of Florida. Mr. President, I ask unanimous consent to speak as in morning business.

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

STOLEN INTELLIGENCE DOCUMENTS

Mr. NELSON of Florida. Mr. President, last weekend, a Web page called WikiLeaks posted what they titled the ''Afghan War Diary.'' It involved the collection of 91,000 operational and intelligence documents about information that was collected in Afghanistan, and it was, they said, stolen from U.S. military networks.

These documents contain sensitive information on military tactics, techniques and procedures and it revealed the names of critical intelligence sources. Very sensitive information is now in the hands of adversaries, and I wish to express my outrage over this incident.

I am sad to say, this is what is breaking right now in Newsweek: ''Taliban Seeks Vengeance in Wake of WikiLeaks. Leaked U.S. Intel documents listed the names and villages of Afghan collaborators—and the Taliban is starting to retaliate.'' That is the headline in Newsweek that has just broken.

I have the privilege of serving on the Senate Armed Services Committee and the Senate Intelligence Committee. I can tell you what has happened is very disturbing, and I agree with the Chairman of the Joint Chiefs of Staff, who has stated that the release of these documents has endangered lives—both the lives of our American service men and women and the lives of Afghan people who happen to give us important information to help us protect our Americans.

It has been just over a week since the release of these classified documents, and the media reports indicate, as that Newsweek article indicates that has just been published, that the retaliation has begun.

Last week, when the New York Times reported on this subject, they said a search of the leaked documents ''gave the names or other identifying features of dozens of Afghan informants, potential defectors and others who were cooperating with American and NATO troops.'' That is the New York Times article.

Also, last week, in response to the listing of these names, a Taliban spokesman stated this:

> We are studying the report. . . .We will investigate through our own secret service whether the people mentioned are really spies working for the US. If they are . . . spies, then we know how to punish them.

Well, we have the indications that the Taliban is following through with their plan to punish, so-called punish. According to this Newsweek article, death threats have begun arriving at the homes of key tribal leaders in southern Afghanistan, and over the past weekend one tribal leader was taken from his home and executed.

One of these death threats was shared with a reporter, and this is what the death threat states:

> We have made a decision for your death. You have five days to leave Afghan soil. If you don't, you don't have the right to complain.

Obviously, something very serious has happened, and there are a bunch of us who are extremely concerned about the damage this incident has caused to our operations in Afghanistan and to our national security as a whole.

There are a bunch of questions we have to answer. How could we have allowed the names of those who cooperate with us to be posted on an open-source Web page or was this surreptitiously taken away? Another question: What kind of impact will this leak have on our ability to gain the trust of local populations in the future?

This security breach is absolutely astonishing, and it represents a systematic breakdown in our national security procedures. I simply find it hard to believe that somebody could have downloaded tens of thousands of documents from our classified military networks without them being detected. So it brings us back to suspecting they have been leaked, and if it had never appeared, would we have known they were stolen from our classified networks?

Another question: How many people were actually involved in this incident? Do we have a way to determine whether additional documents have been or are being stolen in the same manner?

These are serious questions that I am sure the Department of Defense is examining as we speak. I applaud Secretary Gates for taking swift action to aggressively investigate who was responsible. But it is just as important to find out how our security practices failed to prevent the leak and to identify what must be done to prevent another security breach of this magnitude. The investigation is underway. We need to know the scope of the investigation. We need to be informed on what immediate steps have to be taken to address the network security breach.

When you start dealing with people's lives, you simply cannot fool around with this kind of laxity or someone betraying the country, and we have to get to the bottom of it.

SMALL BUSINESSES

Mr. President, I know this week we are going to be voting on the small business bill. My colleague from Louisiana is here, with whom I have had a number of colloquies on the floor. It is inexplicable to me how, because of procedure, Members on the other side of the aisle can keep voting no, not to bring up this small business assistance that so many political allies and political opponents all unanimously embrace.

Once we get through with this bill—and I hope we get it passed and do not have to wait around until September to do it—there are other things we can do. I filed a bill to give our businesses all along the gulf an amendment to the IRS Code that would allow them to take their losses and to carry back those losses 5 years instead of the standard practice of a 2-year carryback. In essence, that would allow them in this particular year to take the losses, which are going to be severe to so many businesses, especially small businesses along the gulf, and to carry back and amend previous tax returns where they had an income tax consequence because they had income. Therefore, they could deduct those losses going back 5 years instead of just 2 years.

The interesting thing about it is, the revenue consequence over 10 years is $119 million. This is not the huge amounts we have been talking about in dealing with this gulf crisis of billions and billions of dollars. So in comparative terms, the revenue consequence is minor. Therefore, it is something else we can do for the people who have suffered so much, especially the small businesses along the gulf.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

SMALL BUSINESS LENDING FUND ACT

Ms. LANDRIEU. Mr. President, I understand we are not in any particular order. I wish to speak for about 15 minutes, and then I understand there will be leadership time prior to the vote scheduled for 5:45.

I wish to take a minute to refocus the Senate on the issue we were debating when we left on Friday. We took some time over the weekend—many of us worked through parts of the weekend—to see if we could try to bring a very important debate to a close. It looks as though, from conversations through the weekend and this morning with the leadership, we are making progress, so I am encouraged at this point. However, of course, until the motions are made and the votes are in, we are not 100 percent certain. But it feels as though the debate last week really moved many Senators, both Democrats and Republicans, to understand how important it is to focus our efforts—particularly in this last week before we leave for the August recess—on Main Street, on small business, on getting directed help and support, through a variety of different avenues, to Main Street. That is what we spoke at great length about last week.

Before I speak about a few pieces of the bill and parts of the bill, I would like to follow up on what my colleague from Florida, Senator BILL NELSON, just said regarding a provision we had hoped could have potentially been in this bill, but there is a possibility it could be included in an extenders package or some other tax bill that comes along either before we leave for August or when we come back in September.

I most certainly support his bill and what he outlined. He said it clearly, but just to restate, there are businesses along the gulf coast that are having an extremely difficult time not just with the major oilspill but now with the moratorium that has been put in place. Regardless of how one feels about the moratorium, it is having a very significant negative economic impact on businesses—not just big oil, which can usually find a way to take care of itself, but it is the smaller service companies and the machine operators. It is the helicopter pilots. It is the divers. It is the businesses that service the gulf that are having such a difficult time. I don't have the details here at my desk, but it is mounting every day—millions and millions of dollars in losses. The backdrop of this devastation in the gulf, of course, is the fifth anniversary of Katrina this August. This is August 2. The anniversary of Hurricane Katrina is August 29.

So the Senator from Florida is absolutely correct. There are businesses reeling along the gulf coast, having

just recovered from a terrible spat of storms, including Wilma, Katrina, Rita, Gustav, and Ike, and now the same area is being hit with the effects of the spill and the moratorium. So the Senator from Florida is absolutely correct. If we could provide some relief, which we have done—not routinely, but it is not unprecedented—as suggested by the Senator from Florida, I hope we can get that done.

I made mention—it is not in the small business bill, but it is an amendment I had filed earlier to this bill, and unfortunately I don't think we will be able to get it on this bill, but we will continue to work on it. It is sort of a companion bill to the bill of the Senator from Florida, and that is to provide interest relief to gulf coast businesses that have outstanding business disaster loans. Again, they are trying to get specific, targeted help to an area of the country that has been extremely hard hit. They have been affected not just by the national recession, but they have been book-ended by the national recession and the slams from Katrina and Rita and now the slamming from the oilspill and the moratorium, and the middle part is that we got hit by the recession. So we just need some special help and support.

I thank the Senator from Florida for coming down. I thank all of the gulf coast Senators who have been working so hard, unified, across party lines, to bring the kind of help and support we need for the gulf coast.

That will be debated on other bills to come. But I am looking forward to an opportunity to offer that amendment with my good friend, the Senator from Mississippi, Mr. COCHRAN, to again waive interest charges of up to $15,000 for all the outstanding business disaster loans on the gulf coast. That will give them a little reprieve, a little break at a time when they most certainly could use the reprieve and use the break. It only costs about $100 million. We have a way to pay for it. The money has actually already been set aside in another provision. We are going to use $100 million of a portion of money that is remaining in an account so that it does not add to the deficit. The Senator from Florida—I am not sure what his offset is, but, again, $100 million in the scheme of things is not an exorbitant amount of money by Washington standards, and we can most certainly find a way to pay for this special help to gulf coast businesses.

There are many Main Streets in the gulf coast. Whether it is the strip, as we call it—not just Las Vegas has a strip, but we have a strip running down through the panhandle of Florida; whether it is other Main Streets in resort towns; whether it is in Alabama or in Mississippi; whether it is Biloxi or Gulfport or Pensacola Beach—and I could go on and on; whether it is the Main Street down Grand Isle or through Morgan City, these businesses on Main Street are hurting.

So I have spent a good bit of time in the last week as chair of the Small Business Committee talking about the fact that we have seen significant job losses in this country from small business. This, again, is the monthly national employment report from Automatic Data Processing, so this is the government's official data: U.S. jobs lost by firm size for the last 2 years, from 2008 to 2010. We can see that 81 percent of the jobs being lost are being lost by small businesses, and these are defined as businesses with fewer than 500 people. If one would do the data based on businesses with fewer than 100 people or fewer than 50 people, I don't know what it would show, but I would venture to guess that the lion's share of business loss has come from the smaller businesses. So it goes without saying that when we want to replace the jobs, the fastest way to get them replaced is to give those same businesses the help they need to rehire.

If we could give those small businesses an opportunity to rehire, which is what this small business bill does, we might be able to have a job-filled recovery instead of a jobless recovery. People have called it that because it is showing signs of being just that. Many companies have been making profits. Wall Street has had a little bit of a good run lately. Big banks have been doing pretty well. So while the economy seems to stabilize, Americans, at least in my hometown of New Orleans and around Baton Rouge and Lafayette and Shreveport and New Iberia and other places, say: But Senator—and, of course, our situation is compounded even more than this—they say: We are losing jobs. Jobs are disappearing. Small businesses are laying off.

So whether we are talking about Louisiana or Michigan or Florida or Maine or South Dakota or Missouri or other places, if we want to see jobs created, we should be focusing some time and effort on helping small businesses to create those jobs. There are some things small businesses need.

I wish to spend a minute talking about the base of the bill again, of which we are very proud. This bill was built through the Small Business Committee and the Finance Committee.

This is a description of the small business access to credit. The top item is one of the important provisions of this bill. I wish to stress—because several Members have come to talk to me about credit unions—that credit unions and banks are included in this top provision. Credit unions and banks can use the programs of the SBA, and these programs will be expanded from $200 million to $500 million—the 7(a) Loan Program, which is basically the loans that small businesses make for capital and for investments. The 504 loans are traditionally real estate loans. Right now, they are capped at $1.5 million. We know lots of businesses out there that—I mean, $1.5 million sounds like a lot of money, but, of course, when you are in the real estate business, it doesn't go that far these days. So raising that to $5.5 million will go a long way.

In fact, I received a letter from a businessperson in the real estate business, and I wish to read a paragraph about what he said over the weekend about real estate loans, and then I will read the other part of his letter later. This is Mr. Gipson, Bryan Gipson, Sr., from Mississippi. He said:

> Senator Landrieu: I am a commercial real estate broker. My company sells hotels throughout the southeastern United States. We have not completed a transaction in almost 2 years. There is no third party commercial financing for commercial real estate in the United States today. Our industry has been battered because of this. Hotels are closing throughout this country. Workers are being laid off. These workers make beds, they clean rooms, they work as wait staff, accountants, reservationists, and front desk personnel. Thousands of these hard-working Americans have been laid off. It is time for Congress to do something to put Americans back to work, back into jobs.

He is actually exactly correct. That is one of the main focuses of this. This is a Landrieu-Snowe provision on which we got almost unanimous consent out of the Small Business Committee to do. We did this in the stimulus act that was done earlier in the year, but it expired. So why are we doing it again? Because it worked the last time we did it. The documents are in, the review is in, and it was a roaring success. So we know it was successful. It expired, and we are now making it available for the next year. We know this program will get loans and capital out to businesses, much like Mr. Gipson from Mississippi. He could potentially borrow some of this money to keep one or more of his hotels open.

The small business trade and export promotion—this, again, was a bill from Senator SNOWE and myself. Of course, we had a tremendous amount of input from other Senators, but we learned something very—well, I learned something quite troubling. I didn't realize this until this year.

I am going to get the chart to show it. Big businesses in America do a lot of exporting. Of course, that makes sense. They have big law firms. They have special tax counsel. They even have probably people who can do advance work in other countries to introduce them to all the right people. So big business has access to that. But small businesses don't get a lot of help from the Federal Government. They need help to try to open markets across the world for them.

It is interesting to think about what the greatest potential growth for small business in America is. It is not just the market in the United States, it is the market around the world. According to population, not buying power, 94 percent of the market isn't even in the United States; 94 percent of the market is somewhere else in the world. So if we can help our small businesses export, which is what this chart shows—small business is only at 1 percent. Think

about that. Only 1 percent of small businesses export and 42 percent of large businesses export. They know what these companies should know: The markets are elsewhere, as well as here.

But if you have a good product, if you have the ways and the means to sell that product or service, there are people with a lot of money or with some money around the country who can buy that product. One way, as chair of the Small Business Committee, that I looked at strengthening small business just in sort of a conceptual way in America is if we could focus on helping them export. Look at the potential for growth. That is what we are looking for, potential for growth, because every small business that grows and one or two or three jobs are created and American products are sold around the world, we can kick this recession once and for all. Senator SNOWE and I worked together on this export provision. Then we were joined by Senators KLOBUCHAR and LEMIEUX, who I think both serve on the Commerce Committee. Commerce, besides the SBA, has a significant role to play. We basically enhanced our underlying provision with a Klobuchar-LeMieux amendment, and now we have, we think, a very strong provision to help businesses export. Just in a portion of it, we believe it could create 40,000 to 50,000 jobs in the next year. This is a very important component.

Small business contracting. Again, this was done by Landrieu-Crapo-Risch, Landrieu-Snowe, and Snowe-Merkley. It was a combination of what we could to have the Federal Government do a better job of contracting with small business. The Federal Government is so big and spends so much money and it has such large contracts that sometimes it is hard for small businesses—whether it is a printer in Delaware or a small manufacturer in Delaware or in Louisiana—to get any Federal business. The Federal Government has been getting better at helping small business, but it has been a focus of this Committee now for several years. We have improved this contracting provision. We believe, just this provision, without spending any more Federal dollars, using those Federal dollars that we are spending contracting with small business when they get those contracts—the best thing about them is they can take a Federal Government contract, particularly, and go to a bank and say to their banker: I just got a contract to provide 50,000 apples to the Federal Government, and I now have a contract for 5 years to do that; can I borrow some money from your bank? Because Federal accounts are looked at as a pretty good thing to have in your hand, they will then lend that small apple picker that amount of money, and they can go ahead and hire the workers to pick the apples and deliver them to the Federal Government. That is the idea. This works thousands and tens of thousands of ways for different products and services.

The Federal Government itself should be doing everything it can to help small business, and that is in our bill. Again, it is a bipartisan effort.

We then went to small business management and counseling. This might be considered soft to some people, but I think it is extremely significant in this time. It is not just the women business centers and the minority business centers, but it is also things such as the SCORE chapter, which used to stand for Service Corps of Retired Executives. Now it is expanded beyond senior executives. It is a large nonprofit organization, broad-based, that reaches out to a small business that has seen their market evaporate or their product not being in demand anymore. They are good in business, but they need new and fresh ideas and a fresh approach.

That is what we do behind the scenes to support them in thousands of places throughout this country—in universities, women business owner centers, nonprofit organizations that can step up and, at no charge to the taxpayers, say: Why don't you try this or that? We have tremendous stories of success. This was something Senator SNOWE and I felt strongly about. That is in the bill.

These were estimates that were done not by our office but by those responsible for making such estimates, which said that maybe 10,000 jobs could be created. Who knows. If the counselors work hard and the economy starts picking up, thousands of jobs could be created because somebody was counseled through a difficult period, got a new idea, retooled their product or their shop, and they managed to survive the recession.

The small business disaster loan improvements was an important issue to Louisiana. I am happy I was able to include this. It is important to Florida also and potentially Alaska, which has a lot of aquaculture. In the past, for some reason, these particular businesses were not given any ability to apply for Federal disaster assistance, so many crawfish farmers and fishing and other aquatic businesses were left out in the cold after a disaster. We noticed that after Katrina, and we fixed it. We are extending it and extending help to aquaculture businesses.

Let me show this chart. This is to describe the importance of the small business bill, how many things it does focusing on small business, which is where I think the focus should be, and how bipartisan the underlying provisions are.

This is something that was worked on with Senators KERRY and SNOWE. It is the 100-percent exclusion of capital gains tax. It is interesting, and it came out of the Finance Committee. They said: Why don't we jump-start things by saying to anybody who has a little money or a lot: If you invest in a small business and hold that investment—invest in any small business, I think below $50 million in capital, any small business—you make that investment and you hold it for 5 years—let's say you quadruple your money—you don't pay a penny of tax on that capital gain. That is what I call an incentive—zero capital gains if you invest in a small business in America in the next period of time. We have a difference of opinion about what that time should be with the House. It will either be 6 months or a year. I am hoping for a year. It is a little more expensive to do it that way, but I think that would be a tremendous incentive to people sitting on some cash and looking around for what to do with it. You can invest in a good small business in your community. If you hold that for 5 years and make a quadruple—or 400 percent—return on your money, you can keep it all. You don't have to pay tax back to the Federal Government. We are serious about jump-starting small business.

The other is to increase deductions for startup expenditures. That is Merkley and Alexander. It is bipartisan.

Another one is tax equity for the self-employed. Senator BINGAMAN worked on this provision for years. He literally has led this fight, with Senator DURBIN and others, myself included, to try to get tax equity for the self-employed. There are 20 million self-employed people in America. The vast majority of small businesses in America are self-employed individuals. So we want to give them an opportunity to write off their health care costs, just like big corporations do. This is their No. 1 request. They have worked on it for 10 years. We couldn't find the money in the health care bill or any other bill, but we found the money in this bill to do it for them. I thank the Finance Committee and Senator BINGAMAN for leading that effort and Senator GRASSLEY as well. That provision is in the bill. It is a $2 billion tax cut for the self-employed.

Again, we have an extension of bonus depreciation. That was very successful in the Stimulus Act. Some people get on the floor and don't read the details of anything, and they want to talk about how bad the stimulus package was. The fact is, that is not true. There were pieces of it that were extremely positive and we know it because we have the data and it was so good we want to repeat it here. So, yes, there were some things in the stimulus provision that were very good. One of them was the bonus depreciation to small business. You can immediately write off 50 percent of the cost of capital expenditures for 1 additional year for new property purchased and placed into service by 2010. This is an expensive provision; it is $5.5 billion. But we know it works, and we believe this incentive will go a long way.

It is a little bit of a stretch, but this came to mind and I am going to say it. Incentives work. Recently, in Washington, DC, the DC City Council passed an incentive, if you will, that when you

go to the grocery store—which I do with my family—if you bring your own bags, you don't have to pay the bag charge. They just decided they don't want to have plastic bags floating in the Potomac. I thought it was odd when I first went to the store and came across that provision. I thought, nobody is going to pay much attention to having to pay 5 cents for a bag. But I can tell you, it is working. How do I know? Because I observe 80 percent of the people who come into the grocery store walk in with their own bags. For 5 cents a bag—I thought you would have to make the charge more than that to get people to do it. But it works out that a little incentive, placed in the right way, actually changes behavior. I am now bringing my own bags to the grocery store. When they ask: ''Do you want to pay 5 cents for a bag,'' I say, ''No, I have my own.'' So this can work. We know it works. I gave a small example. This is a more complicated and bigger example, but that is what we believe a good bill, drafted correctly, thought through carefully, can do to incentivize people to take actions they would not necessarily have taken. You are not going to pay people for doing it anyway. But if you can incentivize a business in the right way, they might say: I was going to hold off buying X, but because the Federal Government is giving me a 50-percent writeoff, I am going to buy it now. That is what we want. We want them to buy ''it'' now, because when they buy it now, the people making the ''it'' have to make more of them and it goes on and on and on.

The small business penalty relief is a bipartisan provision, again. This all came out of Finance. These get down into a little bit of minutia, but the point is there are small incentives that can provide credits to businesses, and they were done in a bipartisan fashion. Here is Kerry and Ensign. Here is Snowe and here is Grassley. This is Baucus-Grassley-Brownback. Here is Inhofe-Johanns-Menendez. It has been a real bipartisan effort. I am proud of that.

There are some differences of opinion about some portions of the bill. We have had a debate. The lending program is something that not everybody supports but 60 of us do. We got a strong vote on that lending fund. That is now added to the bill. So we have the LeMieux-Landrieu lending fund added by 60 votes. We have Senator NELSON, and Senator MURRAY was the lead designer of this—Senators MURRAY and CANTWELL.

I am grateful for this $30 billion lending fund that will go to small banks, not big banks. You have to be below $10 billion. So if you are greater than $10 billion, go look for another program; this is not for you. But if you are a small bank—and most of your community banks are below $10 billion, so most of my banks in my State qualify, except for two or three. I don't know about Delaware or New York or other States, but I assume that would hold true. Probably 90 percent of all banks in every State, at least, would be eligible, but not every bank would because it is not for the big banks, just the smaller banks. We want them to get to this loan program. It is completely voluntary—completely voluntary. If they lend to small business and increase their lending to small business in their neighborhood—to people they know, to people they trust, businesses they believe in—then they have to pay less money back to the Federal Government. But even doing that, we think the score is so significant that the Federal Government will actually make $1 billion. That is what the official CBO score says, that we will make $1 billion over 10 years.

Then we have an anti-Medicare and Medicaid fraud provision which Senator LEMIEUX came up with. I think he has some good ideas, and we have structured it in such a way that we do believe we can save the Federal Government a significant amount of money by including this. That money just comes back to the Treasury for deficit prevention. We haven't used a score against this, so this will go to deficit prevention.

Then the final part of the LeMieux-Landrieu amendment was expanding the export promotion. Again, this is done in a bipartisan fashion.

I know we are getting to the 5:30 mark. I don't see anyone else on the Senate floor, so I will speak for just a minute or so more because we are going to a vote on a different subject. But I would like to just put up the Main Street sign again to reiterate how important this is for Main Street and for small business.

I am not sure what is going to happen on the 5:45 vote which was supposed to be taken regarding funding for health care and education. But at some point right after that action at 5:45, I think the leaders will come to the floor of the Senate, and I hope I will hear them say we have reached an agreement on one, two, or three amendments on the small business Main Street bill so we can vote on those amendments either later tonight or tomorrow and then vote for final passage.

Again, I want to thank the list of sponsors and cosponsors. I think we have over 70 organizations, and maybe now it is over 100—the National Bankers Association, the American Bankers Association, the Independent Bankers of America.

So for those who say banks are not supportive, that they think it is like another program that is not popular, I don't believe the bankers would be supportive of this if they weren't for it. We have received very strong letters from America's Community Bankers and then the individual chapters, such as the chapter from Alabama, which has written us; the chapter from Georgia; the chapters from Illinois, Kansas, Ohio, and Iowa, as well as the Financial Services Roundtable, which is made up of some of the larger businesses. But their letter was very telling.

In it they say to me: Senator, even though a lot of our specific members may not benefit directly from this bill, we will all benefit indirectly because when small business is stronger in America, big business is stronger in America.

I am very happy to have received that letter. The Maine Association of Community Banks, Marine Retailers Association of America, Maryland Bankers Association—and I might say that Senator CARDIN particularly, as a member of the Small Business Committee, has been very helpful to us in crafting this bill—the National Association of Manufacturers, the National Automobile Dealers, the National Council of Textile Organizations, and the National Restaurant Association, just to name a few.

So from Tennessee to New York, from California to South Dakota, all the way down to New Mexico and Arizona, the support is very widespread, and let me just read a few things in closing that some of the national organizations have sent.

This is from the National Small Business Association:

> Unlike last year's TARP program, the SBLF would only advantage banks actually making small business loans. The National Small Business Association has advocated for the creation of such a fund to improve small business owners' access to capital since 2009. [We] urge quick action on the proposal, as America's small business owners can afford [no] further delay.

Again, from the Independent Community Bankers:

> The Nation's 8,000-strong community banks are well positioned to leverage the fund and have established relationships with small businesses in their communities to get credit flowing. The $30 billion in capital provided by the fund could be leveraged by community banks to support as much as $300 billion in additional small business lending. We applaud the new program focused on getting funds to Main Street small businesses using Main Street community banks.

So whether it is from the Small Business Majority, the National Small Business Association, or the bankers that know our small businesses best, the word is, pass the bill and get Main Street moving again.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, I ask unanimous consent that the motion to refer and the cloture motion be withdrawn.

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

Mr. REID. Mr. President, as everyone here knows, we have been working on a

small business jobs bill for the past several weeks. Republicans had said they would work with us to pass a bill if they were able to offer three amendments. Unfortunately, when I made this offer last week, they rejected it. During the course of the discussions, it became apparent they were more concerned about preventing votes on Democratic amendments rather than getting any votes on Republican amendments.

In an effort to accommodate their concerns and break the impasse on the small business jobs bill, I decided to set up a stand-alone vote on education and public safety. These jobs are so important. I did that so we can move ahead on small business jobs. We drafted a bill that provided the $26 billion necessary for education jobs and public safety jobs, as well as the offsets to pay for that package. I offered that amendment late last Thursday and intended to have a vote on it today.

Earlier today—a few hours ago, actually—CBO informed us that the score did not turn out as we intended. Basically, without going into a lot of detail, we used the same numbers the House did. Because of the intervening time, the numbers changed because this would not be completed until after we got back in September, so certain spending cuts did not produce the savings we needed. Therefore, I will ask unanimous consent to modify the amendment so it, indeed, will be budget neutral. I expect my Republican colleagues to object to that request. If they do, I will move to table the pending motion to concur and offer an amendment. That amendment will fund hundreds of thousands of jobs and will be fully paid for, according to CBO. We already have the signoff now. They wouldn't give us the score until today.

This amendment should address concerns I had about the previous version. I am hopeful everyone here will be able to support it.

I now move to table the motion to concur, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Georgia (Mr. CHAMBLISS), the Senator from Oklahoma (Mr. COBURN), the Senator from New Hampshire (Mr. GREGG), the Senator from Alaska (Ms. MURKOWSKI), and the Senator from Louisiana (Mr. VITTER).

Further, if present and voting, the Senator from Alaska (Ms. MURKOWSKI) would have voted ''yea.''

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

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—95

Akaka	Enzi	McConnell
Alexander	Feingold	Menendez
Barrasso	Feinstein	Merkley
Baucus	Franken	Mikulski
Bayh	Gillibrand	Murray
Begich	Goodwin	Nelson (NE)
Bennet	Graham	Nelson (FL)
Bennett	Grassley	Pryor
Bingaman	Hagan	Reed
Bond	Harkin	Reid
Boxer	Hatch	Risch
Brown (MA)	Hutchison	Roberts
Brown (OH)	Inhofe	Rockefeller
Brownback	Inouye	Sanders
Bunning	Isakson	Schumer
Burr	Johanns	Sessions
Burris	Johnson	Shaheen
Cantwell	Kaufman	Shelby
Cardin	Kerry	Snowe
Carper	Klobuchar	Specter
Casey	Kohl	Stabenow
Cochran	Kyl	Tester
Collins	Landrieu	Thune
Conrad	Lautenberg	Udall (CO)
Corker	Leahy	Udall (NM)
Cornyn	LeMieux	Voinovich
Crapo	Levin	Warner
DeMint	Lieberman	Webb
Dodd	Lincoln	Whitehouse
Dorgan	Lugar	Wicker
Durbin	McCain	Wyden
Ensign	McCaskill	

NOT VOTING—5

Chambliss	Gregg	Vitter
Coburn	Murkowski	

The motion was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Madam President, I am sorry we had to go through all this procedural stuff. It would have been easier just to have a consent agreement and we would wind up doing this anyway, but there was an objection to this by my friends on the other side of the aisle.

Basically, what happened today is the Congressional Budget Office, at the last minute, gave us a different number. As a result, we wanted to make sure everything was budget neutral, and it was not. So we are going to offer an amendment now that will show everything budget neutral. That is where we are.

MOTION TO CONCUR WITH AMENDMENT NO. 4575

I move to concur in the House amendment to the Senate amendment to H.R. 1586 with an amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to concur in the House amendment to the Senate amendment with amendment No. 4575.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Text of amendments.'')

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4576 TO AMENDMENT NO. 4575

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4576 to amendment No. 4575.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective 5 days after enactment.

CLOTURE MOTION

Mr. REID. I have a cloture motion on the motion to concur at the desk, and I ask that it be stated.

The PRESIDING OFFICER. Pursuant to rule XXII, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to H.R. 1586, the Aviation Safety and Investment Act of 2010, with amendment No. 4575.

Harry Reid, Patty Murray, Max Baucus, Richard J. Durbin, Robert Menendez, Daniel K. Inouye, Christopher J. Dodd, Carl Levin, Dianne Feinstein, Al Franken, Jack Reed, Sheldon Whitehouse, Frank R. Lautenberg, Roland W. Burris, Tom Harkin, Ron Wyden, Charles E. Schumer.

Mr. REID. I ask unanimous consent that the mandatory quorum be waived.

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

MOTION TO REFER WITH AMENDMENT NO. 4577

Mr. REID. I have a motion to refer with instructions at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to refer the House message to the Senate Committee on Appropriations with instructions to report back with the following amendment No. 4577.

The amendment is as follows:

At the end insert the following:

The Appropriations Committee is requested to study the impact of any delay in providing funding to educators across the country.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4578

Mr. REID. I have an amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4578 to the instructions of 4577 of the motion to refer.

The amendment is as follows:

At the end, insert the following:
''and include any data on the impact on local school districts''

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4579 TO AMENDMENT NO. 4578

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4579 to amendment No. 4578.

The amendment is as follows:

At the end, insert the following:
''and the impact on the local community''

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to a period of morning business with Senators allowed to speak for up to 10 minutes each.

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

ORDER OF BUSINESS

Mr. REID. Madam President, I announce to the Senate, as I did earlier today, that in the morning, we hope at 9:30, Senators LEAHY and SESSIONS will be here to move to the Kagan nomination to the Supreme Court of the United States.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BROWN of Ohio. Madam President, I ask unanimous consent to speak as in morning business for up to 10 minutes.

The PRESIDING OFFICER. The Senate is in morning business.

The Senator is recognized.

Mr. BROWN of Ohio. Thank you, Madam President.

5-YEAR ANNIVERSARY OF CAFTA

Mr. BROWN of Ohio. Madam President, today is a historic day, in some sense. Five years ago today, President Bush signed the Central American Free Trade Agreement, on August 2, 2005.

A month earlier—I was a Member of the House of Representatives then—the majority leader, Tom DeLay, a Republican from Texas, held the 15-minute typical vote—a rollcall vote in the House of Representatives is normally held open for 15, 20 minutes, at the most—he held the 15-minute vote open for more than an hour while last-minute deals were made. The U.S. Trade Representative was camped just off the House floor. He was a former Member of Congress.

According to news reports, after this hour delay, arms were ''twisted into a thousand pieces.'' Republicans who were opposed or undecided were courted during hurried meetings in Capitol hallways, on the House floor, and at the White House. Republican leaders told rank-and-file, reluctant Republicans, who really did not want to vote for this deal, that now is time to ask, that deals could be cut.

Members took advantage of the opportunity by requesting such things as fundraising appearances by the Vice President and the restoration of money the White House had tried to cut from agricultural programs. That is how they passed it.

People, even Republican House Members, who were generally enthralled to corporate interests, who normally would go with the drug companies, the insurance companies, the large financial institutions, who would almost always vote for them, even many of them wanted to vote no, but because of this, as the paper said, arm twisting ''into a thousand pieces'' on the House floor, enough of them voted for it to pass the bill.

When the 15-minutes had expired, the vote was 175 ''yes,'' 180 ''no.'' So in order to pass it, they had to keep the rollcall open for about another hour to twist these arms and finally pass the legislation, if I recall, by 1 vote.

We know what has happened. The Central American Free Trade Agreement has not worked any better than other trade agreements. We know that job loss in the last 10 years—because of PNTR with China, passed by the Senate 10 years ago this fall—we know, in Ohio alone, we have seen job loss to the Dominican Republic from the Central American Free Trade Agreement, the CAFTA. We have seen job loss from a company in Marysville, a company in Miamisburg, a company in Hudson, OH. We have seen job loss all over the country. We have seen it with the North American Free Trade Agreement. We have seen it with the PNTR with China. And we have seen it with the Central American Free Trade Agreement.

I was at a plant today in Parma, OH, a suburb of Cleveland, the corporate headquarters of GraphTech. It is a company that used to be part of Union Carbide and is actually the plant where the Eveready battery originated. They specialize in graphite for major industrial concerns such as the steel industry. They also make graphite for solar, for all kinds of things, for flat screen TVs, for electronic equipment. They, as so many other companies, are doing well. They have actually hired 60 people in the last year. They are looking to hire more. I spoke to about 150 workers today. Most of them do not do production in this facility. But they have production in Lakewood, right nearby, a few miles away in another suburb of Cleveland.

But this company is always under threat from China gaming the system. When I was talking to workers and management, I was talking about how China, because of its currency—this competition from China has been so difficult for American companies because they do not play fair.

I was speaking to an expert who deals a lot with China. I said: Because of this huge trade deficit we have with China—we buy a lot more from China than we export to them—do they laugh at us?

He said: No, they don't laugh at us. They just think we are a declining power.

It breaks my heart to think China thinks that, but it breaks my heart even more when I see what is happening to our manufacturing base.

This company, GraphTech, is so important for our economic future, but so is getting these trade agreements right.

The Obama administration, fortunately, has just this week launched an action to announce that the United States will file a case against Guatemala under the Dominican Republic-Central America-United States Free Trade Agreement—the CAFTA—for apparent violations of obligations on labor rights. It is the first time a President has done that. That is good news. That salvages some of the damage done by the Central American Free Trade Agreement, CAFTA, because for decades our government has negotiated trade agreements which give lipservice to protecting workers while looking the other way when there were clear violations of labor rights. We are willing to protect intellectual property in Hollywood films, but we are not so willing to protect workers in the environment.

This action by the Obama administration, again, is a good thing, but we need to do much, much more. We have all kinds of petitions filed, and requests, from industries and workers in this country who have been wronged, cheated, gamed by the trade agreements that have passed, and we clearly need the Obama administration on our side fighting for American workers, fighting for American jobs. It did not happen in the previous administration, to the tune of millions of jobs lost, millions of manufacturing jobs lost in the 8 years of the Bush administration, with their Trade Representative who always seemed to side with large corporations in this country that outsourced jobs to China but did not side with American workers and small manufacturers in places such as Lima and Zanesville and Mansfield, OH.

So as we commemorate today, the 5-year anniversary of President Bush's

signing of the Central American Free Trade Agreement, I hope we have learned some lessons. I hope, as we observe this 5-year anniversary, as we observe the 10-year anniversary of allowing China, under permanent normal trade relations, into the World Trade Organization—and how they do not play fair as a member of that body, and how we are not willing to stand up to them as a country and force them to play fair—I hope we are learning these lessons, as we have lost too many manufacturing jobs. We were losing manufacturing jobs when our economy was going much better 4, 5, 6, 7, 8 years ago, in part because the Bush administration did not enforce any of the trade laws that could benefit us. But we are, obviously, doing even worse now with this economy. That is why President Obama's actions on some of the CAFTA enforcement of labor rights is so very important. But it does not obviate the need for us to look at these trade laws again to figure out what works and what does not work.

We know what does not work. We know more trade agreements only dig us deeper into a hole. That does not serve American workers. It does not serve those American companies that cannot compete when China games the system on currency and other things, and it does not serve those communities where these businesses are located.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

CLIMATE CHANGE

Mr. WHITEHOUSE. Madam President, I rise today to speak on behalf of Rhode Islanders who are fed up with our inaction to address climate change and to reform our Nation's energy policy.

In the media and in this very Chamber, we have all seen the tactics of deception and delay intended to convince the American public that the overwhelming body of climate science is inconclusive, that there is some doubt about whether our planet is experiencing unnatural changes in its climate. They argue that the American people are not concerned about warming temperatures, rising sea levels, and shrinking glaciers. They imply that business as usual is our best option, that job-creating, clean energy technologies built right here in America aren't worth the trouble or the investment. These voices of deception and delay are simply wrong.

During my time representing Rhode Island in the Senate, I have received thousands of letters and phone calls urging that this Chamber take bold action to price carbon and create clean energy jobs that will fuel our economy for generations to come. Contrary to what detractors would have us think, the vast majority of my constituents know that continuing to fiddle as the world warms is irresponsible, dangerous, and harmful to our Nation's interests.

Some of the most poignant letters I have received are from students, Boy Scouts, and other young people who are concerned about the future of the planet they will inherit from us. In December, a high school student from Wakefield named Kristin shared her concerns, writing to me:

> As a teenager with my whole life ahead of me, I am concerned about the dire consequences of climate change and the impact it will have not only upon Rhode Island, but the whole world.

Kristin says she hopes to stay in Rhode Island for the long term, but she is worried about the impacts rising ocean temperatures may have on the vitality of the fishing industry—a critical economic driver for the Ocean State that she calls home. By continuing to delay climate legislation, we not only damage the Earth for Kristin's generation, we also force her and her peers to be participants in an economy based on unchecked carbon emissions, unwilling contributors to the damage of their planet.

Rhode Islanders also believe they will benefit from comprehensive climate legislation because energy efficiency and renewable energy technologies will be the foundation of a vibrant new clean energy economy.

Doug from Newport recently started a small business designing and installing residential solar panels. He hears from many of his potential customers that they want to reduce their dependence on fossil fuels, especially in light of the BP oilspill down in the gulf. Doug does everything he can to make his product affordable. He helps his customers investigate loan options and tax credits, and he offers prices significantly lower than many of his competitors. Doug's business is a promising one, and he is undaunted by challenges, but at this point he has difficulty competing with dirty fuels such as coal that are allowed to pollute our environment for free, regardless of the costs they impose on the rest of society. Putting a price on carbon pollution would help Doug compete on a level playing field with other fuel sources.

Doug, like other clean energy supporters, has our country's best interests at heart. Doug says he wants to ''get it right'' by purchasing many of the solar panels from manufacturers in the United States, creating jobs here in America and keeping our energy dollars from flowing overseas. Nonetheless, he says American-made products are often more expensive or even sometimes unavailable. That is because other countries such as China and India are outpacing the United States in the advancement of wind and solar technology while we continue to subsidize coal and oil. We are deliberately losing this race at this point. It is long past due to make coal and oil start paying for the pollution they create in our environment and to begin investing in clean energy policies that will promote American businesses like Doug's.

Another constituent, Gary from Wakefield, wrote in after hearing that a wind farm in Texas was being built with turbines manufactured in China. He was understandably frustrated that the American economy didn't benefit from the jobs that made-in-America turbines would have generated. Gary demanded to know: ''What are we waiting for?''

Rhode Islanders overwhelmingly support energy reform that will create jobs and make polluters pay. Construction workers, small business owners, biodiesel producers, and renewable energy manufacturers wait anxiously for America to start catching up with our competitors around the globe. Schoolchildren want to know that the natural world and all its beauty and diversity will be preserved for their enjoyment and exploration well into the future. Consumers want to reap the benefits of energy efficiency technology that will let them keep money in their pockets that we are now sending overseas to fuel our oil addiction. Faith-based groups want to be good stewards of God's Earth, as they believe mankind is charged to be. Grandparents want to share the world as they have known it with their grandchildren and great-grandchildren.

As we move ever closer to the close of the 111st Congress, the question Gary asked rings even louder: What are we waiting for?

I wish to refer to an article in the Wall Street Journal from July 29, 2010, reporting a new assessment that concludes that the Earth has been getting warmer over the past 50 years and the past decade was the warmest on record. It describes the ''State of the Climate 2009'' report published Wednesday in a special supplement to the Bulletin of the American Meteorological Society. It was compiled by 300 scientists from 48 countries, and it drew on 10 climate indicators.

Seven of the indicators were rising: air temperature over land, sea-surface temperature, sea level, ocean heat, humidity—all going up. Three indicators were declining: Arctic sea ice, glaciers, spring snow cover in the northern hemisphere. Those are all declining.

''Each indicator is changing as we'd expect in a warming world,'' said Peter Thorne, the senior researcher at the Cooperative Institute for Climate and Satellites. The report concluded:

> Global average surface and lower-troposphere temperatures during the last three decades have been progressively warmer than all earlier decades, and the 2000s (2000–09) was the warmest decade in the instrumental record.

The scientists reported they were surprised to find Greenland's glaciers were losing ice at an accelerating rate. They concluded that 90 percent of the additional warmth over the past 50

years has ended up in the oceans. They can only absorb so much, and then it begins to affect us directly.

''A comprehensive review of key climate indicators confirms the world is warming and the past decade was the warmest on record,'' the annual state of the climate report declares.

The amount of increase each decade—about a fifth of a degree Fahrenheit—may seem small. . . . but the temperature increase of about 1 degree Fahrenheit experienced during the past 50 years has already altered the planet, the report said. Glaciers and sea ice are melting, heavy rainfall is intensifying, and heat waves are becoming more common and more intense.

I ask unanimous consent to have these two articles printed in the RECORD.

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

[From the Wall Street Journal, July 29, 2010]

STUDY SAYS PLANET WARMED IN 2000S

(By Gautam Naik)

A new assessment concludes that the Earth has been getting warmer over the past 50 years and the past decade was the warmest on record.

The State of the Climate 2009 report, published Wednesday as a special supplement to the Bulletin of the American Meteorological Society, was compiled by 300 scientists from 48 countries and drew on measures of 10 crucial climate indicators.

Seven of the indicators were rising, including air temperature over land, sea-surface temperature, sea level, ocean heat and humidity. Three indicators were declining, including Arctic sea ice, glaciers and spring snow cover in the Northern Hemisphere. ''Each indicator is changing as we'd expect in a warming world,'' said Peter Thorne, senior researcher at the Cooperative Institute for Climate and Satellites, a research consortium based in College Park, Md., who was involved in compiling the report.

The report's conclusions broadly match those of the Intergovernmental Panel on Climate Change, a United Nations body, which published its last set of findings in 2007. The IPCC report contained some errors, which further stoked the debate about the existence, causes and effects of global warming.

The new report incorporates data from the past few years that weren't included in the last IPCC assessment. While the IPCC report concluded that evidence for human-caused global warming was ''unequivocal'' and was linked to emissions of greenhouse gases, the latest report didn't seek to address the issue.

The report ''doesn't try to make the link'' between climate change and what might be causing it, said Tom Karl, an official at the National Oceanic and Atmospheric Administration involved in the new assessment.

The report said that ''Global average surface and lower-troposphere temperatures during the last three decades have been progressively warmer than all earlier decades, and the 2000s (2000–09) was the warmest decade in the instrumental record.'' The troposphere is the lowest layer of the atmosphere.

The scientists reported that they were surprised to find Greenland's glaciers were losing ice at an accelerating rate. They also concluded that 90 percent of the additional warmth over the past 50 years has ended up in the oceans. Most of it accumulated in near-surface layers, home to phytoplankton, tiny plants crucial to virtually all life in the sea.

A new study has found that rising sea temperature may have had a harmful effect on global concentrations of phytoplankton over the past century.

[From the Boston Globe, July 29, 2010]

SCIENTISTS SAY PLANET CONTINUES TO WARM

(By Associated Press)

WASHINGTON—Scientists from around the world are providing more evidence of global warming, one day after President Obama renewed his call for climate legislation.

''A comprehensive review of key climate indicators confirms the world is warming and the past decade was the warmest on record,'' the annual State of the Climate report declares.

Compiled by more than 300 scientists from 48 countries, the report said its analysis of 10 indicators that are ''clearly and directly related to surface temperatures, all tell the same story: Global warming is undeniable.''

Concern has been growing in recent years as atmospheric scientists report rising temperatures associated with greenhouse gases released into the air by industrial and other human processes. At the same time, some skeptics have questioned the conclusions. The new report, the 20th in a series, focuses only on global warming and does not specify a cause.

''The evidence in this report would say 'unequivocally, yes, there is no doubt' '' that the Earth is warming, said Tom Karl, the transitional director of the new climate service of the National Oceanic and Atmospheric Administration.

The new report said continued warming is a growing threat.

''The amount of increase each decade—about a fifth of a degree Fahrenheit—may seem small. . . . But the temperature increase of about 1 degree Fahrenheit experienced during the past 50 years has already altered the planet,'' the report said. ''Glaciers and sea ice are melting, heavy rainfall is intensifying, and heat waves are becoming more common and more intense.''

Mr. WHITEHOUSE. I will conclude by saying it is obviously not going to be easy to address real climate legislation, real clean energy jobs legislation here in this body. The big special interests have their way here far too often. They have spent years salting the fields of public opinion with their propaganda. Their power in this Chamber is immense. We may not have the luxury of waiting to take this on until it is easy. We may have to take this on while it is hard, while it is a fight against the entrenched interests, while it is a fight against the big polluters, while it is a fight against the propaganda and dissimulation and deceit and delay that are their stock-in-trade on this issue. But the one thing I think that can reassure us is that the public is with us, that the facts honestly looked at are clear, that the stakes by any standard are high, and that history's judgment of our failure will be a stern one.

I hope we can pull ourselves together to take on this issue so that the Rhode Islanders who communicate to me so often about this and the people from across this country who see clearly, without the fog of special interest money and influence, what is happening to our country and our world, that their voices are heard more than the big money and the big special interests.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

FIGHTING FOR OUR CHILDREN

Mr. CASEY. Madam President, I rise tonight to speak about a topic we speak to on a regular basis, but, frankly, we don't speak about it enough in terms of the priority we should place upon it. That, of course, is the issue and the priority we place upon the children of America. We talk, as we often do in Washington, about how important our children are, but we don't speak about or act in a concerted effort to address some of the most urgent needs of our children, especially in a time of recession.

Fortunately, we are recovering. We have a very high unemployment rate. We have 15 million Americans out of work. In my home State of Pennsylvania, there are more than 591,000 people out of work. But we are recovering. Within a recession, in a time of horrific nightmare, really, for a lot of families, the ones who pay the price in a very severe and substantial way are the children of America. We speak tonight about how they are getting through this recession, how we get them through the shadows of this recession so that we can do everything we can to make sure they are healthy, safe, and ready to learn.

I believe—and I think this is true of most Americans—that every child born in America is born with a light inside them. For some children, because of their circumstances—their family background or other advantages they have—that light inside them is boundless, blinding. You can't even see the reach of it. They have all of the gifts and all of the ability anyone would want, all of the advantages anyone would want. For other children, that light is more limited, more circumscribed. It is limited through no fault of their own, through no fault of that child. When that is the case, as is the case for many American children, it is the duty of every public official—every Federal official, every State official, every county and local official—to use every opportunity they have—and some have more opportunity and more power to impact our children than others, but whatever opportunity you have as a public official, you have an obligation to do everything you can to help children along the way. Whether you are in office for 1 year or 1 month or 10 years or 20 years or longer, every public official has an abiding obligation—I think it is actually a sacred duty—to do everything possible to ensure that the light inside every child burns as brightly as the reach of its potential.

The PRESIDING OFFICER. The Senator from Rhode Island.

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

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

I think there are at least four areas where every child in America should have the opportunity to have the full measure of our attention and our action. Certainly, health care—I will talk a little bit about health care tonight—and, obviously, nutrition, and preventing hunger is a huge priority; third, early learning, which I will speak of tonight as well; fourth, just basic safety.

If every child has at least those four, no matter what their circumstances, they will have a much better chance of succeeding and contributing to our economy than they would without our help. We can't do everything, but America can do a lot more than it is doing now as it relates to our children. As it confronts us as a challenge—what happens to our children—there are at least two sets of updates. One is the bad news—the numbers we see right now in the midst of a recession. The other side of the ledger is some good news, in terms of actions that have been taken and strategies that are in place to help our kids.

First of all, the bad news. Child poverty is on the rise, in large measure because of the recession. We know that a new study about the foundation of child development, released in June of this year, found that the poverty rate among children is 21 percent, up from 17 percent from before the recession in 2006. In just 3 years, going from a 17-percent child poverty rate to 21 percent—a stunning and disturbing increase in child poverty. This means 15.6 million children will be living in poverty in 2010. I come from a State where the population is roughly 12.4 million. That means this child poverty rate in America is bigger than the population of Pennsylvania, bigger than the population of New Jersey or Massachusetts. You could go on and on and add a State to that list. Very few States have double figure millions in terms of population. Yet we have a double figure million number for child poverty—15.6 million children.

That rate places the United States among the highest of its peer nations—the highest in the United States in 20 years. For those who say we don't need to keep going to get this recovery in full bloom and to have our economy fully recover, I would cite the child poverty rate as one example or one piece of evidence that tells us we have to keep going and recovering, and we have to keep pushing the economy out of the ditch so our poverty rate among children can come down. Half these children will be living in ''extreme poverty,'' defined as below 50 percent of the poverty line.

The recession is not some remote set of numbers on child poverty or unemployment or any of the other numbers we use to measure or describe the recession. There are some better ways to talk about it. Dr. Mariana Chilton, a professor at Drexel University in Philadelphia, PA—someone who I know to be a leader on child hunger issues and a real advocate and expert and passionate advocate for children—has said, among many things she has written and has said about our kids:

> As to the children, the recession is in their bodies and in their brains.

Meaning, of course, that a bad economy has an impact on poor children that is physical in nature. It is not just some condition that is remote; it physically injures a poor child more than a child who is not poor. That is what the recession means to a child. Unfortunately, that is not the end of it. Even while the recession is injuring children physically, it is also limiting their potential, their brain development, which, of course, stays with them for the rest of their lives. So it is indeed a recession that injures them physically, their bodies, but also has an adverse impact on their brains, which stays with them forever.

Recent studies indicate child poverty can have these lingering effects. The Urban Institute found that 49 percent of children born into poverty go on to spend at least half their childhood in poverty. Children raised in poverty have worse outcomes than their counterparts in higher income families. Some of this is self-evident, I know. Some of it seems like the same analysis we have been hearing for years. But just imagine that. If you are born into poverty, chances are very high that you will spend at least half your childhood in poverty. The effects of that, the lingering, substantial effects of that will stay with you for the rest of your life.

The recession, for a lot of people, isn't just a set of numbers, it is a set of misery indicators, and a set of disturbing outcomes that will adversely impact our children for years and decades, unfortunately. That is some of the bad news as it relates to our children—poverty, lingering effect of the recession and a harmful and disturbing impact of the recession on our kids.

Is there any good news? Well, there is some. It doesn't balance completely the set of bad news as a set of adverse indicators. But one piece of legislative good news, as it relates to our kids, is the American Recovery and Reinvestment Act, which was passed what seems like a long time ago, in the early part of 2009. Throughout the recession, the Recovery Act has had a positive impact in a number of ways. Let me, just by way of background, walk through a couple data points.

According to a June of 2010 report by First Focus, one of our great advocacy groups in America for our children, we spend less than a dime out of $1 on children in any given Federal budget year. That is our Federal budget year after year. When you overlay what we spend on our kids, it is less than a dime out of $1. That is not something any of us should be proud about or satisfied with. We have to do a lot better than a dime out of $1 for our kids—or a lot better than less than a dime out of $1 for our kids. The Recovery Act, though, was more than twice as large as the children's share of the Federal budget. So spending on children was substituting for adding to what States were not or could not spend for children in the midst of the recession.

I wanted to go through the Recovery Act and highlight things as it relates to children and the impact on our families. I wish to mention quickly some other pieces of good news, which we will develop later. One is the Children's Health Insurance Program, which, we know, was reauthorized in 2009. When the reauthorization is fully implemented, in a matter of 2 or 3 years now, we will have 14 million children covered by the Children's Health Insurance Program—a substantial achievement, no doubt. We would not be covering 14 million children with health care without that program. It was enacted when President Clinton was in office, enacted with bipartisan support. It hasn't always gotten bipartisan support from our colleagues on the other side of the aisle, but on most days we have had a lot of support in both parties. Unfortunately, we have had to fight through Presidential vetoes in the last administration to get it reauthorized.

That is a piece of good news.

The Affordable Care Act—the health care bill—we tend to forget the positive impact that will have on children by making sure children's health insurance is protected, that we didn't go the way of, frankly, some people in both parties who wanted us to take a standalone, successful program, such as children's health insurance, and put it in the exchange. We didn't do that. It would have been a mistake, in my judgment, to put it in the exchange. That was good news. We didn't do that.

Even the expansion and improvements we made relating to Medicaid coverage of even adults obviously has an impact on children because a healthy adult will mean that our children are in better shape, in most instances.

The Child Nutrition Act I will mention briefly. Each of us in this Chamber gave a speech on how important it is to reauthorize the Child Nutrition Act. I and others will speak about this later in the week. That is a substantial piece of good news, if we can get it through the Senate and get it enacted, to extend the great protections of that legislation to our children.

Let me go back to the Recovery Act. Here are some basic facts that are important. The Recovery Act has created or saved 3.5 million jobs, based upon an analysis by the Council of Economic Advisers. The act will meet the goal of creating or saving at least 3.5 million jobs. The jobs created will be in a range of industries, from clean energy to health care, with over 90 percent in the private sector. When we have that much of a positive development as it relates to jobs, that has a tremendous impact on our children. Job creation and economic recovery has a direct and

significant impact on our kids. So the job creation number is very important for our kids.

Second, nearly 40 percent of the Recovery Act provides direct relief to working and middle-class families. The act includes about $230 billion in tax cuts for families, including a Making Work Pay tax credit for 95 percent of workers and their families. Obviously, when you provide that kind of a tax break for a middle-income family, that has a positive impact on children.

The vast majority of the remainder of the act is provided in State fiscal relief and investments that also benefit working families. For instance, the Recovery Act provided direct support to children and families in the form of tax credits and increased Federal payments for a variety of programs, such as the Child Care Development Block Grant Program, which we all know by one of the many acronyms we use here, CCDBG, and Head Start.

The Recovery Act, I argue—and I think the proof is irrefutable—has positively impacted children in creating millions of jobs; it positively impacted children as it relates to tax cuts for middle-income families; and, thirdly, in a direct way when it comes to child care and Head Start. There was tremendous support for both of those in the Recovery Act.

To give an example of what this means to real people in States such as Pennsylvania, people can now access programs to help families through this very difficult economic time. Families who have participated in Pennsylvania's Child Care Works program have benefited from Federal funding. I have one example of a single mother of two, Sarah Obringer, who is from Churchill, PA, Allegheny County. She was receiving assistance for her son to attend a quality child care setting while she was working. When her second child, a daughter, came along, there were no funds available, and her daughter was placed on the waiting list. So in this instance, you have one child in a quality setting and then another child, Sarah's daughter, was in another location. She had to drive to two separate locations in order to get her children the care she wanted for them. This was difficult because of the cost of gas, and she was unhappy her daughter's provider was not a high-quality provider such as her son's was. She was just hanging on, when she was told there was assistance available to place her daughter in the same program her son was in because of Recovery Act funding. Sarah said the following:

> It truly is a relief to have both of them in the same safe, quality center. As a mom, it gives me piece of mind to be able to go off to work knowing my children are well cared for at the same place until I can pick them up together at the end of the day. It is easier on them because they are together, and it is easier on me.

So that is an example of where the Recovery Act for one mother and one family has had a positive impact, because of direct support that helps a State childcare program—in this case in the Commonwealth of Pennsylvania.

The Recovery Act funding for States to sustain and expand their Head Start in Early Head Start programs has also made a difference. Head Start, as many here know, is a national program that promotes school readiness for low-income children, financing their social, cognitive, and academic skills and finding nutritional and health services for children who need them. Early Head Start begins with prenatal services for pregnant women and continues working with the family until children are eligible for Head Start, usually at the age of 3.

Here is an example from Pennsylvania. Annette Jones' grandson attends an Early Head Start program—the Keystone Babies classroom. That is at the Franklin Child Development Center. Annette writes:

> This program has been a true blessing to our whole family. Landon is learning so much. He interacts with other children and learns how to get along, through different activities and experiences. Landon's classroom offers so much more than traditional ''baby-sitting.'' Landon has grown so much. The teachers in the classroom are loving and kind. They know what each child needs. He has been referred to early intervention services, based on information gathered by his teachers. These services will provide extra support for Landon to be successful. I am very thankful for the Keystone Babies classroom, and I ask for continued funding and support for this much needed program.

So there is another example—in this case Annette Jones and her grandson Landon—of how one family is benefitting from not just Head Start itself and not just Early Head Start as a program but because of the increases to both programs in the Recovery Act.

As I mentioned before, health care reform itself has been very helpful for our kids. As I mentioned before, when we are providing access to health care to more than 30 million Americans—many of them women and many of them of childbearing age—you don't have to be a public policy expert or even a health care or child development expert to know that will have a substantial disproportionately positive impact on children.

I mentioned the Children's Health Insurance Program before and how the reauthorization of that—really the extension of that—will have a tremendous impact on our kids. We know insurers will also be prohibited under the new health care law from discriminating against children with preexisting conditions. That protection will go into effect for the first time in American history in September of this year.

For those who have talked about repealing the act, well, if you repeal the act, you are repealing that protection for our kids. So I think if you are advocating that, you should think a little bit longer, talk to your constituents about whether they want protection for children with preexisting conditions to go into effect and then to be repealed. I don't think there are many people in America who support that—Democrat, Republican, or Independent.

The Affordable Care Act will also include funding for evidence-based home visitation programs that provide new moms with the resources they need to raise healthy children and provide a stable home environment. We know President Obama has been a real leader when it comes to promoting not just the value of protecting our kids but also increasing Federal investment in this area. He has asked for investments in our kids that far surpass anything in recent history.

I was also gratified, as so many were last week, when the Appropriations Committee reported out a Labor, Health and Education bill that for fiscal year 2011 includes an increase of $1 billion for that program. I mentioned before the child care and development block grant; an increase of nearly $1 billion for Head Start—the program I mentioned before as well.

So getting those kinds of billion-dollar or so increases for Head Start and child care development block grants is critically important. And $300 million has been asked for by the administration for the Early Learning Challenge Fund, which is a program that would help provide competitive grants to States to raise the bar for early childhood programs. It will encourage States to coordinate quality improvement activities across early learning stages, including childcare, Head Start, and prekindergarten programs. It will expand the number of low-income kids at high-quality programs and ensure that more kids enter kindergarten ready to learn and ready to succeed. States such as Pennsylvania, which have very good systems in place, will be rewarded for those initiatives over time.

When I speak about the appropriations bill, I want to note the great leadership of Senator TOM HARKIN and his work as an appropriator and for his constant effort to help our kids. I know when we talk about these investments—as I mentioned at the beginning of my remarks tonight—there is a belief that I and many people in both parties have that we have an obligation to do everything we can to make sure the bright light inside every child reaches the full measure of its potential. So even if a child has limitations, even if a child is born with a disadvantage, even if a child comes from a family who can't provide the kind of early learning or early care and education opportunities we would expect and hope every child could have, that collectively and in concert we have the systems in place, both public sector and private sector, to make sure the light inside every child, no matter where they live in America, is given the full measure of support and services that we can.

I believe it is a sacred duty, not just a set of programs that we support. It is

critically important that the light inside every child reaches the full measure of its potential. I can't say we are there yet. I can't say we are there yet on early learning. We are making progress. I can't say we are there yet in terms of combating hunger and providing good nutrition, but we are making progress. I can't say that even on health care—even with all the great advancements on the Affordable Care Act for the country at large or the Children's Health Insurance Program. Even when we have full implementation, for example, of children's health insurance, there may be millions of children still without health care coverage.

I guess, finally, it would be safety. If there is a fourth area, it would be whether we are protecting our children from abuse and neglect. We have a long way to go there as well.

So it is important for us to point out the bad news, the challenges, the difficulties, and the nightmares, but it is also important to remind ourselves when we are making progress on early care and education and a whole range of issues that relate to children.

I have to say we have had a number of leaders over many years in the Senate from both parties, but there are very few who have contributed in the way the chairman of our Banking Committee has—someone I have served with both on that committee as well as one of the leaders on our Health, Education, Labor and Pensions Committee. I commend Senator DODD, who is here on the Senate floor tonight with us, for his work for three decades in standing up for children in good times, when the economy was booming, and in bad times, as we are living through now when the unemployment rate is high and the recession is crippling the ability of families to provide for their kids and difficult times for State governments to provide for our kids.

No matter whether it is a good economy or a bad economy, Senator DODD has been fighting these battles year after year—literally, now, decade after decade. We are going to miss his voice, his leadership, his passion, and his effectiveness in getting legislation passed. But as I have noted for the public record and have told him personally, we will need him to come back and help us once in a while, even when he is not an incumbent Member of the Senate. We are grateful for his leadership. We take inspiration from that leadership, and I know his inspiration and his guidance will help us keep that bright light inside every child.

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

The PRESIDING OFFICER (Mr. MERKLEY). The Senator from Connecticut.

Mr. DODD. Mr. President, I came to the Senate floor to express some comments on a different subject matter, but I would be remiss if I didn't express my gratitude to my friend for those very generous comments about our work on behalf of one out of four Americans who are under the age of 18—our children.

As I have said to my friend from Pennsylvania, a relatively new Member of this body, although I will no longer be a Member come next January, after three decades—30 years—in the Senate, I take great comfort in knowing that he and the Senator from Oregon, the Presiding Officer, who is also a member of this committee, have expressed such tremendous interest in this subject matter since the very first days they arrived in the Senate.

Like anyone else, I watched a number of people who were leaving as I was coming in three decades ago; people such as Hubert Humphrey, George McGovern, Bob Dole, Fritz Mondale—Vice President but also a Member of this body—and of course Ted Kennedy during our years together here, do tremendous work over the years on behalf of children and working families in our country. So I take a great deal of comfort in knowing that as I walk out of this Chamber there are people such as JEFF MERKLEY and BOB CASEY who are going to continue this effort on behalf of those one in four Americans who don't vote, who don't have lobbyists, who don't make campaign contributions, and who don't have any of the traditional trappings that constituencies have to bring their case before the Congress of the United States. America's children will continue to have champions who are going to insist that children be at the forefront in the debates about resources and how we can provide for their needs.

So I thank the Senator immensely for his work on this subject matter and look forward to watching with a great deal of pride as he continues those efforts. Just know that the Senator will have a cheerleader outside who will be doing everything he can to encourage his efforts. So I thank him very much for his comments.

PUBLIC SAFETY EMPLOYER-EMPLOYEE COOPERATION ACT

Mr. DODD. Mr. President, I am deeply concerned because this is a matter that, unlike an awful lot of the subject matters that we bring up and engage in, has bipartisan support in this Chamber; that is, the ability of our first responders to be able to collectively bargain in the workplace. These are our firefighters, our police officers, and our emergency personnel.

This is a bill that was championed by Senator Kennedy before he left us—a bill that has been introduced by our good friend and colleague from New Hampshire, JUDD GREGG, along with five other the Republican Members of this Chamber, along with many Democrats. In fact, it goes back over a decade, this issue of seeing to it that these, the most celebrated, the most highly endorsed and supported of public employees, would have the right to collectively bargain.

This is not something guaranteed in all States. Many States do it, but many do not. So I am terribly disappointed that once again, just days away from the adjournment of this Congress, these individuals who consistently enjoy the outspoken praise of public officials for their work, when it comes down to actually doing something on their behalf we find the Congress missing the opportunity to step up.

I hope I am wrong about this. We have a lot of issues to grapple with in the coming days, I know. But my hope is that the Public Safety Employer-Employee Cooperation Act will be an item we can pass before the adjournment of this Congress. As I mentioned, Mr. President, this is a bipartisan measure that would guarantee our Nation's firefighters, our law enforcement officers, and our emergency medical personnel the right to bargain collectively with their employers.

Again, I thank Senator GREGG, who is a champion of this proposal, for his longstanding commitment to this critically important piece of legislation, which was originally championed in the Senate by our good friend, Ted Kennedy. We ask our Nation's first responders to put their lives on the line each and every day in our country. What they do is more than a job. I think most of us appreciate that it is a calling. It is a vocation. Throughout my career in public service, I have had the privilege to meet and work with, as I know most of my colleagues have, countless first responders—police, firefighters, emergency medical personnel. They do exceptional work under the most difficult of circumstances, and the American public appreciates their service more than they do any other people in public life.

In particular, I have come to appreciate the unique and multi-faceted challenges faced by firefighters.

We have all felt our chests tighten and our pulses quicken with anxiety at the sound of a fire engine screaming through town.

We have seen the determination on the faces of the people on those rigs. For them, all the commotion is just another day at the office.

When the unthinkable happens—a devastating hurricane, industrial accident, terrorist attack, or three-alarm fire—these brave men and women are the first on the scene, hurtling into danger, to save lives.

Just this past year firefighters in my home State of Connecticut have been faced with many serious challenges—and have met them every time.

In February, when a massive natural gas explosion at a power plant under construction in Middletown, CT, killed six people and injured more than two dozen others, firefighters from eight surrounding towns rushed to the scene.

They remained for hours and days afterwards, searching for victims and working to ensure that all the plant workers were accounted for.

When massive flooding hit several parts of my State, local firefighters

worked around the clock responding to calls from panicked residents. They dealt with hazardous materials and even helped to pump out flooded basements.

They are committed to keeping our communities safe, even when that means putting their own lives at risk for the sake of protecting ours.

In the abstract, this can be hard to keep in perspective.

But unfortunately, the community of Bridgeport, CT, was recently reminded just what this commitment means.

A week ago, two firefighters, Lieutenant Steven Velasquez and Michel 'Mitch' Baik, were killed while fighting a fire in a home in that community. Three of their colleagues were also injured.

All of these individuals were incredibly brave—they entered a burning building to search for survivors and try to prevent the emergency from spreading.

This tragedy highlights just how selfless and courageous these people are each and every day.

And it should remind us all that, just as they have made a solemn commitment to us, so too must we affirm our commitment to them.

Part of our commitment is to ensure that they never, ever, put their lives at risk on our behalf without the proper equipment and training.

I have worked tirelessly over the years to ensure that this commitment is kept.

That is why I authored the Firefighter Investment and Response Enhancement—FIRE—Act back in 2000. This legislation created the first competitive grant program to assist local fire departments in addressing a wide range of equipment, training, and other fire prevention needs. Senator John Warner, the chairman of the Armed Services Committee, was my partner in that effort, making it possible for it to become law.

To date this program has provided more than $5.2 billion directly to fire departments.

And these grants have not just gone to the largest metropolitan areas. Fire departments in small and medium-sized communities across the country have received funds through the program—including departments in 150 of the 169 towns in my home State of Connecticut.

In 2003, we built on the success of the FIRE program by passing the Staffing for Adequate Fire and Emergency Response Firefighters—SAFER—bill, which I also authored.

This program provides funds to ensure that fire departments are adequately staffed. Too many of these rigs go out with only two or three people on them when a minimum of four is required to make sure that they are safe doing their jobs. Since the program began, more than $1.1 billion has helped to put over 75,000 additional firefighters in our Nation's firehouses.

I am extremely proud to have been able to work with my colleagues on both sides of the aisle to get these important programs enacted.

But our commitment to our public safety community is still not complete.

As the Presiding Officer knows, the bipartisan Public Safety Employer-Employee Cooperation Act is a critical next step towards fulfilling our commitment to the men and women who keep us safe.

As we know, firefighters, police, and emergency medical personnel have a special place in the workforce and in society. They are respected for what they do. But they are also respected for doing it no matter what they face.

Once they get the call, they don't get to decide whether to take it or not—they just go.

We depend on them every day, and they respond with unquestioned dedication.

They are looking out for our well-being. Do we not owe it to them to look out for theirs?

In many States these brave men and women are deprived one of the most basic rights that workers in America have—to bargain collectively with their employers.

The right to collectively bargain has been proven over time to improve cooperation between employers and employees.

This cooperation leads to better, fairer compensation and benefits. It contributes to improved work conditions and safety. And it makes the quality of services better and more efficient for everyone.

Quality and efficiency is vitally important in the field of public safety. It can be the difference between an emergency and a tragedy.

I know that improving public safety is a goal that I share with every single Member of this body.

The Public Safety Employer-Employee Cooperation Act is a carefully crafted bill that grants these rights to all first responders, without disrupting their vital role in emergency response.

While it requires that all States provide public safety workers with the most basic of collective bargaining rights, it also gives States the flexibility to implement plans that work best for them.

These include the right to form and join unions, and to collectively bargain over wages, hours and working conditions—rights that many States, including my State of Connecticut, already provide to these workers.

The bill also allows States with right-to-work laws—which prohibit contracts requiring union membership for employment—to continue to enforce those laws.

Importantly, the bill explicitly provides for safeguards against the disruption of emergency services. It does this with strong language explicitly prohibiting any strikes, lockouts, or other work stoppages.

Of course this legislation is about more than negotiating wages, hours, and benefits. For our Nation's first responders, this cooperation means so much more.

It means that the men and women who risk their lives every day keeping us safe can sit down and relate their real life experiences to their employers.

It also means that their on-the-ground expertise will be used to help public safety agencies improve services in the community.

When tragedies have struck us, from the September 11 attacks to Hurricane Katrina, to the house fire in Bridgeport, CT, just last week, these workers were the first on the scene and the last to leave.

We owe them everything, and all they ask in return is the dignity and respect in the workplace that all workers deserve.

The legislation before us is important to them; therefore, it should be important to us, regardless of panty and ideology.

As I say, this legislation already has strong bipartisan support in this Chamber. All we are looking for is the opportunity to bring it up and vote yes or no. After almost 20 years, with a well-crafted bill that protects against work stoppages and strikes and respects so-called right-to-work States—can we not guarantee this basic right of collective bargaining?

I hope before we adjourn that, after 20 years and at a unique opportunity, after all the speeches that have been given in praise and gratitude for the service of these men and women, we can give something back to them. This is the one thing that our first responders—our police, our emergency medical personnel and our firefighters—have asked of us. They appreciate all the wonderful speeches, all the great remarks, all the accolades, all the commendations. But what they would like to have, more than anything else, is for us to recognize their right to collectively bargain. That is something we ought to be able to give these fine men and women who serve our country every single day.

I urge my colleagues to give us one chance to vote on this legislation and decide whether we want to say to them how much we appreciate what they do. That is what we are asking for before we adjourn in this Congress.

I yield the floor.

REMEMBERING SENATOR ROBERT C. BYRD

Mr. CORNYN. Mr. President, I join my colleagues in appreciation and admiration of Senator Robert Byrd.

By the time I took my seat in this Chamber, Senator Byrd had already held his for more than four decades. He had already held numerous leadership positions, including Senate majority leader and President pro tempore. He had already become a master of parliamentary procedure. He had already championed many Federal projects

that still bear his name in his home State of West Virginia.

Senator Byrd won the admiration of all his colleagues for his study of the history of this body. He delivered hundreds of addresses on Senate history and procedure, as well as the debt we owe to the original Senate that governed Ancient Rome for centuries. For such work, Senator Byrd has earned the gratitude of all future generations of Americans.

Texans especially appreciate Senator Byrd's attention to the contributions of our Senators to the history of this body. Senator Sam Houston, the original occupant of the seat I hold, was described by Senator Byrd in this way:

> The flamboyant Sam Houston of Texas used to stride into the old Senate chamber wearing such eye-catching accessories as a leopard-skin waist-coat, a bright red vest, or a Mexican sombrero. . . . He would while away the time in the old chamber by whittling, creating a pile of shavings beneath his desk, and pages would bring him his pine blocks and then clean up the shavings.

Senator Byrd also devoted several speeches of his history to the tenure of Senator Lyndon B. Johnson, which were all collected into a single chapter upon publication. In personal interviews with then-current and former Senators, Senator Byrd documents a remarkably personal account of Senator Johnson's leadership style and his influence over landmark legislation, including the Civil Rights Act of 1957.

During his discussion of Senator Johnson's use of the quorum call, Senator Byrd was asked to yield by his friend, Senator Russell Long of Louisiana, who wished to clarify his own recollection of the matter. Senator Long then continued with a fitting tribute to the Senator from West Virginia:

> I have no doubt that in years to come, his will be the most authoritative text anyone will be able to find to say what did happen and what did not happen in the Senate, both while the Senator from West Virginia was a member and in the years prior thereto.

I can offer no better epitaph to Senator Byrd than that offered by his former colleague more than two decades ago. He and his beloved Erma have now been reunited, and we offer our condolences to their children, grandchildren, great-grandchildren, and all who miss him most.

SAVING WEAK BANKS

Ms. SNOWE. Mr. President, I ask unanimous consent that the article titled, SPIN METER: Program risks $30B to save weak banks,'' published on August 1 by the Associated Press, be printed in the RECORD.

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

[From the Associated Press, Aug. 1, 2010]

SPIN METER: PROGRAM RISKS $30B TO SAVE WEAK BANKS

(By Daniel Wagner)

WASHINGTON.—People are fed up with bank bailouts that risk taxpayer billions. The government's apparent solution: call them something else.

Congress is at work on a new program that would send $30 billion to struggling community banks, in a process similar to the huge federal bailouts of big banks during the financial crisis. This time, money is more likely to disappear as a result of bank failures or fraud.

Two weeks ago, President Barack Obama declared an end to taxpayer bailouts when he signed a sweeping overhaul of financial rules. In his weekly radio and Internet address on Saturday, he described the new bailout program as ''a common-sense'' plan that would give badly needed lending help to small-business owners to expand and hire.

At its core, the program is another bank rescue. Some lenders need the bailouts to survive. Others could take the bailouts and crumble anyway. That's what happens when banks run out of capital—the money they must keep in case of unexpected losses. Banks with too little capital can be shuttered to protect the taxpayer-insured deposits they hold.

Or, under this proposal, many could get bailouts. The new money would be available to banks that are short on cash. It's supposedly reserved for banks deemed ''viable.'' But regulators won't consider whether banks are viable now. They'll envision how strong a bank would be after receiving a fresh infusion cash from taxpayers and private investors. If the bank would become viable because of the bailout, the government can make it happen.

''This is a below-the-radar bailout for community banks,'' said Mark Williams, formerly a bank examiner with the Federal Reserve. ''What we lack here is oversight and true accountability.'' He said the potential costs are far greater than the program's impact on small businesses. The change for them would barely be noticed, he said.

Small banks are struggling partly because the economy is so weak. For banks in the hardest-hit areas, it can be nearly impossible to recover once too many loans sour.

Yet the bill would require that banks be protected against ''discrimination based on geography.'' It says the money must be available to lenders in areas with high unemployment.

Such banks are ''only as strong as the loans they make in their communities,'' said Williams, now a finance professor at Boston University.

Also, the government knows far less about these lenders than about Wall Street megabanks. Many community banks are overseen by state regulators struggling under budget cuts and limited expertise. Many are ill-equipped to monitor banks during a crisis, Williams said.

The administration says the bill is not a bailout, but a way to spur lending to small businesses and bolster the shaky economic recovery. The idea is that businesses want bank loans, but banks don't have enough money to lend. And they say the program has to include riskier banks in order to work.

''When banking groups have advocated for measures that were about saving or bailing out struggling banks and not spurring small business lending, we have strongly opposed those proposals,'' said Gene Sperling, a senior counselor to Treasury Secretary Tim Geithner who has met with community bank lobbyists on the issue.

Sperling said Treasury rejected proposals to further lower the bar for which banks are considered ''viable'' or to let banks delay accounting for commercial real estate losses.

Some banks will have an easier time granting loans after receiving bailouts. But Federal Reserve Chairman Ben Bernanke and others have questioned whether the problem is lack of capital, or if there simply aren't enough creditworthy borrowers.

The administration's haziness about whom the program benefits has fueled comparisons to the $700 billion bailout known as the Troubled Asset Relief Program, or TARP. A few important differences make this bailout riskier.

The bailouts that started in 2008 were subject to oversight by a special watchdog. Neil Barofsky, who heads that inspector general's office, recently saved taxpayers $553 million by stopping the Treasury from mailing a check to a failing bank accused of fraud.

Under the new law, it's not clear the money would have been saved. The new bailouts have the same investment structure, size limits and approval process as the old ones. Yet they aren't subject to Barofsky's oversight. His office has staff and procedures in place to monitor banks for bailout fraud—resources that cost taxpayers millions.

The new law creates an office that duplicates those efforts, and Barofsky's supporters say that's an effort to silence one of Treasury's loudest critics.

There's another reason banks want to join the new program: It will save them money.

Assuming they increase lending modestly, the banks will pay lower quarterly fees to Treasury. If lending falls, their fees will rise. But the banks still will pay less than they would to private investors, experts said.

Banks that were short on cash weren't even eligible for money from the $700 billion financial bailout passed in 2008. Yet limiting it to healthy banks was no guarantee the money would be safe.

A few bailed-out banks have failed. One-sixth of them were behind on their quarterly payments to Treasury at the end of May, according to an analysis by University of Louisiana finance professor Linus Wilson.

''The problem is, they're not really picking healthy banks,'' Wilson said.

Legislation to put the new program in place ran into a roadblock in the Senate last week. Further action isn't expected until September, after lawmakers' summer break.

The measure has been the subject of a months long lobbying push by small bankers. Disclosures show that community bank bailouts have been the most common topic of Treasury's bailout meetings with lobbyists over the past 10 months.

The trade groups insist that smaller banks are not necessarily riskier because they weren't behind the speculation that nearly toppled Wall Street.

History suggests that's not true. Most of the 268 banks that have failed since 2008 were community banks.

The proposal has drawn little notice from a public weary of bailouts for Wall Street, auto makers, insurers and homebuyers.

Wilson said that shows how well it's been sold.

''If you put small business in the name, people will like it, and if you put banks in the name no one will like it—but the money is going to banks, not small businesses,'' he said.

UGANDA

Mr. FEINGOLD. Mr. President, I want to discuss the important relationship that our country has with the East African nation of Uganda. Last month, Uganda was targeted by horrific bombings that killed 76 people and wounded scores more. We all continue to mourn for the victims of this cowardly attack and sympathize with the people and government of Uganda. The

Somali terrorist group, al Shebaab, whose leaders have links to al-Qaida, has claimed responsibility and likely targeted Uganda because of its role in AMISOM, the African Union peacekeeping force in Somalia. Uganda has contributed a large part of the troops for this difficult but important mission, and its commitment has not yielded in the aftermath of this attack.

The United States has long had a strong friendship and partnership with Uganda that has deepened in recent years, especially as Uganda has become more of a regional leader. We have worked closely with Uganda to address the crisis in Somalia, through bolstering AMISOM and supporting the fragile transitional government in Mogadishu. We have also supported the Ugandan army's operations across central Africa to dismantle the Lord's Resistance Army and end their horrific atrocities. Meanwhile, as a nonpermanent member of the U.N. Security Council since 2009, Uganda has worked with us on many important initiatives. And finally, we have long provided support for the Ugandan government's efforts to combat HIV/AIDS, improve access to education, and more.

This has been a fruitful relationship for both countries and it is in both of our interests to continue to collaborate in order to address pressing regional and domestic challenges. That is why I believe we must encourage and work with Uganda's leaders to ensure that their elections next February are peaceful, fair and free. Uganda's past elections have been marred by reports of fraud, intimidation, and politically motivated prosecutions of opposition candidates, causing international outcry. If these upcoming elections follow that same pattern or worse, it will put the United States and our relationship with Kampala in a very difficult position. We might have to consider restrictions to our assistance and limiting our engagement with Uganda's security forces.

Unfortunately, initial signs are worrying. In his annual testimony to Congress in February, the then-Director of National Intelligence said that the Ugandan government ''is not undertaking democratic reforms in advance of the elections scheduled for 2011.'' Also, the State Department reported to Congress in April that the Ugandan government had taken no actions to further the independence of the Electoral Commission or to establish an accurate and verifiable voter registry. In that same report, State noted that the government continues to restrict opposition parties' freedom of movement and assembly and to impose restrictions on local media. Credible experts and human rights organizations have documented the government's efforts to stifle free and independent political journalism, especially in rural areas.

These developments are disturbing not only in terms of Uganda's political space and democratic institutions, but also when we consider the country's stability. Riots in Buganda last September showed that regional and ethnic divisions remain strong in many parts of the country and that violence can erupt suddenly. Since Uganda gained independence in 1962, political leaders have pitted groups against one another and used force to access and control power. This legacy endures, even though Uganda transitioned to a multiparty democracy 5 years ago. Until there is a genuine effort to address these divisions, achieve national reconciliation and consolidate democracy, Uganda continues to be at risk of instability—a risk that will be heightened during the electoral period.

In the aftermath of the July 11 bombings, the Ugandan government will understandably need to address security issues, and we should offer our assistance in this regard. But at the same time, it is equally important that the government reinvigorate its efforts to promote national unity and reconciliation. Divisions and upheaval surrounding this February's elections could undermine the country's unity and potentially its stability. It could also weaken the government's international reputation and partnerships. Therefore, it is critical that the government take steps now to build public trust in the election process and the country's democratic institutions. As a true friend to the Ugandan government and people, we should press them to take these steps and provide support as appropriate. The stakes are too high to ignore these issues.

NATIONAL INFANT MORTALITY MONTH

Mr. CARDIN. Mr. President, I rise today to discuss a resolution I have submitted supporting the goals and ideals of National Infant Mortality Awareness Month. I am joined by my colleague from North Carolina, Senator BURR, in drawing attention to this important health issue.

Infant mortality is an important indicator of the health of a nation, and since 2000, the infant mortality rate in the United States has remained stagnant, generating concern among researchers and policymakers. The United States ranks 29th among industrialized countries in the rate of infant mortality, with 6.8 deaths per 1,000 live births in 2007, according to the National Center for Health Statistics.

The primary reason for the United States' higher infant mortality rate is the higher percentage of preterm births, that is, babies born before 37 weeks of gestation. In 2004, one in eight infants born in the United States was preterm, compared with one in 18 in Ireland and Finland. Among reported European countries, only Austria has a comparable preterm birth rate; the other countries, including England, Sweden, and France, have far lower rates. Preterm infants have much higher rates of death or disability than infants born at full term. In fact, if the United States had the same gestational age distribution of births as Sweden, with fewer preterm births, the U.S. infant mortality rate would decrease by about 30 percent. These data from the National Center for Health Statistics suggest that preterm birth prevention is crucial to lowering the U.S. infant mortality rate.

The rate of preterm births in the United States rose by one-third between 1984 and 2006, and in 2004, the National Center for Health Statistics reported that 36.5 percent of all infant deaths in the U.S. were related to premature birth. This accounts for 12.5 percent of babies born in the United States. In addition to contributing to a higher infant mortality rate, this high rate of premature births constitutes a public health concern that costs society more than $26 billion a year, according to a 2006 Institute of Medicine report.

There are indications that the situation is improving. Following a long period of steady increase, the U.S. preterm birth rate declined for the second straight year in 2008 to 12.3 percent, from 12.8 percent in 2006, marking the first two-year decline in the preterm birth rate in nearly three decades.

We have seen similar trends in my own state of Maryland, where the infant mortality rate decreased by ten percent from 2008 to 2009, improving from 8 infant deaths per 1,000 live births to 7.2 infant deaths per 1,000 live births.

The Centers for Disease Control and Prevention reports that despite these positive trends, significant racial disparities in infant mortality rates persist. In 2006, the infant mortality rate for African-American infants in the U.S. was more than twice the rate for non-Hispanic White infants, at 13.4 deaths per 1,000 live births for African-Americans compared to 5.6 for non-Hispanic Whites. In American Indian and Alaska Native populations, the death rate is 50 percent higher than in non-Hispanic Whites, and the sudden infant death syndrome, SIDS, mortality rate for this population is also twice as high as the SIDS mortality rate for non-Hispanic Whites. The Puerto Rican population also experiences significant disparity in this area, with an infant mortality rate 40 percent higher than that for non-Hispanic Whites.

Disparities in prenatal care also contribute to higher infant mortality among minority populations. Nationwide, African-American mothers were 2.5 times more likely than white mothers to receive late or no prenatal care. This trend is also evident in Maryland, where in 2009, the number of babies born to all mothers receiving late or no prenatal care was 4.7 per 1,000 live births, but the number of babies born to African-American mothers lacking prenatal care increased from 6.3 per 1,000 live births in 2008 to 7 in 2009. A lack of prenatal care can contribute to low birth weight and increased risk for

birth defects, which can cause higher infant mortality rates. So, despite the progress we are making in reducing infant mortality, evidence of the progress is not being seen equally everywhere.

To combat these disparities, the HHS Office of Minority Health, OMH, began the ''A Healthy Baby Begins with You'' campaign in 2007. This is a nationwide effort to raise awareness about infant mortality with an emphasis on African Americans. The goals of this campaign include reaching the college-age Black population with targeted health messages emphasizing preconception health and health care. The campaign trains college students to be health ambassadors and reaches out to historically Black colleges and universities and other minority-serving institutions.

Based on the success of that campaign, OMH developed the Preconception Peer Educators Program, launched in 2008. This program addresses the need to emphasize preconception health as an important factor influencing outcomes for maternal and infant health. The program enlists college students as peer educators on college campuses and in communities to disseminate essential health messages that may seem irrelevant to students who are not seeking to start a family. Because more than 50 percent of pregnancies are unplanned, good preconception health is essential. This program has held trainings across the country over the past year, and there will be a national training for the PPE program this September during National Infant Mortality Awareness Month.

I also commend the work of the Maternal and Child Health Bureau at the Health Resources and Services Administration for providing national leadership on the issue of infant mortality. Their efforts provide critical insight into the Nation's progress toward ensuring quality of care, eliminating barriers and health disparities, and improving the health infrastructure and systems of care for women and children. All of these areas influence the infant mortality rate, and the work of the Maternal and Child Health Bureau will help target our resources efficiently to decrease the number of infant deaths nationwide.

Although some indications are that the U.S. infant mortality rate is decreasing, there is room for substantial improvement. In some pockets of the country, including Baltimore, Memphis, and Washington, DC, the rate is more than twice the national average, and evidence of racial disparities in this area cannot be ignored. We must continue to research the causes and contributing factors to infant mortality and to support effective education and awareness campaigns so that mothers get the prenatal care that they need to have healthy babies. I thank my colleagues who have agreed to support this resolution drawing attention to National Infant Mortality Awareness Month in September and to support Federal efforts to decrease our national infant mortality rate.

ADDITIONAL STATEMENTS

THE COLORADO TRUST

• Mr. BENNET. Mr. President, today I recognize and congratulate the Colorado Trust, as this year marks the 25th anniversary of the Trust's opening.

With the complex goal of advancing the health and well-being of all Coloradans, the Colorado Trust has strived to assure affordable, superior, and easily accessible health care to Coloradans of all ages. From its inception in 1985 the Trust has addressed a variety of community needs by giving more than $300 million in grants to an array of individuals and groups.

By developing an understanding of the State's most difficult health care concerns, the Trust has been able to bring the many diverse voices on health care reform together to work towards a solution that improves the lives of all Coloradans. Their shared goal is to achieve access to health care for all Coloradans by 2018, and they are well on their way. Recently, to give one example, the Trust was able to bring 911 emergency medical assistance to 38 of Colorado's counties.

As a result of last year's Colorado Healthcare Affordability Act and Federal health care reform, more than 100,000 uninsured Coloradans will have coverage. But rather than simply ensuring that these Coloradans are covered, the Colorado Trust is ensuring that the care they receive is truly affordable while still top notch and accessible. The Colorado Trust serves as the exemplar to all of us, demonstrating that by working together with a strong commitment to the betterment of others, we can tackle the most complex and pressing situations.•

RECOGNIZING ARKANSAS COMMUNITIES

• Mrs. LINCOLN. Mr. President, today I recognize two Arkansas communities that were recently recognized for their low-cost of living and quality of life.

Kiplinger.Com named Fort Smith as the ''least expensive'' city for living in the United States. Also on the list was Conway, with the sixth lowest cost of living.

The rankings were determined through criteria examining relative price levels for housing, utilities, transportation, grocery items, health care and miscellaneous goods and services.

I congratulate the residents of both communities for this significant recognition. I also commend Fort Smith and Conway community leaders for their tireless efforts to build and maintain a safe, economical, and desirable place to live for local citizens. Our local leaders represent the best of our State, and I am proud of their accomplishments.

Mr. President, I salute both Fort Smith and Conway, and I join all Arkansans to express my pride in these communities and our great State as a whole. •

REMEMBERING ELLEN TURNER CARPENTER

• Mrs. LINCOLN. Mr. President, today my home State of Arkansas mourns the loss of Ellen Turner Carpenter, 93, a noted educator and community leader who helped shape Arkansas history through her work. Her life and legacy will be celebrated today during a funeral service at Mount Zion Baptist Church in Little Rock. I extend my deepest sympathies to Mrs. Carpenter's relatives and loved ones, who have lost a cherished member of their family.

Mrs. Carpenter's service to the city of Little Rock and the entire State helped inspire countless Arkansans to pursue their dreams and achieve their goals, despite the obstacles they may have faced. A staunch civil rights supporter, she encouraged students to work hard and always strive for the best.

Mrs. Carpenter was born July 30, 1916, in Little Rock as the youngest of eight children. She graduated from Dunbar High School in 1934 and married Rueben Alvin Carpenter in 1935. They had 10 children.

She received a bachelor's degree in education from Philander Smith College in the early 1950s and was a special education teacher for decades, beginning at Booker T. Washington Elementary School in Little Rock. She later received her master's degree from the University of Central Arkansas.

A lifelong member of Mount Zion Baptist Church in Little Rock, Mrs. Carpenter was proud of her faith and heritage. Her Christian principles guided her service and work for others.

She was most known for her role in the preservation of the Mosaic Templars of America headquarters building. In 1992, she became president of the Mosaic Templars Building Preservation Society, which worked to preserve the Mosaic Templars building in Little Rock to create a museum for black history in Arkansas. Today, the museum is dedicated to collecting, preserving, interpreting, and celebrating African-American history, culture and community in Arkansas from 1870 to the present. Mrs. Carpenter served as president of the society until her death and was also appointed by former Governor Mike Huckabee to the advisory board, where she served as chairman.

In 1975, Mrs. Carpenter founded the Meadowbrook Neighborhood Association of South Little Rock and served as its president until 2005.

Mrs. Carpenter's legacy will live on through the Ellen T. Carpenter Scholarship Fund at Mt. Zion Baptist Church, in addition to a State scholarship created in 2008 in her honor. She

will also have a conference room named in her honor at the Mosaic Templars building. She received many honors throughout her life, including the CareLink Senator David Pryor Award in 2006.

Along with all Arkansans, I celebrate the work, life, and contributions of our beloved community member, Ellen Turner Carpenter. Our State has lost one of its finest citizens, and we all mourn her loss.●

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILLS SIGNED

Under the authority of the order of the Senate of January 6, 2009, the Secretary of the Senate, on July 30, 2010, during the adjournment of the Senate, received a message from the House announcing that the Speaker has signed the following enrolled bills:

S. 3372. An act to modify the date on which the Administrator of the Environmental Protection Agency and applicable States may require permits for discharges from certain vessels.

H.R. 5874. An act making supplemental appropriations for the United States Patent and Trademark Office for the fiscal year ending September 30, 2010, and for other purposes.

H.R. 5900. An act to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend airport improvement program project grant authority and to improve airline safety, and for other purposes.

Under the authority of the order of the Senate of January 6, 2009, the enrolled bills were signed on July 30, 2010, during the adjournment of the Senate, by the President pro tempore (Mr. INOUYE).

ENROLLED BILLS SIGNED

Under the authority of the order of the Senate of January 6, 2009, the Secretary of the Senate, on today, August 2, 2010, during the adjournment of the Senate, received a message from the House announcing that the Speaker has signed the following enrolled bills:

H.R. 5278. An act to designate the facility of the United States Postal Service located at 405 West Second Street in Dixon, Illinois, as the ''President Ronald W. Reagan Post Office Building''.

H.R. 5395. An act to designate the facility of the United States Postal Service located at 151 North Maitland Avenue in Maitland Florida, as the ''Paula Hawkins Post Office Building''.

The enrolled bills were subsequently signed during the session of the Senate by the President pro tempore (Mr. INOUYE).

MESSAGE FROM THE HOUSE

At 3:33 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2476. An act to amend the National Forest Ski Area Permit Act of 1986 to clarify the authority of the Secretary of Agriculture regarding additional recreational uses of National Forest System land that are subject to ski area permits, and for other purposes.

H.R. 5320. An act to amend the Safe Drinking Water Act to increase assistance for States, water systems, and disadvantaged communities; to encourage good financial and environmental management of water systems; to strengthen the Environmental Protection Agency's ability to enforce the requirements of the Act; to reduce lead in drinking water; to strengthen the endocrine disruptor screening program; and for other purposes.

H.R. 5414. An act to provide for the conveyance of a small parcel of National Forest System land in the Francis Marion National Forest in South Carolina, and for other purposes.

H.R. 5850. An act making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2011, and for other purposes.

H.R. 5901. An act to amend the Internal Revenue Code of 1986 to exempt certain stock of real estate investment trusts from the tax on foreign investment in United States real property interests, and for other purposes.

H.J. Res. 90. Joint resolution expressing support for designation of September 2010 as ''Gospel Music Heritage Month'' and honoring gospel music for its valuable and longstanding contributions to the culture of the United States.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 266. Concurrent resolution expressing the sense of Congress that Taiwan should be accorded observer status in the International Civil Aviation Organization (ICAO).

The message further announced that pursuant to section 803(a) of the Congressional Recognition for Excellence in Arts Education Act (2 U.S.C. 803(a)), and the order of the House of January 6, 2009, the Speaker appoints the following members to the Congressional Award Board: Mr. Nicholas Scott Cannon of Los Angeles, CA, for the remainder of the term ending September 25, 2011 and in addition, Mr. Jimmie Lee Solomon of Washington, D.C.

The message also announced that pursuant to section 2(b) of rule VI, and the order of the House of January 6, 2009, the Speaker, Majority Leader and Minority Leader jointly appoint the following member for the House of Representatives to the position of Inspector General effective July 30, 2010: Ms. Theresa M. Grafenstine of Manassas, Virginia.

MEASURES REFERRED

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

H.R. 5872. An act to provide adequate commitment authority for fiscal year 2010 for guaranteed loans that are obligations of the General and Special Risk Insurance Funds of the Department of Housing and Urban Development; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 5981. An act to increase the flexibility of the Secretary of Housing and Urban Development with respect to the amount of premiums charged for FHA single family housing mortgage insurance, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 5850. An act making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2011, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 5901. An act to amend the Internal Revenue Code of 1986 to exempt certain stock of real estate investment trusts from the tax on foreign investment in United States real property interests, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on July 30, 2010, she had presented to the President of the United States the following enrolled bill:

S. 3372. An act to modify the date on which the Administrator of the Environmental Protection Agency and applicable States may require permits for discharges from certain vessels.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LIEBERMAN, from the Committee on Homeland Security and Governmental Affairs, without amendment:

S. 3196. A bill to amend the Presidential Transition Act of 1963 to provide that certain transition services shall be available to eligible candidates before the general election (Rept. No. 111–239).

By Mr. ROCKEFELLER, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 3386. A bill to protect consumers from certain aggressive sales tactics on the Internet (Rept. No. 111–240).

By Mrs. BOXER, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 1311. A bill to amend the Federal Water Pollution Control Act to expand and strengthen cooperative efforts to monitor, restore, and protect the resource productivity, water quality, and marine ecosystems of the Gulf of Mexico (Rept. No. 111–241).

By Mrs. BOXER, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute and an amendment to the title:

S. 3515. A bill to authorize and enhance the programs of the Department of the Interior relating to the detection of, response to, and mitigation and cleanup of oil spills on Federal land managed by the Department, and for other purposes (Rept. No. 111–242).

By Mr. HARKIN, from the Committee on Appropriations, without amendment:

S. 3686. An original bill making appropriations for the Departments of Labor, Health

and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2011, and for other purposes (Rept. No. 111–243).

By Mr. LIEBERMAN, from the Committee on Homeland Security and Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 3978. A bill to amend the Implementing Recommendations of the 9 11 Commission Act of 2007 to authorize the Secretary of Homeland Security to accept and use gifts for otherwise authorized activities of the Center for Domestic Preparedness that are related to preparedness for and response to terrorism, and for other purposes.

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. KOHL:

S. 3682. A bill to establish the Fox–Wisconsin Heritage Parkway National Heritage Area, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. UDALL of New Mexico:

S. 3683. A bill to support and encourage the health and well-being of elementary school and secondary school students by enhancing school physical education and health education; to the Committee on Health, Education, Labor, and Pensions.

By Mr. UDALL of New Mexico (for himself and Mr. BINGAMAN):

S. 3684. A bill to establish the Cavernous Angioma CARE Center (Clinical Care, Advocacy, Research and Education) at the University of New Mexico, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. PRYOR (for himself, Mrs. BOXER, and Mr. ROCKEFELLER):

S. 3685. A bill to provide the Federal Trade Commission with oversight authority over insurance issuers; to the Committee on Commerce, Science, and Transportation.

By Mr. HARKIN:

S. 3686. An original bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2011, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. NELSON of Florida:

S. 3687. A bill to provide royalty relief, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KERRY:

S. 3688. A bill to establish an international professional exchange program, and for other purposes; to the Committee on Foreign Relations.

By Mr. LEAHY (for himself and Mr. SESSIONS):

S. 3689. A bill to clarify, improve, and correct the laws relating to copyrights; considered and passed.

By Mr. CARDIN (for himself, Mr. BROWNBACK, Mr. WHITEHOUSE, and Mrs. SHAHEEN):

S.J. Res. 37. A joint resolution calling upon the President to issue a proclamation recognizing the 35th anniversary of the Helsinki Final Act; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. BOXER (for herself, Mr. CASEY, Mr. FRANKEN, Ms. KLOBUCHAR, Mr. SPECTER, and Mrs. FEINSTEIN):

S. Res. 604. A resolution urging the Government of the Islamic Republic of Iran to immediately and unconditionally release Sarah Shourd, Joshua Fattal, and Shane Bauer on humanitarian grounds; considered and agreed to.

ADDITIONAL COSPONSORS

S. 369

At the request of Mr. KOHL, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 369, a bill to prohibit brand name drug companies from compensating generic drug companies to delay the entry of a generic drug into the market.

S. 752

At the request of Mr. DURBIN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 752, a bill to reform the financing of Senate elections, and for other purposes.

S. 987

At the request of Mr. DURBIN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 987, a bill to protect girls in developing countries through the prevention of child marriage, and for other purposes.

S. 1055

At the request of Mrs. BOXER, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1055, a bill to grant the congressional gold medal, collectively, to the 100th Infantry Battalion and the 442nd Regimental Combat Team, United States Army, in recognition of their dedicated service during World War II.

S. 1235

At the request of Ms. LANDRIEU, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1235, a bill to amend the Public Health Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require that group and individual health insurance coverage and group health plans provide coverage for treatment of a minor child's congenital or developmental deformity or disorder due to trauma, infection, tumor, or disease.

S. 1275

At the request of Mr. WARNER, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 1275, a bill to establish a National Foundation on Physical Fitness and Sports to carry out activities to support and supplement the mission of the President's Council on Physical Fitness and Sports.

S. 3241

At the request of Mr. BROWN of Ohio, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 3241, a bill to provide for a safe, accountable, fair, and efficient banking system, and for other purposes.

S. 3397

At the request of Ms. KLOBUCHAR, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 3397, a bill to amend the Controlled Substances Act to provide for take-back disposal of controlled substances in certain instances, and for other purposes.

S. 3411

At the request of Mrs. GILLIBRAND, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 3411, a bill to provide for the adjustment of status for certain Haitian orphans paroled into the United States after the earthquake of January 12, 2010.

S. 3434

At the request of Mr. BINGAMAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 3434, a bill to provide for the establishment of a Home Star Retrofit Rebate Program, and for other purposes.

S. 3474

At the request of Mr. FEINGOLD, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 3474, a bill to provide an optional fast-track procedure the President may use when submitting rescission requests, and for other purposes.

S. 3543

At the request of Mrs. HAGAN, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 3543, a bill to amend title XVIII of the Social Security Act to expand access to medication therapy management services under the Medicare prescription drug program.

S. 3594

At the request of Mr. NELSON of Florida, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 3594, a bill to amend the Magnuson–Stevens Fishery Conservation and Management Act to mitigate the economic impact of the transition to sustainable fisheries on fishing communities, and for other purposes.

S. 3642

At the request of Mrs. BOXER, the name of the Senator from Colorado (Mr. UDALL) was added as a cosponsor of S. 3642, a bill to ensure that the underwriting standards of Fannie Mae and Freddie Mac facilitate the use of property assessed clean energy programs to finance the installation of renewable energy and energy efficiency improvements.

S. 3656

At the request of Mrs. LINCOLN, the names of the Senator from Ohio (Mr. BROWN), the Senator from Mississippi (Mr. COCHRAN), the Senator from New York (Mrs. GILLIBRAND), the Senator from Minnesota (Ms. KLOBUCHAR), the Senator from Vermont (Mr. LEAHY) and the Senator from South Dakota (Mr. THUNE) were added as cosponsors of S. 3656, a bill to amend the Agricultural

Marketing Act of 1946 to improve the reporting on sales of livestock and dairy products, and for other purposes.

S. 3661

At the request of Mr. LAUTENBERG, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 3661, a bill to amend the Federal Water Pollution Control Act to ensure the safe and proper use of dispersants in the event of an oil spill or release of hazardous substances, and for other purposes.

S. RES. 586

At the request of Mr. FEINGOLD, the name of the Senator from South Carolina (Mr. GRAHAM) was added as a cosponsor of S. Res. 586, a resolution supporting democracy, human rights, and civil liberties in Egypt.

S. RES. 597

At the request of Mr. SESSIONS, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was withdrawn as a cosponsor of S. Res. 597, a resolution designating September 2010 as ''National Prostate Cancer Awareness Month''.

At the request of Mr. SESSIONS, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. Res. 597, supra.

AMENDMENT NO. 4567

At the request of Mr. REID, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of amendment No. 4567 proposed to H.R. 1586, an act to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CARDIN (for himself, Mr. BROWNBACK, Mr. WHITEHOUSE, and Mrs. SHAHEEN):

S.J. Res. 37. A joint resolution calling upon the President to issue a proclamation recognizing the 35th anniversary of the Helsinki Final Act; to the Committee on Foreign Relations.

Mr. CARDIN. Mr. President, as Chairman of the Commission on Security and Cooperation in Europe, I am pleased today to introduce, together with fellow Senate Commissioners BROWNBACK, WHITEHOUSE and SHAHEEN, a resolution marking the historic Helsinki Final Act, signed by President Ford and the leaders of thirty-four other nations on August 1, 1975. The Final Act provides a comprehensive framework for advancing security in all its aspects through the military security, economic and human dimensions.

For more than three decades, the Final Act and the process it set in motion, have served as an important vehicles for advancing U.S. interests in the expansive OSCE region and beyond. In a very real sense, the Helsinki process was a catalyst that helped usher historic changes in the late 1980s and early 1990s. In his Berlin speech as candidate, President Obama emphasized that we are heirs to a struggle for freedom—a struggle in which freedom eventually prevailed in bringing down the walls of a divided city, country and continent. The years following the fall of the Berlin Wall have witnessed stunning successes as well as serious setbacks, notably the genocidal war that raged through the Balkans, including the massacre at Srebrenica.

The principles reflected in the Final Act have withstood the test of time and proven their enduring value as we seek to address lingering and new challenges. A survey of developments in the OSCE, now comprising 56 participating States, is a reminder of the scale of work that remains: from simmering tensions throughout the Caucasus region and so-called frozen conflicts elsewhere to violations of fundamental freedoms. There are a number of troubling trends in the human dimension: from the harassment, persecution and physical attacks on journalists and human rights defenders to the adoption of restrictive laws aimed at reigning in freedom of religion and other fundamental freedoms, including freedom of expression and assembly. Other longstanding concerns include the plight of national minorities and Roma as well as other manifestations of discrimination and intolerance, particularly anti-Semitism.

The OSCE is uniquely positioned to contribute to efforts to address these and other issues in the military security, economic and human dimensions. Indeed, a large body of common commitments has been agreed to over the years, beginning with the Helsinki Final Act. The challenge remains to translate these words on paper into meaningful action. As parliamentarians, we have a unique role to play in advancing the aims of the Helsinki Final Act and security in all of its aspects, including efforts to promote democracy, human rights and the rule of law. This was evident at the just concluded OSCE Parliamentary Assembly meeting in Norway, where many human rights and other concerns were voiced by the U.S. delegation and others. Among several initiatives we undertook at the Oslo meeting was a resolution on investigative journalists I introduced as a follow up to a recent Helsinki Commission hearing on ''Threats to Free Media in the OSCE Region.''

As one who has been active in the Helsinki Process for many years and as Commission chairman, I want to underscore the vital role played by NGOs in advancing the aims of the Helsinki Accords. For over three decades the Helsinki Commission has worked closely with NGOs focused on a wide-range of human rights concerns.

In closing, I recall the remarks by Soviet human rights defender Dr. Andrei Sakharov made while he and his wife were living in internal banishment in the early 1980's as punishment for standing up to the authorities in defense of fundamental freedoms: ''The Helsinki Accords, like detente as a whole, have meaning only if they are observed fully and by all parties. No country should evade a discussion on its own domestic problems. . . . Nor should a country ignore violations in other participating states. The whole point of the Helsinki Accords is mutual monitoring, not mutual evasion of difficult problems.'' At the Helsinki Commission we take seriously our mandate to uphold the principles enshrined in the Final Act, especially respect for human rights and fundamental freedoms. Thirty-five years after its signing, the Helsinki Final Act remains an enduring charter for European security in all its aspects.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the text of the joint resolution was ordered to be printed in the RECORD, as follows:

S. J. RES. 37

Whereas August 1, 2010, is the 35th anniversary of the Final Act of the Conference on Security and Cooperation in Europe (CSCE), renamed the Organization for Security and Cooperation in Europe (OSCE) in January 1995 (hereafter in this resolution referred to as the ''Helsinki Final Act'');

Whereas the Helsinki Final Act provides a comprehensive concept of security encompassing the military security, economic and human dimensions rooted in the ''Declaration on Principles Guiding Relations between Participating States'';

Whereas the Helsinki Final Act was the first international agreement to accord human rights the status of a fundamental principle regulating international relations;

Whereas, during the Communist era, members of nongovernmental organizations, such as the Helsinki Monitoring Groups in Russia, Ukraine, Lithuania, Georgia, and Armenia and similar groups in Czechoslovakia and Poland, sacrificed their personal freedom and even their lives in their courageous and vocal support for the principles enshrined in the Helsinki Final Act;

Whereas Congress contributed to advancing the aims of the Helsinki Final Act by creating the Commission on Security and Cooperation in Europe to monitor and encourage compliance with provisions of the Helsinki Final Act;

Whereas, in the 1990 Charter of Paris for a New Europe, the participating States in the OSCE (hereafter in this resolution referred to as the ''participating States'') declared that ''[h]uman rights and fundamental freedoms are the birthright of all human beings, are inalienable and are guaranteed by law'' and that ''[t]heir protection and promotion is the first responsibility of government'';

Whereas, in the 1990 Charter of Paris for a New Europe, the participating States committed themselves ''to build, consolidate, and strengthen democracy as the only system of government of our nations'';

Whereas, in the 1990 Document of the Copenhagen Meeting of the Conference on the Human Dimension, the participating States committed ''to build democratic societies based on free elections'' and recognized ''that vigorous democracy depends on the existence as an integral part of national life of democratic values and practices as well as an

extensive range of democratic institutions'', including nongovernmental organizations and independent media;

Whereas, in the 1991 Document of the Moscow Meeting of the Conference on the Human Dimension, the participating States ''categorically and irrevocably declare[d] that the commitments undertaken in the field of the human dimension of the CSCE are matters of direct and legitimate concern to all participating States and do not belong exclusively to the internal affairs of the State concerned'';

Whereas the OSCE and the participating States have undertaken a series of measures aimed at combating anti-Semitism, racism, xenophobia, and discrimination including through the convening of related high-level conferences and the appointment of Personal Representatives of the Chairman-in-Office;

Whereas the 1999 Istanbul OSCE Charter for European Security and the Istanbul Summit Declaration note the particular challenges of ending violence against women and children as well as sexual exploitation and all forms of trafficking in human beings, and commit the participating States to strengthen efforts to combat corruption, eradicate torture, and end discrimination against Roma;

Whereas the OSCE maintains important relations with countries beyond the OSCE region, including the Mediterranean Partners for Cooperation countries of Algeria, Egypt, Israel, Jordan, Morocco, and Tunisia, and, since the early 1990s, the Asian Partners for Co-operation countries of Afghanistan, Australia, Japan, the Republic of Korea, Mongolia, and Thailand;

Whereas OSCE institutions, such as the OSCE Parliamentary Assembly, the Office for Democratic Institutions and Human Rights, the High Commissioner on National Minorities, and the OSCE Representative on Freedom of the Media are important instruments for advancing democracy, human rights, and the rule of law as well as preventing conflicts;

Whereas field missions deployed by the OSCE in several participating States have contributed directly to regional security and cooperation in particular by deterring the spill over effects of conflict, assisting with post-conflict recovery, providing expertise on democracy-building, and monitoring closely the situation of vulnerable or threatened communities of people;

Whereas the main challenge facing the participating States remains the implementation of the principles and provisions contained in the Helsinki Final Act and other OSCE documents adopted on the basis of consensus;

Whereas the participating States have recognized that economic liberty, social justice, and environmental responsibility are indispensable to prosperity;

Whereas the participating States have committed themselves to promoting economic reforms through enhanced transparency for economic activity, with the aim of advancing the principles of market economies;

Whereas the participating States have stressed the importance of respect for the rule of law and vigorous efforts to fight organized crime and corruption, which constitute a great threat to economic reform and prosperity;

Whereas OSCE has expanded the scope and substance of its efforts, undertaking a variety of preventive diplomacy initiatives designed to prevent, manage, and resolve conflict within and among the participating States;

Whereas the politico-military aspects of security remain vital to the interests of the participating States and constitute a core element of OSCE's concept of comprehensive security;

Whereas the OSCE has played an active role in civilian police-related activities, including training, as an integral part of OSCE's efforts in conflict prevention, crisis management, and post-conflict rehabilitation; and

Whereas the participating States bear primary responsibility for raising awareness of violations of commitments contained in the Helsinki Final Act and other OSCE documents: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress calls upon the President—

(1) to issue a proclamation—

(A) recognizing the 35th anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe;

(B) reasserting the commitment of the United States to full implementation of the Helsinki Final Act;

(C) urging all participating States to abide by their commitments under the Helsinki Final Act and subsequent OSCE documents adopted by consensus; and

(D) encouraging the people of the United States to join the President and Congress in observance of this anniversary with appropriate programs, ceremonies, and activities; and

(2) to convey to all signatories of the Helsinki Final Act that respect for human rights and fundamental freedoms, democratic principles, economic liberty, and the implementation of related commitments continue to be vital elements in promoting a new era of democracy, peace, and unity in the region covered by the Organization for Security and Cooperation in Europe.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 604—URGING THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN TO IMMEDIATELY AND UNCONDITIONALLY RELEASE SARAH SHOURD, JOSHUA FATTAL, AND SHANE BAUER ON HUMANITARIAN GROUNDS

Mrs. BOXER (for herself, Mr. CASEY, Mr. FRANKEN, Ms. KLOBUCHAR, Mr. SPECTER, and Mrs. FEINSTEIN) submitted the following resolution; which was considered and agreed to:

S. RES. 604

Whereas on July 31, 2009, Sarah Shourd, Joshua Fattal, and Shane Bauer were taken into custody by Iranian officials after they may have inadvertently crossed the poorly marked Iranian border while hiking in the Kurdistan region of the Republic of Iraq;

Whereas Sarah, Josh, and Shane have since been held in Evin prison in Tehran, Iran;

Whereas the amount of time that Sarah, Josh, and Shane have spent in prison is unjustified in relation to their alleged offense of illegal entry into Iran;

Whereas during their detention, Sarah, Josh, and Shane have only been afforded the opportunity to see their families during a brief visit in May;

Whereas according to their families, Sarah and Shane may be suffering from potentially serious health problems;

Whereas the families of Sarah, Josh, and Shane have suffered greatly in the absence of their loved ones; and

Whereas July 31, 2010, will mark the 1-year anniversary of their detention: Now, therefore, be it

Resolved, That Congress—

(1) recognizes that Sarah Shourd, Joshua Fattal, and Shane Bauer have been held in custody in Iran for 1 year; and

(2) urges the Government of Iran to immediately and unconditionally release Sarah Shourd, Joshua Fattal, and Shane Bauer on humanitarian grounds and allow them to reunite with their families in the United States.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4573. Mr. REED submitted an amendment intended to be proposed to amendment SA 4567 proposed by Mr. REID (for Mrs. MURRAY (for herself, Mr. HARKIN, Mr. REID, and Mr. SCHUMER)) to the bill H.R. 1586, to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes; which was ordered to lie on the table.

SA 4574. Mr. REED submitted an amendment intended to be proposed to amendment SA 4567 proposed by Mr. REID (for Mrs. MURRAY (for herself, Mr. HARKIN, Mr. REID, and Mr. SCHUMER)) to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 4575. Mr. REID (for Mrs. MURRAY (for herself, Mr. HARKIN, Mr. REID, and Mr. SCHUMER)) proposed an amendment to the bill H.R. 1586, supra.

SA 4576. Mr. REID proposed an amendment to amendment SA 4575 proposed by Mr. REID (for Mrs. MURRAY (for herself, Mr. HARKIN, Mr. REID, and Mr. SCHUMER)) to the bill H.R. 1586, supra.

SA 4577. Mr. REID proposed an amendment to the bill H.R. 1586, supra.

SA 4578. Mr. REID proposed an amendment to amendment SA 4577 proposed by Mr. REID to the bill H.R. 1586, supra.

SA 4579. Mr. REID proposed an amendment to amendment SA 4578 proposed by Mr. REID to the amendment SA 4577 proposed by Mr. REID to the bill H.R. 1586, supra.

SA 4580. Mr. JOHNSON submitted an amendment intended to be proposed by him to the bill H.R. 5875, making emergency supplemental appropriations for border security for the fiscal year ending September 30, 2010, and for other purposes; which was ordered to lie on the table.

SA 4581. Mr. DODD (for Mrs. BOXER) proposed an amendment to the bill S. 1055, to grant the congressional gold medal, collectively, to the 100th Infantry Battalion and the 442nd Regimental Combat Team, United States Army, in recognition of their dedicated service during World War II.

TEXT OF AMENDMENTS

SA 4573. Mr. REED submitted an amendment intended to be proposed to amendment SA 4567 proposed by Mr. REID (for Mrs. MURRAY (for herself, Mr. HARKIN, Mr. REID, and Mr. SCHUMER)) to the bill H.R. 1586, to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE V—ECONOMIC DEVELOPMENT ASSISTANCE

SEC. 501. ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS.

In chapter 2 of title I of the Act entitled ''An Act making supplemental appropriations for the fiscal year ending September 30, 2010, and for other purposes'', strike the matter under the heading ''ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS'' under the heading ''ECONOMIC DEVELOPMENT ADMINISTRATION'' under the heading ''DEPARTMENT OF COMMERCE'' and insert the following:

''Pursuant to section 703 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3233), for an additional amount for '''Economic Development Assistance Programs''', for necessary expenses relating to disaster relief, long-term recovery, and restoration of infrastructure in areas affected by flooding for which the President declared a major disaster during the period beginning on March 29, 2010, and ending on May 7, 2010, which included individual assistance for an entire State or not fewer than 45 counties within a State under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170 et seq.), $49,000,000, to remain available until expended: *Provided*, That not more than 50 percent of the amount provided under this heading shall be allocated to any State.''.

SA 4574. Mr. REED submitted an amendment intended to be proposed to amendment SA 4567 proposed by Mr. REID (for Mrs. MURRAY (for herself, Mr. HARKIN, Mr. REID, and Mr. SCHUMER)) to the bill H.R. 1586, to modernize the air traffic control system, improve the safety, reliability and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, after line 24, insert the following:

Subtitle C—Community Development Funds

SEC. 221. COMMUNITY DEVELOPMENT FUNDS.

Chapter 11 of title I of the Supplemental Appropriations Act, 2010, is amended by striking the heading ''Community Development Fund'' and all the matter that follows through the ninth proviso under such heading and inserting the following:

''COMMUNITY DEVELOPMENT FUND

''For an additional amount for the 'Community Development Fund', for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by flooding for which the President declared a major disaster between March 29, 2010, and May 7, 2010, which included Individual Assistance for an entire State or not fewer than 45 counties within a State under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974, $100,000,000, to remain available until expended, for activities authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93–383): *Provided*, That funds shall be awarded directly to the State or unit of general local government at the discretion of the Secretary: *Provided further*, That prior to the obligation of funds a grantee shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: *Provided further*, That funds provided under this heading may be used by a State or locality as a matching requirement, share, or contribution for any other Federal program: *Provided further*, That such funds may not be used for activities reimbursable by, or for which funds are made available by, the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further*, That funds allocated under this heading shall not adversely affect the amount of any formula assistance received by a State or subdivision thereof under the Community Development Fund: *Provided further*, That a State or subdivision thereof may use up to 5 percent of its allocation for administrative costs: *Provided further*, That in administering the funds under this heading, the Secretary of Housing and Urban Development may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by a State or subdivision thereof explaining why such waiver is required to facilitate the use of such funds or guarantees, if the Secretary finds that such waiver would not be inconsistent with the overall purpose of title I of the Housing and Community Development Act of 1974: *Provided further*, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further*, That the Secretary shall obligate to a State or subdivision thereof not less than 50 percent of the funding provided under this heading within 90 days after the enactment of this Act: *Provided further*, That not more than 50 percent of the funding provided under this heading shall be allocated to any State (including units of general local government).''.

SA 4575. Mr. REID (for Mrs. MURRAY (for herself, Mr. HARKIN, Mr. REID, and Mr. SCHUMER)) proposed an amendment to the bill H.R. 1586, to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the ''_____ Act of _____''.

TITLE I

EDUCATION JOBS FUND

EDUCATION JOBS FUNDS

SEC. 101. There are authorized to be appropriated and there are appropriated out of any money in the Treasury not otherwise obligated for necessary expenses for an Education Jobs Fund, $10,000,000,000: *Provided*, That the amount under this heading shall be administered under the terms and conditions of sections 14001 through 14013 and title XV of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) except as follows:

(1) ALLOCATION OF FUNDS.—

(A) Funds appropriated under this heading shall be available only for allocation by the Secretary of Education (in this heading referred to as the Secretary) in accordance with subsections (a), (b), (d), (e), and (f) of section 14001 of division A of Public Law 111–5 and subparagraph (B) of this paragraph, except that the amount reserved under such subsection (b) shall not exceed $1,000,000 and such subsection (f) shall be applied by substituting one year for two years.

(B) Prior to allocating funds to States under section 14001(d) of division A of Public Law 111–5, the Secretary shall allocate 0.5 percent to the Secretary of the Interior for schools operated or funded by the Bureau of Indian Affairs on the basis of the schools' respective needs for activities consistent with this heading under such terms and conditions as the Secretary of the Interior may determine.

(2) RESERVATION.—A State that receives an allocation of funds appropriated under this heading may reserve not more than 2 percent for the administrative costs of carrying out its responsibilities with respect to those funds.

(3) AWARDS TO LOCAL EDUCATIONAL AGENCIES.—

(A) Except as specified in paragraph (2), an allocation of funds to a State shall be used only for awards to local educational agencies for the support of elementary and secondary education in accordance with paragraph (5) for the 2010–2011 school year (or, in the case of reallocations made under section 14001(f) of division A of Public Law 111–5, for the 2010–2011 or the 2011–2012 school year).

(B) Funds used to support elementary and secondary education shall be distributed through a State's primary elementary and secondary funding formulae or based on local educational agencies' relative shares of funds under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) for the most recent fiscal year for which data are available.

(C) Subsections (a) and (b) of section 14002 of division A of Public Law 111–5 shall not apply to funds appropriated under this heading.

(4) COMPLIANCE WITH EDUCATION REFORM ASSURANCES.—For purposes of awarding funds appropriated under this heading, any State that has an approved application for Phase II of the State Fiscal Stabilization Fund that was submitted in accordance with the application notice published in the Federal Register on November 17, 2009 (74 Fed. Reg. 59142) shall be deemed to be in compliance with subsection (b) and paragraphs (2) through (5) of subsection (d) of section 14005 of division A of Public Law 111–5.

(5) REQUIREMENT TO USE FUNDS TO RETAIN OR CREATE EDUCATION JOBS.—Notwithstanding section 14003(a) of division A of Public Law 111–5, funds awarded to local educational agencies under paragraph (3)—

(A) may be used only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services; and

(B) may not be used for general administrative expenses or for other support services expenditures as those terms were defined by the National Center for Education Statistics in its Common Core of Data as of the date of enactment of this Act.

(6) PROHIBITION ON USE OF FUNDS FOR RAINY-DAY FUNDS OR DEBT RETIREMENT.—A State that receives an allocation may not use such funds, directly or indirectly, to—

(A) establish, restore, or supplement a rainy-day fund;

(B) supplant State funds in a manner that has the effect of establishing, restoring, or supplementing a rainy-day fund;

(C) reduce or retire debt obligations incurred by the State; or

(D) supplant State funds in a manner that has the effect of reducing or retiring debt obligations incurred by the State.

(7) DEADLINE FOR AWARD.—The Secretary shall award funds appropriated under this heading not later than 45 days after the date of the enactment of this Act to States that have submitted applications meeting the requirements applicable to funds under this heading. The Secretary shall not require information in applications beyond what is necessary to determine compliance with applicable provisions of law.

(8) ALTERNATE DISTRIBUTION OF FUNDS.—If, within 30 days after the date of the enactment of this Act, a Governor has not submitted an approvable application, the Secretary shall provide for funds allocated to that State to be distributed to another entity or other entities in the State (notwithstanding section 14001(e) of division A of Public Law 111–5) for support of elementary and secondary education, under such terms and conditions as the Secretary may establish, provided that all terms and conditions that apply to funds appropriated under this heading shall apply to such funds distributed to such entity or entities. No distribution shall be made to a State under this paragraph, however, unless the Secretary has determined (on the basis of such information as may be available) that the requirements of clauses (i), (ii), or (iii) of paragraph 10(A) are likely to be met, notwithstanding the lack of an application from the Governor of that State.

(9) LOCAL EDUCATIONAL AGENCY APPLICATION.—Section 442 of the General Education Provisions Act shall not apply to a local educational agency that has previously submitted an application to the State under title XIV of division A of Public Law 111–5. The assurances provided under that application shall continue to apply to funds awarded under this heading.

(10) MAINTENANCE OF EFFORT.—

(A) Except as provided in paragraph (8), the Secretary shall not allocate funds to a State under paragraph (1) unless the Governor of the State provides an assurance to the Secretary that—

(i) for State fiscal year 2011, the State will maintain State support for elementary and secondary education (in the aggregate or on the basis of expenditures per pupil) and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students) at not less than the level of such support for each of the two categories, respectively, for State fiscal year 2009;

(ii) for State fiscal year 2011, the State will maintain State support for elementary and secondary education and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students) at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for each of the two categories, respectively, for State fiscal year 2010; or

(iii) in the case of a State in which State tax collections for calendar year 2009 were less than State tax collections for calendar year 2006, for State fiscal year 2011 the State will maintain State support for elementary and secondary education (in the aggregate) and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students)—

(I) at not less than the level of such support for each of the two categories, respectively, for State fiscal year 2006; or

(II) at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for each of the two categories, respectively, for State fiscal year 2006.

(B) Section 14005(d)(1) and subsections (a) through (c) of section 14012 of division A of Public Law 111–5 shall not apply to funds appropriated under this heading.

(11) ADDITIONAL REQUIREMENTS FOR THE STATE OF TEXAS.—The following requirements shall apply to the State of Texas:

(A) Notwithstanding paragraph (3)(B), funds used to support elementary and secondary education shall be distributed based on local educational agencies' relative shares of funds under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) for the most recent fiscal year which data are available. Funds distributed pursuant to this paragraph shall be used to supplement and not supplant State formula funding that is distributed on a similar basis to part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.).

(B) The Secretary shall not allocate funds to the State of Texas under paragraph (1) unless the Governor of the State provides an assurance to the Secretary that the State will for fiscal years 2011, 2012, and 2013 maintain State support for elementary and secondary education at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for such purpose for fiscal year 2011 prior to the enactment of this Act.

(C) Notwithstanding paragraph (8), no distribution shall be made to the State of Texas or local education agencies therein unless the Governor of Texas makes an assurance to the Secretary that the requirements in paragraphs (11)(A) and (11)(B) will be met, notwithstanding the lack of an application from the Governor of Texas.

TITLE II—STATE FISCAL RELIEF AND OTHER PROVISIONS; REVENUE OFFSETS

Subtitle A—State Fiscal Relief and Other Provisions

EXTENSION OF ARRA INCREASE IN FMAP

SEC. 201.

Section 5001 of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) is amended—

(1) in subsection (a)(3), by striking ''first calendar quarter'' and inserting ''first 3 calendar quarters'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)''; and

(B) by adding at the end the following:

''(3) PHASE-DOWN OF GENERAL INCREASE.—

''(A) SECOND QUARTER OF FISCAL YEAR 2011.—For each State, for the second quarter of fiscal year 2011, the FMAP percentage increase for the State under paragraph (1) or (2) (as applicable) shall be 3.2 percentage points.

''(B) THIRD QUARTER OF FISCAL YEAR 2011.—For each State, for the third quarter of fiscal year 2011, the FMAP percentage increase for the State under paragraph (1) or (2) (as applicable) shall be 1.2 percentage points.'';

(3) in subsection (c)—

(A) in paragraph (2)(B), by striking ''July 1, 2010'' and inserting ''January 1, 2011'';

(B) in paragraph (3)(B)(i), by striking ''July 1, 2010'' and inserting ''January 1, 2011'' each place it appears; and

(C) in paragraph (4)(C)(ii), by striking ''the 3-consecutive-month period beginning with January 2010'' and inserting ''any 3-consecutive-month period that begins after December 2009 and ends before January 2011'';

(4) in subsection (e), by adding at the end the following:

''Notwithstanding paragraph (5), effective for payments made on or after January 1, 2010, the increases in the FMAP for a State under this section shall apply to payments under title XIX of such Act that are attributable to expenditures for medical assistance provided to nonpregnant childless adults made eligible under a State plan under such title (including under any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) who would have been eligible for child health assistance or other health benefits under eligibility standards in effect as of December 31, 2009, of a waiver of the State child health plan under the title XXI of such Act.'';

(5) in subsection (g)—

(A) in paragraph (1), by striking ''September 30, 2011'' and inserting ''March 31, 2012'';

(B) in paragraph (2), by inserting ''of such Act'' after ''1923''; and

(C) by adding at the end the following:

''(3) CERTIFICATION BY CHIEF EXECUTIVE OFFICER.—No additional Federal funds shall be paid to a State as a result of this section with respect to a calendar quarter occurring during the period beginning on January 1, 2011, and ending on June 30, 2011, unless, not later than 45 days after the date of enactment of this paragraph, the chief executive officer of the State certifies that the State will request and use such additional Federal funds.''; and

(6) in subsection (h)(3), by striking ''December 31, 2010'' and inserting ''June 30, 2011''.

TREATMENT OF CERTAIN DRUGS FOR COMPUTATION OF MEDICAID AMP

SEC. 202.

Effective as if included in the enactment of Public Law 111-148, section 1927(k)(1)(B)(i)(IV) of the Social Security Act (42 U.S.C. 1396r-8(k)(1)(B)(i)(IV)), as amended by section 2503(a)(2)(B) of Public Law 111-148 and section 1101(c)(2) of Public Law 111-152, is amended by adding at the end the following: '', unless the drug is an inhalation, infusion, instilled, implanted, or injectable drug that is not generally dispensed through a retail community pharmacy; and''.

SUNSET OF TEMPORARY INCREASE IN BENEFITS UNDER THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

SEC. 203.

Section 101(a) of title I of division A of Public Law 111-5 (123 Stat. 120), as amended by section 4262 of this Act, is amended by striking paragraph (2) and inserting the following:

''(2) TERMINATION.—The authority provided by this subsection shall terminate after March 31, 2014.''.

Subtitle B—Revenue Offsets

RULES TO PREVENT SPLITTING FOREIGN TAX CREDITS FROM THE INCOME TO WHICH THEY RELATE

SEC. 211.

(a) IN GENERAL.—Subpart A of part III of subchapter N of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 909. SUSPENSION OF TAXES AND CREDITS UNTIL RELATED INCOME TAKEN INTO ACCOUNT.

''(a) IN GENERAL.—If there is a foreign tax credit splitting event with respect to a foreign income tax paid or accrued by the taxpayer, such tax shall not be taken into account for purposes of this title before the taxable year in which the related income is taken into account under this chapter by the taxpayer.

''(b) SPECIAL RULES WITH RESPECT TO SECTION 902 CORPORATIONS.—If there is a foreign tax credit splitting event with respect to a

foreign income tax paid or accrued by a section 902 corporation, such tax shall not be taken into account—

''(1) for purposes of section 902 or 960, or

''(2) for purposes of determining earnings and profits under section 964(a),

before the taxable year in which the related income is taken into account under this chapter by such section 902 corporation or a domestic corporation which meets the ownership requirements of subsection (a) or (b) of section 902 with respect to such section 902 corporation.

''(c) SPECIAL RULES.—For purposes of this section—

''(1) APPLICATION TO PARTNERSHIPS, ETC.—In the case of a partnership, subsections (a) and (b) shall be applied at the partner level. Except as otherwise provided by the Secretary, a rule similar to the rule of the preceding sentence shall apply in the case of any S corporation or trust.

''(2) TREATMENT OF FOREIGN TAXES AFTER SUSPENSION.—In the case of any foreign income tax not taken into account by reason of subsection (a) or (b), except as otherwise provided by the Secretary, such tax shall be so taken into account in the taxable year referred to in such subsection (other than for purposes of section 986(a)) as a foreign income tax paid or accrued in such taxable year.

''(d) DEFINITIONS.—For purposes of this section—

''(1) FOREIGN TAX CREDIT SPLITTING EVENT.—There is a foreign tax credit splitting event with respect to a foreign income tax if the related income is (or will be) taken into account under this chapter by a covered person.

''(2) FOREIGN INCOME TAX.—The term 'foreign income tax' means any income, war profits, or excess profits tax paid or accrued to any foreign country or to any possession of the United States.

''(3) RELATED INCOME.—The term 'related income' means, with respect to any portion of any foreign income tax, the income (or, as appropriate, earnings and profits) to which such portion of foreign income tax relates.

''(4) COVERED PERSON.—The term 'covered person' means, with respect to any person who pays or accrues a foreign income tax (hereafter in this paragraph referred to as the 'payor')—

''(A) any entity in which the payor holds, directly or indirectly, at least a 10 percent ownership interest (determined by vote or value),

''(B) any person which holds, directly or indirectly, at least a 10 percent ownership interest (determined by vote or value) in the payor,

''(C) any person which bears a relationship to the payor described in section 267(b) or 707(b), and

''(D) any other person specified by the Secretary for purposes of this paragraph.

''(5) SECTION 902 CORPORATION.—The term 'section 902 corporation' means any foreign corporation with respect to which one or more domestic corporations meets the ownership requirements of subsection (a) or (b) of section 902.

''(e) REGULATIONS.—The Secretary may issue such regulations or other guidance as is necessary or appropriate to carry out the purposes of this section, including regulations or other guidance which provides—

''(1) appropriate exceptions from the provisions of this section, and

''(2) for the proper application of this section with respect to hybrid instruments.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part III of subchapter N of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 909. Suspension of taxes and credits until related income taken into account.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) foreign income taxes (as defined in section 909(d) of the Internal Revenue Code of 1986, as added by this section) paid or accrued in taxable years beginning after December 31, 2010; and

(2) foreign income taxes (as so defined) paid or accrued by a section 902 corporation (as so defined) in taxable years beginning on or before such date (and not deemed paid under section 902(a) or 960 of such Code on or before such date), but only for purposes of applying sections 902 and 960 with respect to periods after such date.

Section 909(b)(2) of the Internal Revenue Code of 1986, as added by this section, shall not apply to foreign income taxes described in paragraph (2).

DENIAL OF FOREIGN TAX CREDIT WITH RESPECT TO FOREIGN INCOME NOT SUBJECT TO UNITED STATES TAXATION BY REASON OF COVERED ASSET ACQUISITIONS

SEC. 212.

(a) IN GENERAL.—Section 901 of the Internal Revenue Code of 1986 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

''(m) DENIAL OF FOREIGN TAX CREDIT WITH RESPECT TO FOREIGN INCOME NOT SUBJECT TO UNITED STATES TAXATION BY REASON OF COVERED ASSET ACQUISITIONS.—

''(1) IN GENERAL.—In the case of a covered asset acquisition, the disqualified portion of any foreign income tax determined with respect to the income or gain attributable to the relevant foreign assets—

''(A) shall not be taken into account in determining the credit allowed under subsection (a), and

''(B) in the case of a foreign income tax paid by a section 902 corporation (as defined in section 909(d)(5)), shall not be taken into account for purposes of section 902 or 960.

''(2) COVERED ASSET ACQUISITION.—For purposes of this section, the term 'covered asset acquisition' means—

''(A) a qualified stock purchase (as defined in section 338(d)(3)) to which section 338(a) applies,

''(B) any transaction which—

''(i) is treated as an acquisition of assets for purposes of this chapter, and

''(ii) is treated as the acquisition of stock of a corporation (or is disregarded) for purposes of the foreign income taxes of the relevant jurisdiction,

''(C) any acquisition of an interest in a partnership which has an election in effect under section 754, and

''(D) to the extent provided by the Secretary, any other similar transaction.

''(3) DISQUALIFIED PORTION.—For purposes of this section—

''(A) IN GENERAL.—The term 'disqualified portion' means, with respect to any covered asset acquisition, for any taxable year, the ratio (expressed as a percentage) of—

''(i) the aggregate basis differences (but not below zero) allocable to such taxable year under subparagraph (B) with respect to all relevant foreign assets, divided by

''(ii) the income on which the foreign income tax referred to in paragraph (1) is determined (or, if the taxpayer fails to substantiate such income to the satisfaction of the Secretary, such income shall be determined by dividing the amount of such foreign income tax by the highest marginal tax rate applicable to such income in the relevant jurisdiction).

''(B) ALLOCATION OF BASIS DIFFERENCE.—For purposes of subparagraph (A)(i)—

''(i) IN GENERAL.—The basis difference with respect to any relevant foreign asset shall be allocated to taxable years using the applicable cost recovery method under this chapter.

''(ii) SPECIAL RULE FOR DISPOSITION OF ASSETS.—Except as otherwise provided by the Secretary, in the case of the disposition of any relevant foreign asset—

''(I) the basis difference allocated to the taxable year which includes the date of such disposition shall be the excess of the basis difference with respect to such asset over the aggregate basis difference with respect to such asset which has been allocated under clause (i) to all prior taxable years, and

''(II) no basis difference with respect to such asset shall be allocated under clause (i) to any taxable year thereafter.

''(C) BASIS DIFFERENCE.—

''(i) IN GENERAL.—The term 'basis difference' means, with respect to any relevant foreign asset, the excess of—

''(I) the adjusted basis of such asset immediately after the covered asset acquisition, over

''(II) the adjusted basis of such asset immediately before the covered asset acquisition.

''(ii) BUILT-IN LOSS ASSETS.—In the case of a relevant foreign asset with respect to which the amount described in clause (i)(II) exceeds the amount described in clause (i)(I), such excess shall be taken into account under this subsection as a basis difference of a negative amount.

''(iii) SPECIAL RULE FOR SECTION 338 ELECTIONS.—In the case of a covered asset acquisition described in paragraph (2)(A), the covered asset acquisition shall be treated for purposes of this subparagraph as occurring at the close of the acquisition date (as defined in section 338(h)(2)).

''(4) RELEVANT FOREIGN ASSETS.—For purposes of this section, the term 'relevant foreign asset' means, with respect to any covered asset acquisition, any asset (including any goodwill, going concern value, or other intangible) with respect to such acquisition if income, deduction, gain, or loss attributable to such asset is taken into account in determining the foreign income tax referred to in paragraph (1).

''(5) FOREIGN INCOME TAX.—For purposes of this section, the term 'foreign income tax' means any income, war profits, or excess profits tax paid or accrued to any foreign country or to any possession of the United States.

''(6) TAXES ALLOWED AS A DEDUCTION, ETC.—Sections 275 and 78 shall not apply to any tax which is not allowable as a credit under subsection (a) by reason of this subsection.

''(7) REGULATIONS.—The Secretary may issue such regulations or other guidance as is necessary or appropriate to carry out the purposes of this subsection, including to exempt from the application of this subsection certain covered asset acquisitions, and relevant foreign assets with respect to which the basis difference is de minimis.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to covered asset acquisitions (as defined in section 901(m)(2) of the Internal Revenue Code of 1986, as added by this section) after December 31, 2010.

(2) TRANSITION RULE.—The amendments made by this section shall not apply to any covered asset acquisition (as so defined) with respect to which the transferor and the transferee are not related if such acquisition is—

(A) made pursuant to a written agreement which was binding on January 1, 2011, and at all times thereafter,

(B) described in a ruling request submitted to the Internal Revenue Service on or before July 29, 2010, or

(C) described on or before January 1, 2011, in a public announcement or in a filing with the Securities and Exchange Commission.

(3) RELATED PERSONS.—For purposes of this subsection, a person shall be treated as related to another person if the relationship between such persons is described in section 267 or 707(b) of the Internal Revenue Code of 1986.

SEPARATE APPLICATION OF FOREIGN TAX CREDIT LIMITATION, ETC., TO ITEMS RESOURCED UNDER TREATIES

SEC. 213.

(a) IN GENERAL.—Subsection (d) of section 904 of the Internal Revenue Code of 1986 is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

''(6) SEPARATE APPLICATION TO ITEMS RESOURCED UNDER TREATIES.—

''(A) IN GENERAL.—If—

''(i) without regard to any treaty obligation of the United States, any item of income would be treated as derived from sources within the United States,

''(ii) under a treaty obligation of the United States, such item would be treated as arising from sources outside the United States, and

''(iii) the taxpayer chooses the benefits of such treaty obligation,

subsections (a), (b), and (c) of this section and sections 902, 907, and 960 shall be applied separately with respect to each such item.

''(B) COORDINATION WITH OTHER PROVISIONS.—This paragraph shall not apply to any item of income to which subsection (h)(10) or section 865(h) applies.

''(C) REGULATIONS.—The Secretary may issue such regulations or other guidance as is necessary or appropriate to carry out the purposes of this paragraph, including regulations or other guidance which provides that related items of income may be aggregated for purposes of this paragraph.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

LIMITATION ON THE AMOUNT OF FOREIGN TAXES DEEMED PAID WITH RESPECT TO SECTION 956 INCLUSIONS

SEC. 214.

(a) IN GENERAL.—Section 960 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(c) LIMITATION WITH RESPECT TO SECTION 956 INCLUSIONS.—

''(1) IN GENERAL.—If there is included under section 951(a)(1)(B) in the gross income of a domestic corporation any amount attributable to the earnings and profits of a foreign corporation which is a member of a qualified group (as defined in section 902(b)) with respect to the domestic corporation, the amount of any foreign income taxes deemed to have been paid during the taxable year by such domestic corporation under section 902 by reason of subsection (a) with respect to such inclusion in gross income shall not exceed the amount of the foreign income taxes which would have been deemed to have been paid during the taxable year by such domestic corporation if cash in an amount equal to the amount of such inclusion in gross income were distributed as a series of distributions (determined without regard to any foreign taxes which would be imposed on an actual distribution) through the chain of ownership which begins with such foreign corporation and ends with such domestic corporation.

''(2) AUTHORITY TO PREVENT ABUSE.—The Secretary shall issue such regulations or other guidance as is necessary or appropriate to carry out the purposes of this subsection, including regulations or other guidance which prevent the inappropriate use of the foreign corporation's foreign income taxes not deemed paid by reason of paragraph (1).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to acquisitions of United States property (as defined in section 956(c) of the Internal Revenue Code of 1986) after December 31, 2010.

SPECIAL RULE WITH RESPECT TO CERTAIN REDEMPTIONS BY FOREIGN SUBSIDIARIES

SEC. 215.

(a) IN GENERAL.—Paragraph (5) of section 304(b) of the Internal Revenue Code of 1986 is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

''(B) SPECIAL RULE IN CASE OF FOREIGN ACQUIRING CORPORATION.—In the case of any acquisition to which subsection (a) applies in which the acquiring corporation is a foreign corporation, no earnings and profits shall be taken into account under paragraph (2)(A) (and subparagraph (A) shall not apply) if more than 50 percent of the dividends arising from such acquisition (determined without regard to this subparagraph) would neither—

''(i) be subject to tax under this chapter for the taxable year in which the dividends arise, nor

''(ii) be includible in the earnings and profits of a controlled foreign corporation (as defined in section 957 and without regard to section 953(c)).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to acquisitions after the date of the enactment of this Act.

MODIFICATION OF AFFILIATION RULES FOR PURPOSES OF RULES ALLOCATING INTEREST EXPENSE

SEC. 216.

(a) IN GENERAL.—Subparagraph (A) of section 864(e)(5) of the Internal Revenue Code of 1986 is amended by adding at the end the following: ''Notwithstanding the preceding sentence, a foreign corporation shall be treated as a member of the affiliated group if—

''(i) more than 50 percent of the gross income of such foreign corporation for the taxable year is effectively connected with the conduct of a trade or business within the United States, and

''(ii) at least 80 percent of either the vote or value of all outstanding stock of such foreign corporation is owned directly or indirectly by members of the affiliated group (determined with regard to this sentence).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

TERMINATION OF SPECIAL RULES FOR INTEREST AND DIVIDENDS RECEIVED FROM PERSONS MEETING THE 80-PERCENT FOREIGN BUSINESS REQUIREMENTS

SEC. 217.

(a) IN GENERAL.—Paragraph (1) of section 861(a) of the Internal Revenue Code of 1986 is amended by striking subparagraph (A) and by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(b) GRANDFATHER RULE WITH RESPECT TO WITHHOLDING ON INTEREST AND DIVIDENDS RECEIVED FROM PERSONS MEETING THE 80-PERCENT FOREIGN BUSINESS REQUIREMENTS.—

(1) IN GENERAL.—Subparagraph (B) of section 871(i)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

''(B) The active foreign business percentage of—

''(i) any dividend paid by an existing 80/20 company, and

''(ii) any interest paid by an existing 80/20 company.''.

(2) DEFINITIONS AND SPECIAL RULES.—Section 871 of such Code is amended by redesignating subsections (l) and (m) as subsections (m) and (n), respectively, and by inserting after subsection (k) the following new subsection:

''(l) RULES RELATING TO EXISTING 80/20 COMPANIES.—For purposes of this subsection and subsection (i)(2)(B)—

''(1) EXISTING 80/20 COMPANY.—

''(A) IN GENERAL.—The term 'existing 80/20 company' means any corporation if—

''(i) such corporation met the 80-percent foreign business requirements of section 861(c)(1) (as in effect before the date of the enactment of this subsection) for such corporation's last taxable year beginning before January 1, 2011,

''(ii) such corporation meets the 80-percent foreign business requirements of subparagraph (B) with respect to each taxable year after the taxable year referred to in clause (i), and

''(iii) there has not been an addition of a substantial line of business with respect to such corporation after the date of the enactment of this subsection.

''(B) FOREIGN BUSINESS REQUIREMENTS.—

''(i) IN GENERAL.—Except as provided in clause (iv), a corporation meets the 80-percent foreign business requirements of this subparagraph if it is shown to the satisfaction of the Secretary that at least 80 percent of the gross income from all sources of such corporation for the testing period is active foreign business income.

''(ii) ACTIVE FOREIGN BUSINESS INCOME.—For purposes of clause (i), the term 'active foreign business income' means gross income which—

''(I) is derived from sources outside the United States (as determined under this subchapter), and

''(II) is attributable to the active conduct of a trade or business in a foreign country or possession of the United States.

''(iii) TESTING PERIOD.—For purposes of this subsection, the term 'testing period' means the 3-year period ending with the close of the taxable year of the corporation preceding the payment (or such part of such period as may be applicable). If the corporation has no gross income for such 3-year period (or part thereof), the testing period shall be the taxable year in which the payment is made.

''(iv) TRANSITION RULE.—In the case of a taxable year for which the testing period includes 1 or more taxable years beginning before January 1, 2011—

''(I) a corporation meets the 80-percent foreign business requirements of this subparagraph if and only if the weighted average of—

''(aa) the percentage of the corporation's gross income from all sources that is active foreign business income (as defined in subparagraph (B) of section 861(c)(1) (as in effect before the date of the enactment of this subsection)) for the portion of the testing period that includes taxable years beginning before January 1, 2011, and

''(bb) the percentage of the corporation's gross income from all sources that is active foreign business income (as defined in clause (ii) of this subparagraph) for the portion of the testing period, if any, that includes taxable years beginning on or after January 1, 2011,

is at least 80 percent, and

''(II) the active foreign business percentage for such taxable year shall equal the weighted average percentage determined under subclause (I).

''(2) ACTIVE FOREIGN BUSINESS PERCENTAGE.—Except as provided in paragraph (1)(B)(iv), the term 'active foreign business percentage' means, with respect to any existing 80/20 company, the percentage which—

''(A) the active foreign business income of such company for the testing period, is of

''(B) the gross income of such company for the testing period from all sources.

''(3) AGGREGATION RULES.—For purposes of applying paragraph (1) (other than subparagraphs (A)(i) and (B)(iv) thereof) and paragraph (2)—

''(A) IN GENERAL.—The corporation referred to in paragraph (1)(A) and all of such corporation's subsidiaries shall be treated as one corporation.

''(B) SUBSIDIARIES.—For purposes of subparagraph (A), the term 'subsidiary' means any corporation in which the corporation referred to in subparagraph (A) owns (directly or indirectly) stock meeting the requirements of section 1504(a)(2) (determined by substituting '50 percent' for '80 percent' each place it appears and without regard to section 1504(b)(3)).

''(4) REGULATIONS.—The Secretary may issue such regulations or other guidance as is necessary or appropriate to carry out the purposes of this section, including regulations or other guidance which provide for the proper application of the aggregation rules described in paragraph (3).''.

(c) CONFORMING AMENDMENTS.—

(1) Section 861 of the Internal Revenue Code of 1986 is amended by striking subsection (c) and by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(2) Paragraph (9) of section 904(h) of such Code is amended to read as follows:

''(9) TREATMENT OF CERTAIN DOMESTIC CORPORATIONS.—In the case of any dividend treated as not from sources within the United States under section 861(a)(2)(A), the corporation paying such dividend shall be treated for purposes of this subsection as a United States-owned foreign corporation.''.

(3) Subsection (c) of section 2104 of such Code is amended in the last sentence by striking ''or to a debt obligation of a domestic corporation'' and all that follows and inserting a period.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2010.

(2) GRANDFATHER RULE FOR OUTSTANDING DEBT OBLIGATIONS.—

(A) IN GENERAL.—The amendments made by this section shall not apply to payments of interest on obligations issued before the date of the enactment of this Act.

(B) EXCEPTION FOR RELATED PARTY DEBT.—Subparagraph (A) shall not apply to any interest which is payable to a related person (determined under rules similar to the rules of section 954(d)(3)).

(C) SIGNIFICANT MODIFICATIONS TREATED AS NEW ISSUES.—For purposes of subparagraph (A), a significant modification of the terms of any obligation (including any extension of the term of such obligation) shall be treated as a new issue.

LIMITATION ON EXTENSION OF STATUTE OF LIMITATIONS FOR FAILURE TO NOTIFY SECRETARY OF CERTAIN FOREIGN TRANSFERS

SEC. 218.

(a) IN GENERAL.—Paragraph (8) of section 6501(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''In the case of any information'' and inserting the following:

''(A) IN GENERAL.—In the case of any information''; and

(2) by adding at the end the following:

''(B) APPLICATION TO FAILURES DUE TO REASONABLE CAUSE.—If the failure to furnish the information referred to in subparagraph (A) is due to reasonable cause and not willful neglect, subparagraph (A) shall apply only to the item or items related to such failure.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 513 of the Hiring Incentives to Restore Employment Act.

ELIMINATION OF ADVANCE REFUNDABILITY OF EARNED INCOME CREDIT

SEC. 219.

(a) IN GENERAL.—The following provisions of the Internal Revenue Code of 1986 are repealed:

(1) Section 3507.

(2) Subsection (g) of section 32.

(3) Paragraph (7) of section 6051(a).

(b) CONFORMING AMENDMENTS.—

(1) Section 6012(a) of the Internal Revenue Code of 1986 is amended by striking paragraph (8) and by redesignating paragraph (9) as paragraph (8).

(2) Section 6302 of such Code is amended by striking subsection (i).

(3) The table of sections for chapter 25 of such Code is amended by striking the item relating to section 3507.

(c) EFFECTIVE DATE.—The repeals and amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE III

RESCISSIONS

SEC. 301. There is rescinded from accounts under the heading ''Department of Agriculture—Rural Development'', $122,000,000, to be derived from the unobligated balances of funds that were provided for such accounts in prior appropriation Acts (other than Public Law 111–5) and that were designated by the Congress in such Acts as an emergency requirement pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 302. Of the funds made available for ''Department of Commerce—National Telecommunications and Information Administration—Broadband Technology Opportunities Program'' in title II of division A of Public Law 111–5, $302,000,000 are rescinded.

SEC. 303. Of the funds appropriated in Department of Defense Appropriations Acts, the following funds are rescinded from the following accounts in the specified amounts:

''Aircraft Procurement, Army, 2008/2010'', $21,000,000;

''Procurement of Weapons and Tracked Combat Vehicles, Army, 2008/2010'', $21,000,000;

''Procurement of Ammunition, Army, 2008/2010'', $17,000,000;

''Other Procurement, Army, 2008/2010'', $75,000,000;

''Weapons Procurement, Navy, 2008/2010'', $26,000,000;

''Other Procurement, Navy, 2008/2010'', $42,000,000;

''Procurement, Marine Corps, 2008/2010'', $13,000,000;

''Aircraft Procurement, Air Force, 2008/2010'', $102,000,000;

''Missile Procurement, Air Force, 2008/2010'', $28,000,000;

''Procurement of Ammunition, Air Force, 2008/2010'', $7,000,000;

''Other Procurement, Air Force, 2008/2010'', $130,000,000;

''Procurement, Defense-Wide, 2008/2010'', $33,000,000;

''Research, Development, Test and Evaluation, Army, 2009/2010'', $76,000,000;

''Research, Development, Test and Evaluation, Air Force, 2009/2010'', $164,000,000;

''Research, Development, Test and Evaluation, Defense-Wide, 2009/2010'', $137,000,000;

''Operation, Test and Evaluation, Defense, 2009/2010'', $1,000,000;

''Operation and Maintenance, Army, 2010'', $154,000,000;

''Operation and Maintenance, Navy, 2010'', $155,000,000;

''Operation and Maintenance, Marine Corps, 2010'', $25,000,000;

''Operation and Maintenance, Air Force, 2010'', $155,000,000;

''Operation and Maintenance, Defense-Wide, 2010'', $126,000,000;

''Operation and Maintenance, Army Reserve, 2010'', $12,000,000;

''Operation and Maintenance, Navy Reserve, 2010'', $6,000,000;

''Operation and Maintenance, Marine Corps Reserve, 2010'', $1,000,000;

''Operation and Maintenance, Air Force Reserve, 2010'', $14,000,000;

''Operation and Maintenance, Army National Guard, 2010'', $28,000,000; and

''Operation and Maintenance, Air National Guard, 2010'', $27,000,000.

SEC. 304. (a) Of the funds appropriated in the American Recovery and Reinvestment Act of 2009 (Public Law 111–5), the following funds are rescinded from the following accounts in the specified amounts:

''Operation and Maintenance, Army, 2009/2010'', $113,500,000;

''Operation and Maintenance, Navy, 2009/2010'', $34,000,000;

''Operation and Maintenance, Marine Corps, 2009/2010'', $7,000,000;

''Operation and Maintenance, Air Force, 2009/2010'', $61,000,000;

''Operation and Maintenance, Army Reserve, 2009/2010'', $3,500,000;

''Operation and Maintenance, Navy Reserve, 2009/2010'', $8,000,000;

''Operation and Maintenance, Marine Corps Reserve, 2009/2010'', $1,000,000;

''Operation and Maintenance, Air Force Reserve, 2009/2010'', $2,000,000;

''Operation and Maintenance, Army National Guard, 2009/2010'', $1,000,000;

''Operation and Maintenance, Air National Guard, 2009/2010'', $2,500,000; and

''Defense Health Program, 2009/2010'', $27,000,000.

(b) Of the funds appropriated in the Supplemental Appropriations Act, 2008 (Public Law 110–252), the following funds are rescinded from the following account in the specified amount:

''Procurement, Marine Corps, 2009/2011'', $122,000,000.

SEC. 305. (a) Of the funds appropriated for ''Procurement of Weapons and Tracked Combat Vehicles, Army'' in title III of division A of public Law 111–118, $116,000,000 are rescinded.

(b) Of the funds appropriated for ''Other Procurement, Army'' in title III of division C of Public Law 110–329, $87,000,000 are rescinded.

SEC. 306. There are rescinded the following amounts from the specified accounts:

(1) $20,000,000, to be derived from unobligated balances of funds made available in prior appropriations Acts under the heading ''Department of Energy—Nuclear Energy''.

SEC. 307. Of the unobligated balances of funds provided under the heading ''Nuclear Regulatory Commission'' in prior appropriations Acts, $18,000,000 is permanently rescinded.

SEC. 308. Of the funds made available for ''Department of Energy—Title 17—Innovative Technology Loan Guarantee Program'' in title III of division A of Public Law 111–5, $1,500,000,000 are rescinded.

SEC. 309. There are permanently rescinded from ''General Services Administration—Real Property Activities—Federal Building Fund'', $75,000,000 from Rental of Space and $25,000,000 from Building Operations, to be derived from unobligated balances that were provided in previous appropriations Acts.

SEC. 310. Of the funds made available for ''Bureau of Indian Affairs—Indian Guaranteed Loan Program Account'' in title VII of division A of Public Law 111–5, $6,820,000 are rescinded.

SEC. 311. Of the funds made available for ''Environmental Protection Agency—Hazardous Substance Superfund'' in title VII of division A of Public Law 111–5, $2,600,000 are rescinded.

SEC. 312. Of the funds made available for ''Environmental Protection Agency—Leaking Underground Storage Tank Trust Fund Program'' in title VII of division A of Public Law 111–5, $9,200,000 are rescinded.

SEC. 313. Of the funds made available for transfer in title VII of division A of Public Law 111–5, ''Environmental Protection Agency—Environmental Programs and Management'', $10,000,000 are rescinded.

SEC. 314. Of the funds made available for ''National Park Service—Construction'' in chapter 7 of division B of Public Law 108–324, $4,800,000 are rescinded.

SEC. 315. Of the funds made available for ''National Park Service—Construction'' in chapter 5 of title II of Public Law 109–234, $6,400,000 are rescinded.

SEC. 316. Of the funds made available for ''Fish and Wildlife Service—Construction'' in chapter 6 of title I of division B of Public Law 110–329, $3,000,000 are rescinded.

SEC. 317. The unobligated balance of funds appropriated in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1995 (Public Law 103–333; 108 Stat. 2574) under the heading ''Public Health and Social Services Emergency Fund'' is rescinded.

SEC. 318. Of the funds appropriated for the Commissioner of Social Security under section 2201(e)(2)(B) in title II of division B of Public Law 111–5, $47,000,000 are rescinded.

SEC. 319. Of the funds appropriated in part VI of subtitle I of title II of division B of Public Law 111–5, $110,000,000 are rescinded, to be derived only from the amount provided under section 1899K(b) of such title.

SEC. 320. Of the funds appropriated for ''Department of Education—Education for the Disadvantaged'' in division D of Public Law 111–117, $50,000,000 are rescinded, to be derived only from the amount provided for a comprehensive literacy development and education program under section 1502 of the Elementary and Secondary Education Act of 1965.

SEC. 321. Of the funds appropriated for ''Department of Education—Student Aid Administration'' in division D of Public Law 111–117, $82,000,000 are rescinded.

SEC. 322. Of the funds appropriated for ''Department of Education—Innovation and Improvement'' in division D of Public Law 111–117, $10,700,000 are rescinded, to be derived only from the amount provided to carry out subpart 8 of part D of title V of the Elementary and Secondary Education Act of 1965.

SEC. 323. Of the unobligated balances available under ''Department of Defense, Military Construction, Army'' from prior appropriations Acts, $340,000,000 is rescinded: *Provided*, That no funds may be rescinded from amounts that were designated by the Congress as an emergency requirement or as appropriations for overseas deployments and other activities pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 324. Of the unobligated balances available under ''Department of Defense, Military Construction, Navy and Marine Corps'' from prior appropriations Acts, $110,000,000 is rescinded: *Provided*, That no funds may be rescinded from amounts that were designated by the Congress as an emergency requirement or as appropriations for overseas deployments and other activities pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 325. Of the unobligated balances available under ''Department of Defense, Military Construction, Air Force'' from prior appropriations Acts, $50,000,000 is rescinded: *Provided*, That no funds may be rescinded from amounts that were designated by the Congress as an emergency requirement or as appropriations for overseas deployments and other activities pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 326. Of the funds made available for the General Operating Expenses account of the Department of Veterans Affairs in section 2201(e)(4)(A)(ii) of division B of Public Law 111–5 (123 Stat. 454; 26 U.S.C. 6428 note), $6,100,000 are rescinded.

SEC. 327. Of the amount appropriated or otherwise made available by title X of division A of Public Law 111–5, the American Recovery and Reinvestment Act of 2009, under the heading '' Departmental Administration, Information Technology Systems'' $5,000,000 is hereby rescinded.

SEC. 328. (a) MILLENNIUM CHALLENGE CORPORATION.—Of the unobligated balances available under the heading ''Millennium Challenge Corporation'' in title III of division H of Public Law 111–8 and under such heading in prior Acts making appropriations for the Department of State, foreign operations, and related programs, $50,000,000 are rescinded.

(b) CIVILIAN STABILIZATION INITIATIVE.—

(1) DEPARTMENT OF STATE.—Of the unobligated balances available under the heading ''Department of State—Administration of Foreign Affairs—Civilian Stabilization Initiative'' in prior Acts making appropriations for the Department of State, foreign operations, and related programs, $40,000,000 are rescinded.

(2) UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.—Of the unobligated balances available under the heading ''United States Agency for International Development—Funds Appropriated to the President—Civilian Stabilization Initiative'' in prior Acts making appropriations for the Department of State, foreign operations, and related programs, $30,000,000 are rescinded.

SEC. 329. There are rescinded the following amounts from the specified accounts:

(1) ''Department of Transportation—Federal Aviation Administration—Facilities and Equipment'', $2,182,544, to be derived from unobligated balances made available under this heading in Public Law 108–324.

(2) ''Department of Transportation—Federal Aviation Administration—Facilities and Equipment'', $5,705,750, to be derived from unobligated balances made available under this heading in Public Law 109–148.

SEC. 330. Of the unobligated balances of funds apportioned to each State under chapter 1 of title 23, United States Code, $2,200,000,000 are permanently rescinded: *Provided*, That such rescission shall be distributed among the States in the same proportion as the funds subject to such rescission were apportioned to the States for fiscal year 2009: *Provided further*, That such rescission shall not apply to the funds distributed in accordance with sections 130(f) and 104(b)(5) of title 23, United States Code; sections 133(d)(1) and 163 of such title, as in effect on the day before the date of enactment of Public Law 109–59; and the first sentence of section 133(d)(3)(A) of such title: *Provided further*, That notwithstanding section 1132 of Public Law 110–140, in administering the rescission required under this heading, the Secretary of Transportation shall allow each State to determine the amount of the required rescission to be drawn from the programs to which the rescission applies.

TITLE IV

BUDGETARY PROVISIONS

BUDGETARY PROVISIONS

SEC. 401. The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

SA 4576. Mr. REID proposed an amendment to amendment SA 4575 proposed by Mr. REID (for Mrs. MURRAY (for herself, Mr. HARKIN, Mr. REID, and Mr. SCHUMER)) to the bill H.R. 1586, to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective 5 days after enactment.

SA 4577. Mr. REID proposed an amendment to the bill H.R. 1586, to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end insert the following:

The Appropriations Committee is requested to study the impact of any delay in providing funding to educators across the country.

SA 4578. Mr. REID proposed an amendment to amendment SA 4577 proposed by Mr. REID to the bill H.R. 1586, to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end, insert the following:

''and include any data on the impact on local school districts.''

SA 4579. Mr. REID proposed an amendment to amendment SA 4578 proposed by Mr. REID to the amendment SA 4577 proposed by Mr. REID to the bill H.R. 1586, to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end, insert the following:

''and the impact on the local community.''

SA 4580. Mr. JOHNSON submitted an amendment intended to be proposed by

him to the bill H.R. 5875, making emergency supplemental appropriations for border security for the fiscal year ending September 30, 2010, and for other purposes; which was ordered to lie on the table; as follows:

Insert after section 104 the following:

SEC. 105. Section 902 of chapter 9 of title I of the Supplemental Appropriations Act, 2010 (Public Law 111–212) is repealed.

SA 4581. Mr. DODD (for Mrs. BOXER) proposed an amendment to the bill S. 1055, to grant the congressional gold medal, collectively, to the 100th Infantry Battalion and the 442nd Regimental Combat Team, United States Army, in recognition of their dedicated service during World War II; as follows:

On page 4, after line 24, insert the following:

(17) The Military Intelligence Service (in this Act referred to as the ''MIS'') was made up of about 6,000 Japanese American soldiers who conducted highly classified intelligence operations that proved to be vital to United States military successes in the Pacific Theatre.

(18) As they were discharged from the Army, MIS soldiers were told not to discuss their wartime work, due to its sensitive nature, and their contributions were not known until passage of the Freedom of Information Act in 1974.

(19) MIS soldiers were attached individually or in small groups to United States and Allied combat units, where they intercepted radio transmissions, translated enemy documents, interrogated enemy prisoners of war, volunteered for reconnaissance and covert intelligence missions, and persuaded enemy combatants to surrender.

(20) Their contributions continued during the Allied postwar occupation of Japan, and MIS linguistic skills and understanding of Japanese customs were invaluable to occupation forces as they assisted Japan in a peaceful transition to a new, democratic form of government.

On page 5, line 6, strike ''and'' and insert a comma.

On page 5, line 7, insert ''and the Military Intelligence Service,'' before ''United States''.

On page 5, line 19, strike ''and'' and insert a comma.

On page 5, line 19, insert ''and the Military Intelligence Service,'' before ''United''.

On page 6, line 3, strike ''and'' and insert a comma.

On page 6, line 4, insert ''and the Military Intelligence Service,'' before ''United States''.

On page 6, line 6, strike ''Under'' and all that follows through ''Secretary'' on line 7 and insert ''The Secretary''.

On page 6, strike lines 15 through 17 and insert the following:

''SEC. 5. AUTHORITY TO USE FUNDS; PROCEEDS OF SALE.

''(a) AUTHORITY TO USE FUNDS.—There is''.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a business meeting has been scheduled before the Committee on Energy and Natural Resources. The business meeting will be held on Thursday, August 5, 2010, at 9:30 a.m., in room SD–366 of the Dirksen Senate Office Building.

The purpose of the business meeting is to consider pending legislation.

For further information, please contact Sam Fowler at (202) 224–7571 or Amanda Kelly at (202) 224–6836.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. DODD. Mr. President, as in executive session, I ask unanimous consent that at 9:30 a.m., Tuesday, August 3, immediately after the opening of the Senate, the Senate proceed to executive session to consider Calendar No. 1001, the nomination of Elena Kagan to be an Associate Justice of the Supreme Court, and that during Tuesday's session, the time be divided as follows: Chairman LEAHY, first 30 minutes; Senator SESSIONS, second 30 minutes; with the time from 10:30 to 11 equally divided and controlled between the leaders or their designees; the time from 11 to 12:30 equally divided and controlled, with the majority controlling the first 45 minutes; the time from 2:15 to 8:15 p.m. divided in 1 hour alternating blocks, with the majority controlling the first block, with any additional time beyond 8:15 p.m. continuing to be divided in 1 hour alternating blocks of time.

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

GRANTING THE CONGRESSIONAL GOLD MEDAL

Mr. DODD. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of S. 1055 and the Senate proceed to its immediate consideration.

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

The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1055) to grant the Congressional Gold Medal collectively to the 100th Infantry Battalion and the 442nd Regimental Combat Team, United States Army, in recognition of their dedicated service during World War II.

The PRESIDING OFFICER. There being no objection, the Senate proceeded to consider the bill.

Mr. DODD. Mr. President, I ask unanimous consent that a Boxer amendment, which is at the desk, be agreed to; the bill, as amended, be read a third time and passed; the motion to reconsider be laid upon the table, with no intervening action or debate and that any statements be printed in the RECORD.

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

The amendment (No. 4581) was agreed to, as follows:

(Purpose: To include members of the Military Intelligence Service, and for other purposes)

On page 4, after line 24, insert the following:

(17) The Military Intelligence Service (in this Act referred to as the ''MIS'') was made up of about 6,000 Japanese American soldiers who conducted highly classified intelligence operations that proved to be vital to United States military successes in the Pacific Theatre.

(18) As they were discharged from the Army, MIS soldiers were told not to discuss their wartime work, due to its sensitive nature, and their contributions were not known until passage of the Freedom of Information Act in 1974.

(19) MIS soldiers were attached individually or in small groups to United States and Allied combat units, where they intercepted radio transmissions, translated enemy documents, interrogated enemy prisoners of war, volunteered for reconnaissance and covert intelligence missions, and persuaded enemy combatants to surrender.

(20) Their contributions continued during the Allied postwar occupation of Japan, and MIS linguistic skills and understanding of Japanese customs were invaluable to occupation forces as they assisted Japan in a peaceful transition to a new, democratic form of government.

On page 5, line 6, strike ''and'' and insert a comma.

On page 5, line 7, insert ''and the Military Intelligence Service,'' before ''United States''.

On page 5, line 19, strike ''and'' and insert a comma.

On page 5, line 19, insert ''and the Military Intelligence Service,'' before ''United''.

On page 6, line 3, strike ''and'' and insert a comma.

On page 6, line 4, insert ''and the Military Intelligence Service,'' before ''United States''.

On page 6, line 6, strike ''Under'' and all that follows through ''Secretary'' on line 7 and insert ''The Secretary''.

On page 6, strike lines 15 through 17 and insert the following:

''SEC. 5. AUTHORITY TO USE FUNDS; PROCEEDS OF SALE.

''(a) AUTHORITY TO USE FUNDS.—There is''.

The bill (S. 1055), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1055

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress makes the following findings:

(1) On January 19, 1942, 6 weeks after the December 7, 1941, attack on Pearl Harbor by the Japanese Navy, the United States Army discharged all Japanese-Americans in the Reserve Officers Training Corps and changed their draft status to ''4C''—the status of ''enemy alien'' which is ineligible for the draft.

(2) On January 23, 1942, Japanese-Americans in the military on the mainland were segregated out of their units.

(3) Further, on May 3, 1942, General John L. DeWitt issued Civilian Exclusion Order No. 346, ordering all people of Japanese ancestry, whether citizens or noncitizens, to report to assembly centers, where they would live until being moved to permanent relocation centers.

(4) On June 5, 1942, 1,432 predominantly Nisei (second generation Americans of Japanese ancestry) members of the Hawaii Provisional Infantry Battalion were shipped from the Hawaiian Islands to Oakland, CA, where the 100th Infantry Battalion was activated on June 12, 1942, and then shipped to train at Camp McCoy, Wisconsin.

(5) The excellent training record of the 100th Infantry Battalion and petitions from prominent civilian and military personnel helped convince President Roosevelt and the War Department to reopen military service to Nisei volunteers who were incorporated into the 442nd Regimental Combat Team after it was activated in February of 1943.

(6) In that same month, the 100th Infantry Battalion was transferred to Camp Shelby, Mississippi, where it continued to train, and even though the battalion was ready to deploy shortly thereafter, the battalion was refused by General Eisenhower, due to concerns over the loyalty and patriotism of the Nisei.

(7) The 442nd Regimental Combat Team later trained with the 100th Infantry Battalion at Camp Shelby in May of 1943.

(8) Eventually, the 100th Infantry Battalion was deployed to the Mediterranean and entered combat in Italy on September 26, 1943.

(9) Due to their bravery and valor, members of the Battalion were honored with 6 awards of the Distinguished Service Cross in the first 8 weeks of combat.

(10) The 100th Battalion fought at Cassino, Italy in January 1944, and later accompanied the 34th Infantry Division to Anzio, Italy.

(11) The 442nd Regimental Combat Team arrived in Civitavecchia, Italy on June 7, 1944, and on June 15 of the following week, the 100th Infantry Battalion was formally made an integral part of the 442nd Regimental Combat Team, and fought for the last 11 months of the war with distinction in Italy, southern France, and Germany.

(12) The battalion was awarded the Presidential Unit Citation for its actions in battle on June 26–27, 1944.

(13) The 442nd Regimental became the most decorated unit in United States military history for its size and length of service.

(14) The 100th Battalion and the 442nd Regimental Combat Team, received 7 Presidential Unit Citations, 21 Medals of Honor, 29 Distinguished Service Crosses, 560 Silver Stars, 4,000 Bronze Stars, 22 Legion of Merit Medals, 15 Soldier's Medals, and over 4,000 Purple Hearts, among numerous additional distinctions.

(15) The United States remains forever indebted to the bravery, valor, and dedication to country these men faced while fighting a 2-fronted battle of discrimination at home and fascism abroad.

(16) Their commitment and sacrifice demonstrates a highly uncommon and commendable sense of patriotism and honor.

(17) The Military Intelligence Service (in this Act referred to as the ''MIS'') was made up of about 6,000 Japanese American soldiers who conducted highly classified intelligence operations that proved to be vital to United States military successes in the Pacific Theatre.

(18) As they were discharged from the Army, MIS soldiers were told not to discuss their wartime work, due to its sensitive nature, and their contributions were not known until passage of the Freedom of Information Act in 1974.

(19) MIS soldiers were attached individually or in small groups to United States and Allied combat units, where they intercepted radio transmissions, translated enemy documents, interrogated enemy prisoners of war, volunteered for reconnaissance and covert intelligence missions, and persuaded enemy combatants to surrender.

(20) Their contributions continued during the Allied postwar occupation of Japan, and MIS linguistic skills and understanding of Japanese customs were invaluable to occupation forces as they assisted Japan in a peaceful transition to a new, democratic form of government.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) AWARD AUTHORIZED.—The Speaker of the House of Representatives and the President pro tempore of the Senate shall make appropriate arrangements for the award, on behalf of the Congress, of a single gold medal of appropriate design to the 100th Infantry Battalion, the 442nd Regimental Combat Team, and the Military Intelligence Service, United States Army, collectively, in recognition of their dedicated service during World War II.

(b) DESIGN AND STRIKING.—For the purposes of the award referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall strike the gold medal with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) SMITHSONIAN INSTITUTION.—

(1) IN GENERAL.—Following the award of the gold medal in honor of the 100th Infantry Battalion, the 442nd Regimental Combat Team, and the Military Intelligence Service, United States Army, under subsection (a), the gold medal shall be given to the Smithsonian Institution, where it will be displayed as appropriate and made available for research.

(2) SENSE OF CONGRESS.—It is the sense of the Congress that the Smithsonian Institution should make the gold medal received under paragraph (1) available for display elsewhere, particularly at other appropriate locations associated with the 100th Infantry Battalion, the 442nd Regimental Combat Team, and the Military Intelligence Service, United States Army.

SEC. 3. DUPLICATE MEDALS.

The Secretary may strike and sell duplicates in bronze of the gold medal struck under section 2, at a price sufficient to cover the costs of the medals, including labor, materials, dies, use of machinery, and overhead expenses.

SEC. 4. NATIONAL MEDALS.

Medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

SEC. 5. AUTHORITY TO USE FUNDS; PROCEEDS OF SALE.

(a) AUTHORITY TO USE FUNDS.—There is authorized to be charged against the United States Mint Public Enterprise Fund, an amount not to exceed $30,000 to pay for the cost of the medal authorized under section 2.

(b) PROCEEDS OF SALE.—Amounts received from the sale of duplicate bronze medals under section 3 shall be deposited in the United States Mint Public Enterprise Fund.

STAR-SPANGLED BANNER BICENTENNIAL COMMEMORATIVE COIN ACT

Mr. DODD. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of H.R. 2097 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2097) to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the writing of the Star-Spangled Banner, and for other purposes.

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

Mr. DODD. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements be printed in the RECORD.

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

The bill (H.R. 2097) was ordered to a third reading, was read the third time, and passed.

COPYRIGHT CLEANUP, CLARIFICATION, AND CORRECTIONS ACT OF 2010

Mr. DODD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 3689, introduced earlier today by Senators LEAHY and SESSIONS.

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

The assistant legislative clerk read as follows:

A bill (S. 3689) to clarify, improve, and correct the laws relating to copyrights.

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

Mr. LEAHY. Mr. President, today, the Senate considers bipartisan legislation to make a number of improvements in the way the Copyright Office functions. This bill will also clarify certain areas of copyright law to provide certainty, and make technical corrections to the Code. The Copyright Office has done a terrific job, as it always does, assisting Congress in finding inefficiencies in the law and recommending appropriate changes. I appreciate the Senate acting swiftly to pass this bill.

This bill is another bipartisan effort to improve the copyright laws. Similar to the Trademark Technical and Conforming Amendments Act, today's legislation makes commonsense improvements to the copyright system that will make it more efficient. Congress should work in a bipartisan fashion to find inefficiencies and correct them. We are doing that today.

The provisions of the bill fall into three categories: those designed to make the Office's operations more efficient; those designed to clarify issues of copyright law made unclear either by recent court decisions or by ambiguities in the statute; and those that are technical.

In the first category, the Copyright Office has requested two statutory changes that will facilitate their transition to digital files and record keeping. These changes will also make it easier for filers to submit documents electronically.

In the second category, the bill clarifies, for instance, that the exclusive licensee of a work may further license the work in the absence of an agreement to the contrary. There are inefficiencies that arise from a lack of clarity in the statute, particularly as circuit splits arise. The bill makes other clarifications, such as that the distribution of a phonorecord prior to 1978 shall not constitute a publication of a dramatic and literary work included in

it. Congress made this clarification with respect to musical works in 1997, and we do so with respect to other works today.

In the third category, the bill includes numerous technical corrections. Finally, this legislation fulfills a commitment I made to the chairman and ranking member of the House of Representatives Committee on the Judiciary just before the House passed the Trademark Technical and Conforming Amendments Act. The chairman and ranking member suggested that we strike the words ''by corporations'' from section 4 of that law. I agreed, and offered to include such an amendment in subsequent legislation. That change is included in this bill.

I am pleased to be joined by the Judiciary Committee ranking member, Senator SESSIONS, in sponsoring this legislation. This is a bipartisan effort. Just as we acted quickly to pass the Trademark Technical and Confirming Amendments Act earlier this year, I hope Congress will come together to promptly send this legislation to the President to be signed into law.

Mr. DODD. Mr. President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, with no interviewing action or debate, and that any statements be printed in the RECORD.

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

The bill (S. 3689) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3689

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 ''Copyright Cleanup, Clarification, and Corrections Act of 2010''.

SEC. 2. COPYRIGHT OFFICE PROCEDURES.

Title 17, United States Code, is amended—

(1) in section 512(c)(2), in the matter following subparagraph (B), by striking '', in both electronic and hard copy formats''; and

(2) in section 205(a), by adding at the end the following: ''A sworn or official certification may be submitted to the Copyright Office electronically, pursuant to regulations established by the Register of Copyrights.''.

SEC. 3. REPEAL OF EXPIRED PROVISIONS.

(a) TECHNICAL AMENDMENTS RELATED TO CHAPTER 6.—

(1) The heading for chapter 6 of title 17, United States Code, is amended to read as follows:

''CHAPTER 6—IMPORTATION AND EXPORTATION.''.

(2) The item relating to chapter 6 in the table of chapters for title 17, United States Code, is amended to read as follows:

''6. Importation and Exportation ..... 601.''.

(b) REPEAL.—Section 601 of title 17, United States Code, is hereby repealed and reserved.

(c) CONFORMING AMENDMENTS.—

(1) Section 409 of title 17, United States Code, is amended—

(A) in paragraph (9), by insert ''and'' after the semicolon;

(B) by striking paragraph (10); and

(C) by redesignating paragraph (11) as paragraph (10).

(2) The first sentence of section 602(b) of title 17, United States Code, is amended by striking ''unless the provisions of section 601 are applicable''

SEC. 4. CLARIFICATIONS.

(a) TRANSFER OF OWNERSHIP.—The second sentence of section 201(d)(2), of title 17, United States Code, is amended by adding before the period the following: '', including the right to transfer or license the exclusive right to another person in the absence of a written agreement to the contrary''.

(b) CERTAIN DISTRIBUTIONS OF PHONORECORDS.—Section 303(b) of title 17, United States Code, is amended by striking ''the musical work'' and inserting ''any musical work, dramatic work, or literary work''.

(c) PROCEEDINGS OF COPYRIGHT ROYALTY JUDGES.—Section 803(b)(6)(A) of title 17, United States Code, is amended by striking the second sentence and inserting: ''All regulations issued by the Copyright Royalty Judges are subject to the approval of the Librarian of Congress and are subject to judicial review pursuant to Chapter 7 of title 5, United States Code, except as set forth in subsection (d).''

(d) LICENSES FOR CERTAIN NONEXEMPT TRANSMISSIONS.—Section 114(f)(2)(C) of title 17, United States Code, is amended by striking ''preexisting subscription digital audio transmission services or preexisting satellite digital radio audio services'' and inserting ''eligible nonsubscription services and new subscription services''.

SEC. 5. TECHNICAL CORRECTIONS.

(a) Title 17, United States Code, is amended—

(1) in section 101—

(A) by moving the definition of ''Copyright Royalty Judges'' to follow the definition of ''Copyright owner'';

(B) by moving the definition of ''motion picture exhibition facility'' to follow the definition of ''Literary works''; and

(C) by moving the definition of ''food service or drinking establishment'' to follow the definition of ''fixed'';

(2) in section 114(f)(2)(B), in the fourth sentence in the matter preceding clause (i), by striking ''Judges shall base its decision'' and inserting ''Judges shall base their decision'';

(3) in section 119(g)(4)(B)(vi), by striking ''the examinations'' and inserting ''an examination'';

(4) in section 503(a)(1)(B), by striking ''copies of phonorecords'' and inserting ''copies or phonorecords''; and

(5) in section 704(e), in the second sentence, by striking ''section 708(a)(10)'' and inserting ''section 708(a)''.

(b) Section 209(a)(3)(A) of Public Law 110–403, is amended by striking ''by striking 'and 509' '' and inserting ''by striking 'and section 509' ''.

(c) Section 4(a)(1) of Public Law 111–146 is amended by striking ''by corporations attempting'' and inserting ''the purpose of which is''.

(d) Section 2318(e)(6) of title 18, United States Code, is amended by striking ''under section'' and inserting ''under this section''.

SEC. 6. BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage .

URGING IRAN TO RELEASE CERTAIN INDIVIDUALS

Mr. DODD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 604 submitted earlier today.

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

The assistant legislative clerk read as follows:

A resolution (S. Res. 604) urging the Government of the Islamic Republic of Iran to immediately and unconditionally release Saram Shourd, Joshua Fattal, and Shane Bauer on humanitarian grounds.

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

Mr. DODD. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the resolution be printed in the RECORD.

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

The resolution (S. Res. 604) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 604

Whereas on July 31, 2009, Sarah Shourd, Joshua Fattal, and Shane Bauer were taken into custody by Iranian officials after they may have inadvertently crossed the poorly marked Iranian border while hiking in the Kurdistan region of the Republic of Iraq;

Whereas Sarah, Josh, and Shane have since been held in Evin prison in Tehran, Iran;

Whereas the amount of time that Sarah, Josh, and Shane have spent in prison is unjustified in relation to their alleged offense of illegal entry into Iran;

Whereas during their detention, Sarah, Josh, and Shane have only been afforded the opportunity to see their families during a brief visit in May;

Whereas according to their families, Sarah and Shane may be suffering from potentially serious health problems;

Whereas the families of Sarah, Josh, and Shane have suffered greatly in the absence of their loved ones; and

Whereas July 31, 2010, will mark the 1-year anniversary of their detention: Now, therefore, be it

Resolved, That Congress—

(1) recognizes that Sarah Shourd, Joshua Fattal, and Shane Bauer have been held in custody in Iran for 1 year; and

(2) urges the Government of Iran to immediately and unconditionally release Sarah Shourd, Joshua Fattal, and Shane Bauer on humanitarian grounds and allow them to reunite with their families in the United States.

MEASURE READ THE FIRST TIME—H.R. 5901

Mr. DODD. Mr. President, I understand that H.R. 5901 has been received from the House and is at the desk.

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

The assistant legislative clerk read as follows:

A bill (H.R. 5901) to amend the Internal Revenue Code of 1986 to exempt certain stock

of real estate investment trusts from the tax on foreign investment in United States real property interests, and for other purposes.

Mr. DODD. I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection having been heard, the bill will receive its second reading on the next legislative day.

ORDERS FOR TUESDAY, AUGUST 3, 2010

Mr. DODD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Tuesday, August 3; that 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 be reserved for their use later in the day, and the Senate then proceed to executive session to consider the nomination of Elena Kagan to be an Associate Justice of the United States, as provided for under the previous order; and that the Senate recess from 12:30 until 2:15 p.m. to allow for the weekly caucus meetings.

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

PROGRAM

Mr. DODD. Tomorrow we will begin debate on the Kagan nomination. Debate will be controlled in alternating blocks of time.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. DODD. If there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 7:46 p.m., adjourned until Tuesday, August 3, 2010, at 9:30 a.m.