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House of Representatives

The House was not in session today. Its next meeting will be held on Monday, January 29, 2007, at 2 p.m.

Senate

THURSDAY, JANUARY 25, 2007

The Senate met at 9:30 a.m. and was called to order by the Honorable BOB CASEY, Jr., a Senator from the State of Pennsylvania.

PRAYER

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

Let us pray.

Eternal Lord God, in whose life we find our life, today hold our Senators within Your providential hand. Guide them when they feel perplexed and strengthen them to meet every challenge. Infuse them with courage and keep them close to You.

As they seek to represent You, fill them with Your peace. Do for them what they cannot accomplish in their own strength. Give them a new delight for matters of drudgery, a new patience with difficult people, and a new zest for unfinished details. Let Your spirit rule in their lives.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable BOB CASEY, Jr., led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 25, 2007.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BOB CASEY, Jr., a Senator from the State of Pennsylvania, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. CASEY 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, we will return to the consideration of H.R. 2 this morning. Last night, we entered into an agreement that there be a vote in relation to amendment No. 158, and that vote will occur around 10:30 this morning. Last night, we worked on a number of amendments. We are anxious to meet with the Republican staff this morning. We are ready to vote on the DeMint amendment dealing with minimum wage, the Sessions amendment dealing with immigration, the Ensign amendment dealing with health savings accounts, the Smith amendment dealing with education, the Bunning amendment dealing with Social Security, and the Kyl amendment dealing with expensing. We hope to get votes on these and other amendments as the day progresses. If we can get other votes keyed up, it could be a late night.

We are going to vote tomorrow on the confirmation of General Petraeus, who will be the new commander in Iraq. The Foreign Relations Committee reported that out yesterday. It may have been the Armed Services Committee. I think it was. One of the committees reported it out. There is a lot of activity. It is in the Senate, and we will take care of that tomorrow. We are trying to line up a judge vote in the morning, also. Then I am going to be discussing with the distinguished Republican leader as to what we will do at the end of the week and get keyed up for next week.

RECOGNITION OF THE REPUBLICAN LEADER

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

PROGRESS ON H.R. 2

Mr. MCCONNELL. Mr. President, let me echo the remarks of my friend, the majority leader. We will vote on the DeMint amendment 1 hour from now. I am pleased to hear that we will be moving forward on a number of amendments to be offered on this side of the aisle.

There are 17 pending amendments to the substitute and more than 80 additional amendments filed at the desk.

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

We need to start disposing of them in an expedited fashion if we are to move on to passage of the bill next week. I look forward to working with the majority leader toward that end.

RESERVATION OF LEADER TIME

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

FAIR MINIMUM WAGE ACT OF 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 2, which the clerk will report.

The legislative clerk read as follows:

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

Pending:

Reid (for Baucus) amendment No. 100, in the nature of a substitute.

McConnell (for Gregg) amendment No. 101 (to amendment No. 100), to provide Congress a second look at wasteful spending by establishing enhanced rescission authority under fast-track procedures.

Kyl amendment No. 115 (to amendment No. 100), to extend through December 31, 2008, the depreciation treatment of leasehold, restaurant, and retail space improvements.

Bunning amendment No. 119 (to amendment No. 100), to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

Enzi (for Ensign/Inhofe) amendment No. 152 (to amendment No. 100), to reduce document fraud, prevent identity theft, and preserve the integrity of the Social Security system.

Enzi (for Ensign) amendment No. 153 (to amendment No. 100), to preserve and protect Social Security benefits of American workers, including those making minimum wage, and to help ensure greater Congressional oversight of the Social Security system by requiring that both Houses of Congress approve a totalization agreement before the agreement, giving foreign workers Social Security benefits, can go into effect.

Enzi (for Ensign) amendment No. 154 (to amendment No. 100), to improve access to affordable health care.

Smith amendment No. 113 (to amendment No. 100), to make permanent certain education-related tax incentives.

Vitter/Voinovich amendment No. 110 (to amendment No. 100), to amend title 44 of the United States Code, to provide for the suspension of fines under certain circumstances for first-time paperwork violations by small business concerns.

DeMint amendment No. 155 (to amendment No. 100), to amend the Public Health Service Act to provide for cooperative governing of individual health insurance coverage offered in interstate commerce, and to amend the Internal Revenue Code of 1986 regarding the disposition of unused health benefits in cafeteria plans and flexible spending arrangements and the use of health savings accounts for the payment of health insurance premiums for high deductible health plans purchased in the individual market.

DeMint amendment No. 156 (to amendment No. 100), to amend the Internal Revenue Code of 1986 regarding the disposition of unused health benefits in cafeteria plans and flexible spending arrangements.

DeMint amendment No. 157 (to amendment No. 100), to increase the Federal minimum wage by an amount that is based on applicable State minimum wages.

DeMint amendment No. 158 (to the language proposed to be stricken by amendment No. 100), to increase the Federal minimum wage by an amount that is based on applicable State minimum wages.

DeMint amendment No. 159 (to amendment No. 100), to protect individuals from having their money involuntarily collected and used for lobbying by a labor organization.

DeMint amendment No. 160 (to amendment No. 100), to amend the Internal Revenue Code of 1986 to allow certain small businesses to defer payment of tax.

DeMint amendment No. 161 (to amendment No. 100), to prohibit the use of flexible schedules by Federal employees unless such flexible schedule benefits are made available to private sector employees not later than 1 year after the date of enactment of the Fair Minimum Wage Act of 2007.

DeMint amendment No. 162 (to amendment No. 100), to amend the Fair Labor Standards Act of 1938 regarding the minimum wage.

Kennedy (for Kerry) amendment No. 128 (to amendment No. 100), to direct the Administrator of the Small Business Administration to establish a pilot program to provide regulatory compliance assistance to small business concerns.

AMENDMENT NO. 158

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a 1-hour time limit for debate prior to a vote in relation to amendment No. 158, with the time equally divided between the Senator from Massachusetts, Mr. KENNEDY, and the Senator from South Carolina, Mr. DEMINT.

Who yields time?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DEMINT. 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. ENZI. Mr. President, I yield to the Senator from South Carolina such time as he might consume.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina controls the time.

Mr. DEMINT. I thank the Chair.

Well, here we are again. A couple of weeks ago, we were here in the Senate Chamber talking about the need to have full disclosure of earmarks—pet projects that are added into bills, only to find that the underlying bill only disclosed about 5 percent of all the earmarks. After a lot of procedural maneuvering and give-and-take, fortunately, Republicans and Democrats came together and realized that if we are going to do this—tell the American people we are going to disclose earmarks—then we should do it, and we should do it for all earmarks, and we should be open and honest about what we do. Fortunately, we fixed that problem. But here we are again today.

Now we are talking about raising the minimum wage for American workers. We have had passionate pleas, which are warranted. There are too many people in this country who don't make a livable wage. We, as Senators, Congressmen, and as Americans, should do everything we can to help people earn a livable wage and better.

There have been a lot of passionate speeches on the floor about, What do we do with a single mom with two kids working at the minimum wage? How can they possibly get by? It is true. It is very true. But as we look at this minimum wage bill and as we look out on America and promise to give every minimum wage worker a raise, we find that, if you really look at the bill, less than half of the workers who are working at the minimum wage will receive a $2.10 increase. Many will receive nothing at all. So the amendment I have introduced is one that would give 100 percent of Americans working at the minimum wage a raise because that is, in effect, what we are promising as we debate on the floor. This amendment is called minimum fairness for workers. That is what it is all about. The idea is that every American working at minimum wage will receive a $2.10 increase as we have promised.

It is important to realize that America is very diverse and different. States have very different costs of living. As we look across the country, there are many States that have a much higher than average cost of living, and some have a much lower cost of living. Actually, more than half of the States in this country—29—have passed a minimum wage that is higher than the $5.15 national Federal minimum wage.

We see, if you look at Massachusetts, for instance—the State of Senator KENNEDY, who has been a great defender of the minimum wage and the average worker, which I commend him on—it is one of the higher cost of living States in this country. They have raised their minimum wage to $7.50. I think we would all agree that a single mom with two children living in Boston, MA, making $7.50 an hour is not making a livable wage. The fact is, that same family living in South Carolina and making $5.15 an hour is doing better than those who are making $7.50 in Massachusetts because of the cost of living. Many of the Southern States have a lower average cost of living—cost of an apartment, cost of food, and cost of transportation and taxes; it is much lower. So many States across the country have looked at their cost of living and have raised their minimum wage higher than the national average because of that cost of living.

As we look at raising the national minimum wage again—and we know it has been years since we have done that—we need to realize that the cost of living across this country is different. I commend States such as Massachusetts that have recognized that and passed a minimum wage that is higher than the national average. But

it is not fair and it is not honest for us to have a national minimum wage debate and leave more than half of the minimum wage workers out of this whole promise of a wage increase. It is important for us to look across the country and see what this minimum wage bill will do if we don't adopt the amendment I am talking about. All of the States here on the chart in blue are States where the minimum wage workers will receive less than a one-dime—10 cents—increase if we pass this bill. Most of them will receive nothing at all—after all of the promises. These are some of the highest cost of living States in the country.

My distinguished colleague from Massachusetts talked about the importance of raising the minimum wage. I know he would agree that someone making $7.50 an hour in Boston, MA, is not making a livable wage. If we are going to promise to help these people, the people working in Massachusetts deserve a raise as much as the people working in South Carolina. But under this bill, the minimum wage worker in Massachusetts will receive no increase; Vermont will receive no increase; Connecticut, Rhode Island, Washington State, Oregon, and California will receive no increase at all. Illinois will receive a dime. Yet with all this big national debate and hoopla, which has become symbolic of trying to help low-income Americans make more money, we know as a body that only a fraction of 1 percent of Americans working at the minimum wage will get it.

Yet we are trying to tell them this bill is going to raise their standard of living, and we know that less than half of the minimum wage workers in this country are going to receive a $2.10 increase. This amendment is about 100 percent, just as we did 100 percent of earmarks. We got together, we realized the underlying bill didn't work, and we did the right thing.

I think there are much better ways to help people earn a livable wage than mandating that they get an increase. But if we are going to do it, let's do it right and let's be fair to all Americans. If we promise an increase for minimum wage workers, let's give every American working at the minimum wage a $2.10 increase so that a person working in Massachusetts with a higher cost of living would get a raise, just as in Louisiana or Alabama or South Carolina. Every minimum wage worker across this land would have a $2.10 increase.

I don't think that is too much to ask. If the Senate is going to spend 2 weeks talking about it, if we are going to have these impassioned pleas to help minimum wage workers, how can we leave half of minimum wage workers out of this whole process and pretend to be helping everyone? It doesn't make sense. This is about 100 percent. It is about fairness. It is about looking at these cameras in this Chamber and telling people the truth.

If we are going to pass a minimum wage, if we think we are doing the right thing by mandating that we raise the minimum wage above where it is across this land, then let's have it apply to 50 States, 100 percent of our workers. That is the only fair and honest way.

Again, I commend the States that have had the good judgment and the wisdom to recognize that their cost of living is higher, but if we don't include them here, then we have done an injustice to their workers.

I encourage all of my colleagues to look at this amendment. This is not a trick. It is clear and simple. Every minimum wage worker in America will get a $2.10 increase if we adopt this amendment and then pass this final bill.

I will make a commitment to the Senator from Massachusetts and to others here that while I have not supported this idea of mandating a minimum wage as the best way to improve and increase salaries, if we are fair, if we adopt this amendment, I will vote for the final bill for raising the minimum wage because it will be fair to all Americans, and I will encourage my colleagues who have not supported it in the past to be together as a Senate.

Let's not come out and make an impassioned plea to raise the minimum wage in one State but not another. That doesn't make sense, and it is not fair and it is not open. It is about 100 percent, and I encourage 100 percent of my colleagues to look at this amendment, do the right thing, and include every minimum wage worker.

I yield back my time to the Senator from Wyoming.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself such time as I might use.

This is the fourth day that the Senate is addressing an issue of enormous importance to those on the lower end of the economic ladder—an increase in the minimum wage from $5.15 to $7.25. It is not a complicated issue. Everybody in this body knows what the issues are. Usually, we have great debates about complicated issues in the United States of America. Soon we will be debating varied policies with regard to Iraq, as we should. But this issue is a simple issue. It is an issue of simple justice. It is as old as many of us in this body. Minimum wage was advanced more than 70 years ago. We have increased it now nine times over recent years, and yet Republicans want to continue to delay, delay, delay, delay, delay, delay, delay; oppose, oppose, oppose.

There was opposition yesterday in insisting that we get cloture in the Senate on an increase in the minimum wage, requiring that we get 60 votes before we can vote up or down on a simple, easy issue and question of fundamental fairness to workers in this country.

We are glad to have debates, but the message ought to go out to the American people exactly what is going on here on day 5 in the Senate on the issue of minimum wage. And we continue to have, as the minority leader said, scores—40, 50, more amendments, 90 amendments—on the issue of the increase in the minimum wage—90 amendments. Make no mistake about it, America, who is holding up the increase in the minimum wage.

Eight times the Senate has increased its own salary, increased the salary of the good Senator from South Carolina $32,000 in the last 10 years—$32,000. And if we have had 1 hour of debate on that issue—1 hour of debate on that issue, 1 hour of debate on that issue—I would be surprised. This is the fifth day our Republican friends who, as Members on the Democratic side, have enjoyed a $32,000 increase in their pay have 90 amendments to try and scuttle an increase in the minimum wage for low-income workers—trying to scuttle, to sink the increase.

These workers understand it. Workers across this country understand it. Working families understand it. Middle-income people understand it. All Americans understand it. This is one of those basic and fundamental issues people understand because it is an issue of fairness.

I don't impugn the motives of my friend from South Carolina, but he has opposed the minimum wage on every single occasion he has addressed it—every single occasion. We have the record here as to how the good Senator has voted every time on the issue of an increase in the minimum wage: going back to the House of Representatives in 2002, 2005, and over here on seven different occasions he has voted against the increase in the minimum wage. So the idea that he wants to provide $2.10 more to every worker in States that have raised—under the age-old law of the minimum wage—their minimum wage because of the failure of the Senate to do it has a sort of hollow ring to it. It has sort of a hollow ring to it since he has opposed an increase in the minimum wage on each and every occasion we have considered it. We have to take a look at exactly what is being done.

I assure my friend from South Carolina that the workers in my State understand the battle they have had to increase the minimum wage. And I daresay, in the various States across the country that have increased their minimum wage, they have understood that, too. The legislators have gone out and worked, and workers understand what they have done. They have understood what they have done. They have understood that the minimum wage is a basic standard which is supposed to be the lowest living wage. It is supposed to be the lowest living wage. Historically, it is supposed to be half of what the average wage is in the country. That goes back to the time beginning of the minimum wage and the record shows that all the way up to probably the 1980s, and then it has

dropped precipitously, half of what it was.

Going back to the 1930s, the minimum wage was designed to be a floor. If States want to add something to it, they can, but it ought to be a floor for all workers in this country. One of the principal reasons it was passed at that time is because the Members of this body, the House of Representatives, and the President of the United States saw what was happening in different parts of the country where States were lowering their wages to try and attract industries and companies in a rush to the bottom, with the exploitation of worker after worker, family after family, in a rush to the bottom. So the national decision was taken, in terms of fairness and as a moral issue, that workers who were going to work hard were going to receive a minimum wage.

One of the age-old values in our country, in society, is that work ought to pay. We hear that stated around here with great ease and frequency, and that is what we are trying to do with a minimum wage increase. We are trying to make work pay, pay people who are doing some of the most difficult work in America, and demonstrate a respect for that work, give them pay because they are doing hard, difficult work, but we respect our fellow Americans and respect their efforts.

This is not the law of the jungle. The economy of the United States of America isn't survival of the fittest. Some would like to have it that way. Some who oppose the minimum wage would like to have it that way, but it isn't that way, thank God, in the United States of America. It is in the jungle, but not with regard to a democracy and a free economy.

Let me state specifically what this proposal does. The good Senator yesterday voted to permit any State to effectively opt out of any kind of minimum wage. So that would have fundamentally destroyed any kind of uniformity across the country.

His proposal is, in the wake of the Senate and Congress over 10 years under Republican leadership refusing to increase the minimum wage, the States in their own good judgments have done so, and now he says let's add on $2.10 to do that. It does seem to me appealing in a certain respect, because I believe the minimum wage is not a livable wage in many parts of the country. We have seen these livable wage campaigns that are taking place in Baltimore, Los Angeles—many cities around the country—my own city of Boston, and they have raised it in a particular region, and it has had great success.

But that isn't the issue. This particular amendment of the Senator would basically do what was attempted yesterday, but do it in a different way. Yesterday was to effectively end the minimum wage by letting any State opt out. Today the swing of the pendulum has gone the other way. The amendment says we are going to add additional funds on to any State. Every State over these past years has noted the failure of the Senate as a result of Republican leadership because we have had a majority read back the records of the votes in the Senate. We had a majority in the Senate with good Republican support to raise the minimum wage, but we couldn't get to the 60 votes, and our Republican leadership wouldn't let us. So the States moved ahead. Now that the States have moved ahead, the Senator wants to say: Oh, you have moved ahead because you made a judgment about the respect for your own workers, and we are going to add on to it to try to disrupt the minimum wage.

I hope this amendment will not be accepted, and I hope we will be able to move along and make further progress on this issue.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. ENZI. Mr. President, could I ask what the time situation is?

The ACTING PRESIDENT pro tempore. The Senator from South Carolina has 18 minutes 40 seconds. The Senator from Massachusetts has 17 minutes 35 seconds.

Mr. ENZI. Mr. President, I ask to have the Senator from South Carolina yield me 8 minutes.

Mr. DEMINT. Yes.

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

Mr. ENZI. I need to address a few of the things that were said. ''We are on the fifth day of this debate.'' Yes, we are. ''It's a simple bill.'' No, it is not a simple bill. It is simple in the one proposal that is out there, but it has a lot of interlocking implications. We had some debate yesterday, separate from an amendment on tip credits. We talked about work opportunity tax credits. We talked about earned-income tax credits. All of those tie in with the minimum wage, so it has a lot of implications.

It has a lot of implications for small businesses, too. I showed some quotes from a lady who would lose hours, another from someone who would lose their job. They were all in situations where they can't afford to do that. There have been charts showing that on the aggregate it helps the whole economy to raise the minimum wage. But on an individual basis it affects people individually. Small business employees understand. They are really connected to their business. They know how much the employer is making. They know what the markup is on things. And they know whether their job is in danger or not, so there is that concern.

But I want to clear up something. There has not been an argument against raising the minimum wage. The argument has been for doing something to help counter the impact on small business. We have been acting in a bipartisan way on some things; we can act in a bipartisan way on this. I contend that as soon as there is some assurance to the minority that there will be some tax offsets for the small businesses, this process will speed up dramatically. But until there is that assurance we will be using our opportunities, the process, to make sure we can take care of small business at the same time and not put them out of business.

There has been some cooperation, at least through the press. I would mention that Senator REID said:

> If it takes adding small-business tax cuts to have a minimum wage tax increase, we're going to do that. Maybe we can get 60 votes to invoke cloture on a straight minimum wage. I'm not sure we want to do that. . . . A one-party town doesn't work. We have a majority of 51–49. We're going to accomplish the possible; that's what we're going to do.

That was on January 5 at a press conference. I have some other quotes from him, too, but Senator BAUCUS said:

> Small business is the engine that drives our economy and creates jobs on Main Street. That's why I'm proud we are getting them some tax relief from Uncle Sam. . . . It's high time our workers get a raise. At the same time we are going to give a boost to small business.

That was a January 17 press release. Senator KERRY:

> I support the majority of the provisions of the Small Business and Work Opportunity Act of 2007. I would have preferred that this package moved separately rather than in tandem with a minimum wage bill. However, the reality is we need a tax package in order to advance minimum wage legislation.

That is from a January 2007 committee report, Small Business and Work Opportunity Act of 2007.

I have a whole lot of quotes from the other side of the aisle that have encouraged me that we can do both things—raise the minimum wage and have some offsets for small business.

I have talked to the Senator from Massachusetts about this before. I understand his desire to have just the minimum wage increase and his concern that any other discussion takes away from that. I suggested that it wouldn't take away from it if it were a whole package to begin with; that it would be a minimum wage increase and our concerns about having some tax breaks for the small businesses would overcome that. But we have not gone that route yet.

The debate we had yesterday, the cloture vote we had yesterday, would have excluded the possibility of doing the tax breaks. I have to tell you, to get those tax breaks to offset the impact on small business has a long road to go because the House didn't pass any of those. In fact, the House has made some very detrimental comments about it. There is a process over here that enforces the rights of the minority and can provide some protection for the small businesses, the mom-and-pops out there trying to make enough living for their own families and provide for some workers that we can take care of at the same time. But it is

going to take some showing that there is some dual concern, both for the employee and for the mom-and-pop businesses, before we move along much faster.

That is what the debate is about. It is not about whether to raise the minimum wage. The minimum wage will be raised. I hope there are a whole lot of other things that will be done in the process, too, because we need to move these people to more skilled jobs, and we need to get a Workforce Investment Act through, too, and I would have liked to see this be part of this same bill, too, so we could increase the skills of the employees and get them into better jobs. We don't want to just remove the bottom rung of the ladder and have them have to make a bigger step to get a job to begin with. We want them to have better jobs. Better jobs do not hit the inflationary core quite as much.

I want to be sure people understand we are not talking about whether to do a minimum wage, we are talking about whether to do a minimum wage increase and offset some of the impact for small businesses.

I yield the floor and reserve the remainder of the time.

The PRESIDING OFFICER (Ms. KLOBUCHAR). The Senator from South Carolina is recognized.

Mr. DEMINT. Madam President, this is a good debate and I think it is an important debate. I appreciate the points of Senator KENNEDY. Many of them I agree with, but it is my hope that those same points will apply to the many States, such as Massachusetts and Washington State and California and many other States so that those people working at the minimum wage in those States will receive a minimum wage, too.

I appreciate the fact that he has recognized that States such as Massachusetts did respond to the higher cost of living that their workers face by passing their own minimum wage. I think if we look across the country we will see that, again, 29 States have taken that action because it does cost more to live there. He points out that in the past I have not supported the increase in the minimum wage. It is not completely true, but many times I have not supported it because it has not been fair. It does not apply to all American workers.

As the Senator from Wyoming just pointed out, if these bills that mandate wage increases do not include some provisions that help small businesses stay profitable, then they cannot hire these minimum wage workers. Many times they are teenagers. Many times they are trainees. We want to encourage every small business in this country to bring in as many workers as it can to train them and develop them because all the statistics tell us that folks who start at the minimum wage are generally only making it a few months before they prove that they can do the work and move on. It is a way to get a lot of people into the workforce.

I think it is important to point out, as the Senator said I never supported a minimum wage, that I did, in fact, last year. The Family Prosperity Act was a package, a compromise package that raised the minimum wage just as we are talking about now, although it did not do it for every American. It eliminated the death tax, which adversely affects so many small businesses in the event of the death of an owner, whether it is a farm or small business. Many low-wage workers lose their jobs in the process of those businesses or farms closing. We packaged those together so we could do both: we could help the worker, but we could also make sure these small businesses continue to survive so they can hire those workers. There were other tax provisions in the Family Prosperity Act, but it was a good bill.

This bill was not blocked by Republicans. It was proposed by Republicans and blocked by Democrats. It was a sad time when we saw in order to score political points that we turned our backs on workers in order to avoid giving small businesses the provision on the death tax that would allow families to continue to operate businesses.

I would like to summarize my amendment so it is not misrepresented. It is not a trick. We are talking on the floor of the Senate about giving minimum wage workers a raise of $2.10. States have already passed minimum wage laws, and some of them are different. In most cases it is because of the higher cost of living.

If we come in and raise the minimum wage from $5.15 to $7.25 in a number of States, South Carolina and Massachusetts will have essentially the same minimum wage—maybe a quarter difference. But a minimum wage worker living in Boston, MA, faces tremendously higher costs than a minimum wage worker who lives and works in Greenville, SC. If we are going to be fair, and if we are going to make all these speeches on the floor of the Senate that we are going to help minimum wage workers, it does not make sense to leave out over half of the minimum wage workers in this country and go home and pretend that we have done something good.

I have told the Senator that while I have opposed the strategies of wage mandates in the past, that if we are fair, if this bill includes 100 percent of minimum wage workers, I will not only support it, the final bill, I will encourage my colleagues to support it because it is the right thing to do. I believe if we were all speaking openly and honestly, we could say that even $7.50 an hour in Boston, MA, is not a liveable wage. If you took that up to $9.60, hopefully, we are getting at the point where people can survive. But $9.60 in Boston, MA, is no more money than $7.25 in South Carolina.

Let's be fair to workers. Let's use what has already been started by the States, and that is recognizing cost of living to help every American worker.

Again, this is just about simple fairness, as the Senator from Massachusetts has said. If we are going to promise an increase of $2.10 to minimum wage workers, let's do it for 100 percent of the workers in every State of our Union. Let's give them that increase today.

I encourage my colleagues to not look at the past. If we can support fairness together, let's all vote together to give every American minimum wage worker a $2.10 increase. That is my amendment. I encourage my colleagues to support it.

I yield and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Madam President, I thank the good Senator for his concern about the workers in Massachusetts. In Boston we have a living wage of $11.95. We made that judgment in Boston, and it is working very well.

I take note, in this American Chamber of Commerce Researchers Association publication, that South Carolina ranks 18th in terms of the cost of living. There are 17 other States that have a lower cost of living. But South Carolina is 18th in this list. It is not at the lowest; it is 18th.

The fact is, it is not greatly out of sync. It is close to the average across the country. But let's get back to the effect of the Senator's amendment.

In Arizona, in this last election, there were 756,144 people who voted for an increase in the minimum wage to $6.75. That vote would be overturned, effectively, by the Senator from South Carolina. In Colorado, 725,700 turned out for a $6.85 minimum wage. The citizens of Colorado—their votes would be overturned. In Missouri, 1,583,340 million voted for $6.50. That vote would be overturned. Montana, $6.15, 283,258 turned out. Nevada, 394,058 turned out, $6.15 an hour. Ohio, $6.85, 2,080,648 turned out. Those are 5,823,148 in six different States. That is in regard to the initial referendum. All of that would be overturned by the Senator from South Carolina.

So I come back to the basic concept, and that is that we have established some minimum standards. There are a lot of objections to those minimum health standards, so workers are not going to be—since we passed OSHA in 1970, we have cut in half the number of workers who have been killed in the workplace. We have cut that in half. About 60 percent less workers have been killed. There are other kinds of illnesses that have come up with changes in our economy, but a decision in judgment was made that we are not going to have the exploitation of workers. We are going to have safe workplaces. We don't permit the exploitation of children in our factories. We think they ought to be in schools. Some economists think: Oh, let's have children in there. Let's work those

children and see what the market does. Let's let those workers go in and work in those dangerous places. If the market, if it is going to be that disruptive in terms of the employer, let's go ahead and do that.

Well, we had decided at another time that we were not going to permit the exploitation of children or women in the workplace, and we were also going to insist on health and safety regulations and we were going to establish a basic floor, a basic floor, a minimum. It is not high enough even at $7.25, I don't believe myself, but that is the judgment that has been basically made by the Congress, by our side, the Democrats, and by a handful of Republicans, and we wish to see that raised. We wish to see that raised.

I suppose you could take the good Senator's argument and logic and say: Well, we have increased our salaries $32,000, and they have a different cost of living, so maybe South Carolina ought to get less, if we want to follow that logic. We say: No, we are one country with one history and one destiny, and we are going—obviously, Members of Congress and Members of the Senate are going to be treated as they should be, and that is fairly, for the work they do.

We say workers ought to be treated fairly for the work they do. Minimum standard. This amendment does injustice to that.

I would mention there is obviously a disparity in the cost of living. I have mentioned what the Energy Information Administration says a worker across the country pays, on average, for gasoline, and that is $2.17 a gallon. In South Carolina, it is $2.13 a gallon. It is 3 cents more in my State of Massachusetts. I was going to get the basic indicators. Health care, the average cost for a family is going to be $11,000. Try and do that on $5.15 an hour—$11,000. It is probably a little more, closer to $12,000 in Massachusetts—but $11,000 for a family of four. Try and do that on $5.15. We have the housing charts up here. I would think that even $5.15 or $7.25 an hour for people who work hard in South Carolina, they are going to have a tight belt strap in providing for their children, providing for their food, and providing for their general well-being.

But this does a major alteration and change to a very fundamental concept to what the minimum wage is all about, and I hope the Senator's amendment will not be successful and that our colleagues will vote no.

Madam President, how much time remains?

The PRESIDING OFFICER. There is 11 minutes 10 seconds for the Senator from Massachusetts.

Mr. KENNEDY. We have 11 minutes 10 seconds. Well, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator withhold the quorum call?

Mr. KENNEDY. Yes, I withhold.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. DEMINT. How much time do I have?

The PRESIDING OFFICER. There is 7 minutes 6 seconds.

Mr. DEMINT. Thank you.

Again, I thank the Senator for his good debate. I appreciate this opportunity. I think if we listen to what each other is saying—I appreciate the Senator's concern for South Carolina workers and I hope he appreciate my concern for Massachusetts. As Senator KENNEDY has said, you set the livable wage in Massachusetts at over $11, so $7.50 an hour for the minimum wage is certainly not acceptable. I do not think anyone would argue that that is enough, and we need to do better. I would hope no Member of the Senate would be concerned that a worker mandating over $7.50 is a problem, and particularly in high cost of living States.

There are a number of things that have been said we need to think about because we put up that my amendment would cause States which have already passed their minimum wage to have to pay more. In fact, this underlying bill is going to do that to many States. There are many States in this country which have passed their own minimum wage that is over $5.15 but is under the current mandate in this bill. So when we pass it, we are going to override the legislatures and the people in many States. That is part of this whole argument.

Now, in this day and time, with the varying costs of living across this country and 29 States already passing their own minimum wage, does it continue to make sense for us to establish a one-size-fits-all minimum wage for this whole country? I think not. But I do think if we are going to stand on the floor of the Senate and argue on behalf of the American worker, the minimum wage worker in this country, and promise to raise that minimum wage, then we should do it fairly and equitably across this country.

Again, I encourage my colleagues to realize what this bill does is override States. That is the whole idea of the Federal minimum wage, to say we do not believe States will do the right thing, so we are going to. But if we are going to do the right thing, let's make it 100 percent. Let's not make another false promise to the American people. If we are going to raise the minimum wage $2.10, let's do it across the entire country.

So again, I appeal to my colleagues. If we are going to do it, let's do it right, let's do it fairly, and let's meet this promise to every American minimum wage worker.

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

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Madam President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 11 minutes 3 seconds.

Mr. KENNEDY. Madam President, I think we had notified Members we would try and vote at half past, and I will certainly follow that guidance. I would say, as we wind up this debate on this particular amendment, the underlying legislation provides for an increase in the minimum wage from $5.15 to $7.25. It is well understood by all of the Members. We are taking a good deal of time for those who differ with that as a concept. We have had those who have opposed it, who tried to circumvent it, to come up with ways to avoid it, and we are glad to deal with those issues. But nonetheless, this is an amendment now by my friend from South Carolina that would effectively undermine a very important concept that has been the basis of the minimum wage for over 70 years and that is to establish a basic floor across this country, a basic floor for minimum wage, permitting States to raise—if they want to increase their wages, they can do that. If cities want to increase their wages, they can do that, such as my city of Boston, such as the District of Columbia, such as Baltimore, and such as other cities have done, and they have had very remarkable success in terms of the reduction of absenteeism, the continuation of workers remaining in employment, increasing productivity, and the rest. But that is a different issue for a different time.

The Senator from South Carolina's amendment, in effect, says we will take this $2.10, which will be the value of the increase in the minimum wage, and add that to every State across the country. That is an entirely different concept. I, myself, find that certain parts of this are attractive to think that we do need to raise the minimum wage beyond the $7.25, but that is not the debate today. That is not the debate. That is not the issue. The basic issue is whether we are going to violate the very fundamental understanding we have, with regard to this issue at this time in this body now, and that is that we are going to pass a floor in this country applicable to all the States and raise it from $5.15 an hour to $7.25. That is the issue. The amendment of the Senator from South Carolina, however well-intentioned, does serious injury, disruption, and violence to that very basic and fundamental concept. I hope it will not be accepted in the Senate.

We are approaching the time of 10:30, and we are very hopeful we will have a vote in relation to the amendment of the Senator from South Carolina in the next couple of moments.

Madam President, I am prepared to yield back my time.

Mr. DEMINT. I yield back my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. KENNEDY. I raise a point of order that the pending amendment violates section 425 of the Congressional Budget Act of 1974.

Mr. DEMINT. Madam President, I move to waive the applicable section of the Budget Act.

Mr. KENNEDY. I ask the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The bill clerk called the roll.

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

Mr. LOTT. The following Senators were necessarily absent: the Senator from Missouri (Mr. BOND), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. THOMAS).

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

The yeas and nays resulted—yeas 18, nays 76, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—18

Allard	Crapo	Hatch
Bennett	DeMint	Inhofe
Coburn	Domenici	Lott
Cochran	Ensign	McConnell
Cornyn	Enzi	Roberts
Craig	Graham	Sessions

NAYS—76

Akaka	Feinstein	Nelson (FL)
Alexander	Grassley	Nelson (NE)
Baucus	Gregg	Obama
Bayh	Hagel	Pryor
Biden	Harkin	Reed
Bingaman	Hutchison	Reid
Boxer	Isakson	Rockefeller
Brown	Kennedy	Salazar
Brownback	Kerry	Sanders
Bunning	Klobuchar	Schumer
Burr	Kohl	Shelby
Byrd	Kyl	Smith
Cardin	Landrieu	Snowe
Carper	Lautenberg	Specter
Casey	Leahy	Stabenow
Chambliss	Levin	Sununu
Clinton	Lieberman	Tester
Coleman	Lincoln	Thune
Collins	Lugar	Vitter
Conrad	Martinez	Voinovich
Corker	McCain	Warner
Dodd	McCaskill	Webb
Dole	Menendez	Whitehouse
Dorgan	Mikulski	Wyden
Durbin	Murkowski	
Feingold	Murray	

NOT VOTING—6

Bond	Inouye	Stevens
Cantwell	Johnson	Thomas

The PRESIDING OFFICER. On this vote, the yeas are 18, the nays are 76. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The Senator from Massachusetts.

Mr. KENNEDY. Madam President, we have a good deal of business to do. Since some of these issues relate to the Finance Committee, we are working out with Senator BAUCUS and Senator GRASSLEY their proposal and schedule. There are several important amendments they are addressing and working out. We expect to have action on those, if not in the very late morning, in the early afternoon.

We had an amendment by Senator SESSIONS that we were looking forward hopefully to at this time.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Madam President, I wish to compliment both sides on working on amendments. We have not had any shortage of amendments being offered. In fact, we have a whole bunch of people who would like to offer amendments that have already been filed. So it is not the usual problem of trying to get people to come down and offer amendments; it is a problem of being able to get some agreements so we can have votes on those amendments.

Both sides are working diligently to try to get it set up so we can have a whole series of votes yet today and move along substantially on this legislation. Of course, what we are kind of waiting for is to get some assurance that there will be a small business tax package to offset the impact of this before we get some progress.

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

Mr. MARTINEZ addressed the Chair.

The PRESIDING OFFICER. Does the Senator withhold his suggestion of an absence of a quorum?

Mr. ENZI. Yes.

The PRESIDING OFFICER. The Senator from Florida is recognized.

AMENDMENT NO. 105 TO AMENDMENT NO. 100

Mr. MARTINEZ. Madam President, I ask unanimous consent that the pending amendment be set aside and I call up amendment No. 105 and ask for its immediate consideration. I ask that if it does not run afoul of what the bill managers were attempting to do at this time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. MARTINEZ] proposes an amendment numbered 105 to amendment No. 100.

Mr. MARTINEZ. Madam President, 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:

(Purpose: To clarify the house parent exemption to certain wage and hour requirements)

At the appropriate place, insert the following:

SEC. ___. HOUSE PARENT EXCEPTION.

Section 13(b)(24) of the Fair Labor Standards Act of 1938 (29 U.S.C. 212(b)(24)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''and his spouse''; and

(2) in the matter following subparagraph (B)—

(A) by striking ''and his spouse reside'' and inserting ''resides'';

(B) by striking ''receive'' and inserting ''receives''; and

(C) by striking ''are together'' and inserting ''is''.

Mr. MARTINEZ. Madam President, I simply wished to call up this amendment. I think it is a rather important amendment and is of great interest to me personally. It is offered in order to assist charitable organizations that look after children who are in need of foster care. It is an attempt to not allow a raise in the minimum wage to work against the opportunity for single individuals to continue to work with these young children in ways that are helpful to them.

I have been urged to move this amendment by a number of not-for-profit groups in Florida that care for children, groups such as the Children's Home Society. I think it is a rather important amendment, and I look forward to its consideration as we go forward.

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.

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

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

Mr. CORNYN. Mr. President, I rise to express my appreciation for my colleagues' efforts to do what, in their view, would help promote a better quality of life for the people of this great country. We are here to debate specifically a proposal to increase the minimum wage, but, in my view, we should aspire to more than a minimum wage for the workers across this country. Instead, we should work to provide the training and educational opportunities that will allow individuals across this great Nation to enter the workforce at perhaps minimum wage but, more importantly, to then move up the economic ladder.

When we put ourselves in the position of Government rather than the market dictating wages, we will most certainly see some unintended effects of less opportunity for some of the very American workers whom we are attempting to help.

Let's put this proposal in perspective. Research reveals that the negative effects of raising the minimum wage would, in fact, fall most heavily on the shoulders of the most vulnerable workers. Let me say that again. Research shows that the effects of raising the minimum wage—that is, of the Federal Government rather than the market dictating the wages at which employers must pay workers—that the burden would actually fall most heavily on the most vulnerable workers.

When employers are forced to raise their costs in order to comply with a government mandate, they are most likely going to reduce the hours their workers can work or perhaps even lay

people off in order to meet their bottom line. Of course, they will also choose, if costs go up because government has increased the wages which an employer must pay, to retain their most skilled and experienced and productive employees, not the less skilled or lower wage earners. That is important because teenagers and those who are working on a part-time basis or who are just entering the workforce are the ones who predominantly receive the minimum wage under the status quo.

So why in the world would government decide to put people out of work, presumably the very people whom this amendment is designed to help? We need to ask ourselves that question and come up with a better answer than I have heard so far.

I saw a cartoon, which was really not funny, distributed a couple of days ago where an employer is talking to an employee. He says: I have good news and bad news. The good news is that the minimum wage has been increased, so you are going to get a pay raise. The bad news is you are fired.

The point of the cartoon is—as I said, it is really not funny—that if fixed costs of employers go up, something has to give. And where that give actually impacts the workers is going to be, I am afraid, on the most vulnerable workers, the less educated, the less trained, and unfortunately, more often, on minorities and women, the very groups the advocates of this bill have said they want to help.

Consider this statistic: Of the 75.6 million Americans who are paid by the hour, 1.9 million workers earn wages at or below the minimum wage. In other words, that is 2.5 percent of all hourly paid workers. So the debate we are having this week—and, presumably, will carry over to next week—will affect 2.5 percent of all hourly paid workers. The largest share of minimum wage earners include teenagers and young adults who have only entered the workforce. Based on the most recent data available, approximately one-fourth of minimum wage earners are teenagers between the ages of 16 and 19, and about one-half are between the ages of 16 and 24.

Over the past few weeks, in anticipation of this debate, there have been a number of articles in national and State publications addressing this topic. Many of them have been very thoughtful and informative. One article that demonstrates the complexity of this issue, that there is actually more than meets the eye on this topic, was published by the Valley Morning Star in Brownsville, TX, a story about Belinda Campirano. Ms. Campirano, along with her sister, is an owner of Media Luna, a small restaurant in Brownsville, TX. Ms. Campirano has only one employee, whom she pays $6 an hour. And while she understands, from the standpoint of simple human compassion, the difficulty of getting by on $5.15 an hour, she also realizes that a government-mandated wage increase would put a significant dent into her operating budget, literally in her ability to keep the doors open and keep this individual, her single employee, on the payroll.

There was also another great series of articles in the Washington Post, one on January 10 entitled ''Life at $7.25 an Hour, As House Prepares to Vote on Minimum Wage Increase, Issue is Complex for Those Who Earn or Pay That Amount.'' That article does an excellent job of cutting through the rhetoric and exposing the reality of what it is we are debating.

I ask unanimous consent that both articles be printed in the RECORD following my remarks.

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

(See exhibits 1 and 2.)

Mr. CORNYN. I appreciate the numerous ways in which many of our colleagues have worked to improve this bill; significantly, the bipartisan work of the Finance Committee, Senators GRASSLEY and BAUCUS, certainly the good work of the minority manager of the bill, Senator ENZI, and numerous others to try to improve it, to try to ameliorate some of the unintended consequences of government-mandated wages. I support the small business package which is part of what we are attempting to do to provide a better bill, one that rounds out the provisions of the bill and one that actually produces intended effects, which are not to hurt small businesses, the primary engine of our economy.

The fact is, small businesses employ about 70 percent of the workers in America today. Why would this body do anything that would actually put more people out of work? Well, the provisions of the legislation that came out of the Finance Committee, as modest as they are, represent a real attempt to try to round out and improve the bill in order to reduce the unintended impact, which would be to put people out of work, and to provide some regulatory and tax relief for small businesses, the employers that employ 70 percent of the people in the American workforce.

Small business expensing allows mom-and-pop shops and entrepreneurs to reinvest in their businesses and grow and, in so growing, hire more people and create jobs, not just in my State of Texas but across the country. It will help locally owned businesses and other small enterprises make much needed improvements in their infrastructure, which will help them compete and improve their productivity. I have concerns, however, that while the minimum wage increase in this legislation is permanent, the regulatory and tax relief that is part of the package is only temporary and not permanent as well. Nevertheless, these fixes are necessary.

But don't take it from me. Take it from people like Jonathan Meller who e-mailed me recently. Mr. Meller is the owner of Papa Murphy's pizza restaurant in Burleson, TX. He talked about the economics of a wage increase and what it would mean for his small business. Like a majority of employees slated to earn the minimum wage, Mr. Meller's employees are, true to the statistic I mentioned a moment ago, under 20 years of age. Like many business owners, Mr. Meller operates in a free market. He believes in free enterprise. He believes in competition. Frankly, he doesn't appreciate the fact that government sticks its big finger right in the middle of his business and mandates that he pay wages that are above the market. Any government-mandated wage hike will have a dramatic impact on how he is able to do business and on the number of employees he is able to hire.

Then there is William Goodman, the owner of Scooters in El Paso. Mr. Goodman has only one employee. If the minimum wage is raised, where does that leave him? Mr. Goodman says he will have no employees, if the government, rather than the market, forces him to increase the wages he pays his one employee. He says—and I take him as his word—he will not be able to absorb the additional cost that would go along with this legislation.

My point is this: Raising the minimum wage and the taxes that come with it will similarly leave many employees without jobs. We need to think long and hard before we choose to impose this sort of regulation on small businesses. In the end, my hope is that we can come together with a sensible package that will enjoy bipartisan support; that will, according to the intentions of the authors, increase the minimum wage but also soften the blow on small business and thus protect the jobs of many workers who might otherwise be laid off.

The important point, though, that this legislation misses is that the best way to increase the quality of life for workers in America is not just to raise the minimum wage. That puts a patch or a Band-Aid on what is a much more serious and larger problem. Education and workforce training are the best ways to increase the quality of life for America's workers instead of a wage increase that could hurt small businesses and consumers and, indeed, some of the very employees we are trying to help.

We all understand—it is a given—that every American should receive a good-quality education. We must continue to pursue policies to ensure that this is not merely a dream but a reality. No one, though, should end their education just when they receive a diploma or degree. Indeed, the world has become so complex, competition has become so globalized, that we need to think of education as a lifelong learning experience. In that vein, I emphasize the importance of providing workers with the kinds of skills and talent and training they need, not only to earn the minimum wage but to earn

good living wages much higher than the minimum wage and the important role our universities, community colleges, trade schools, and workforce development centers play in providing the training and education necessary for thousands and thousands of people across this great country to improve their standard of living and to achieve their dreams.

I strongly believe that joint workforce-education projects are critical to our efforts as our economy continues its upswing and as competition increases on a global scale. It is imperative that we focus our efforts not only on setting a wage that may be out of sync with market forces but literally on liberating people to achieve their dreams by giving them the skills necessary to earn higher wages which will allow them to enjoy the American dream. It is imperative that we do everything we can to provide this training through our colleges and universities, working with the private sector to try to develop programs relevant to the local economy and, hence, jobs that are available in the local economy, and thus increase our competitiveness.

This is not just a temporary or passing interest of mine. I have traveled across my State, as have many of my colleagues, to community colleges and have seen some of the effective partnerships that community colleges have entered into with local employers. Frankly, employers are wanting for lack of trained employees to fill job vacancies at much higher than the minimum wage. One stands out in my mind—a young woman I met at the Bell Helicopter plant in Amarillo, TX, by the name of Jeanette Hudson Gibbs. The reason I remember Ms. Gibbs is because she works on the assembly line for the V–22 tilt rotor at Bell Helicopter at their Amarillo plant. This is a young Hispanic woman, a single mother with a special needs child, who, before she went to work at Bell Helicopter on the assembly line for the V–22 tilt rotor, was a prison guard, a single mom. You can imagine the concerns her family had, not just about the fact that she was earning much lower wages but, in fact, the dangers associated with that job. Thanks to the great partnership Bell Helicopter had entered into with Amarillo Community College, Ms. Gibbs is now earning $16 an hour, and that was the last time I heard from her. It could be she is even doing better now because of the job skills she acquired through this partnership between Bell Helicopter and Amarillo Community College. This is a great success story of which I am proud. I know she must be proud of her accomplishments. And it is exactly the sort of emphasis we ought to be placing through legislation we pass on the floor.

I worry that by looking at mandating minimum wages rather than focusing on workforce development and the kind of job training that is going to be able to produce more people like her, somehow we have not set our sights high enough.

Last April, I hosted an event back in my home of Austin, TX. It is something we call the Texas Workforce Summit. This was a gathering of community college leaders from all across the State. The purpose of that was to learn more about Federal grant opportunities and to learn more about the successes of partnerships such as the one I just mentioned between Amarillo Community College and Bell Helicopter. Because of this initiative, Del Mar College in Corpus Christi applied for and received a grant of nearly $2 million to improve employment opportunities for technical employees in the aerospace industry. This is an even better story because Del Mar College has the same kind of workforce training partnership that I described a moment ago in Amarillo but this time in Corpus Christi. This is a workforce development program which Del Mar has entered into at the Corpus Christi Depot. The Corpus Christi Depot, for those who don't know, is the place where the military refurbishes and refits the military helicopters that are damaged through use in the conflicts in Afghanistan and Iraq. We have a wonderful training program there through the same kind of partnership I mentioned a moment ago, which is creating a better way of life and a better opportunity for many workers there—and also, in a patriotic fashion, supporting our effort in the global war on terror.

As you can tell, I have been a long advocate of these initiatives. I have taken the opportunity to visit these community colleges all across my State, in cities such as Austin, Houston, Pasadena, Laredo, Beaumont, Sherman, El Paso, Lubbock, and Victoria, to highlight the very thing I am talking about here on the floor of the Senate today. So I hope that as we move forward, we will not forget about the great promises community colleges hold in terms of workforce training and look to maybe setting our sights a little bit higher than we have been last week and this week in talking about minimum wage, when we ought to talk about how we can prepare people to earn much higher wages and, frankly, wages and jobs that go wanting for lack of a trained workforce.

Just this last week, the National Journal highlighted community colleges as a true American success story. They have offered occupational skills training for decades and will continue to lead the effort to stimulate industry and job growth. This article says:

> Bridging the gaps between high schools and four-year institutions and between employers and workers, two-year community colleges will help determine how America fares in the global economic competition.

So I say it again, Mr. President: We should aspire to much more for the workforce in America, for the American worker, than just the minimum wage. Education and workforce training are the way forward to both increase the quality of life for more workers and provide a way for them to achieve their dreams.

Mr. President, I yield the floor.

EXHIBIT 1

RAISING QUESTIONS

MANY EMPLOYERS UNSURE ABOUT POSSIBLE RISE IN MINIMUM WAGE

(By Matt Whittaker)

BROWNSVILLE.—Restaurant owner Belinda Campirano is torn when asked to weigh in on what Congress should do about raising the minimum wage to $7.25 an hour from $5.15, where it has been for a decade.

She has only one $6-an-hour employee at Media Luna, the Brownsville eatery I she and her sister own. Still, a mandated wage increase would put a dent in her budget, she said.

But she empathizes with those supporting their families on service industry wages. Her employee, who has a child and is married to a waitress, sometimes works an extra job at another restaurant to help make ends meet.

''I'm kind of sitting on the fence on it,'' Campirano said of the minimum wage. ''I do believe we need to up it, but it is going to impact small businesses. As an employer, it would be tough for me if I had more employees.''

Of 5.5 million hourly workers in Texas, 176,000 earned at or below $5.15 an hour in 2005, according to Labor Department data. The liberal Economic Policy Institute, a Washington, D.C., think tank in favor of increasing the nation's base pay, estimates 863,000 Texas workers would be directly affected by a federal minimum wage increase to $7.25 an hour.

More workers would be affected in the Rio Grande Valley than in other parts of the country because the area has lower wages, said José A. Pagán, a labor economist at the University of Texas-Pan American in Edinburg. In the second quarter of 2006, Cameron County had the lowest average weekly wages in the nation, at $484. Hidalgo County followed at $494 a week.

On Jan. 10, the U.S. House passed a measure that would increase the minimum wage to $7.25 in three stages over more than two years. Passage of a companion bill introduced in the Senate could hinge on tax breaks for businesses.

The bill is expected to be brought up in the Senate this week, and U.S. Sens. Kay Bailey Hutchison and John Cornyn, both Texas Republicans, support an increase if it is coupled with tax help for small businesses.

Proponents of the increase say it is a long overdue raise for U.S. workers. A memorandum from the Economic Policy Institute said business owners have received tax cuts since 1997 (when the last minimum wage increase took effect), ''while minimum wage workers have been kept waiting at the back of the line.''

Opponents of a minimum wage increase say it would hurt small businesses and the working poor alike and increase unemployment.

''It's a bad thing for any area,'' said Jill Jenkins, chief economist at the conservative Employment Policies Institute, a Washington, D.C., think tank that opposes a minimum wage increase.

EVERY LITTLE BIT HELPS

Jenkins says only a fraction of the benefits of such a boost would go to the working poor. And if they earned more, some could lose benefits like the earned income tax credit, food stamps and housing.

In extreme cases, some people could be worse off earning $7.25 an hour than earning $5.15 an hour and getting the tax credit, she said.

''It does cause job losses,'' Jenkins said. ''The unemployment rates will go up.''

That's because some firms will not hire as many workers as labor costs go up, said Pagán, the UTPA labor economist. Higher wages will attract more people to look for jobs, also contributing to higher unemployment rates.

Raising the minimum wage could, in theory, make undocumented workers more attractive hires for employers looking to save on labor costs, Pagán said. But many illegal workers already are in formal sectors, getting paid the same as everyone else.

Some politicians and business owners are not strenuously opposing a minimum wage increase, he said; salaries for most workers already are higher than $5.15 an hour because it has been so long since the last national raise.

''The impact of all of this is fairly minimal,'' Pagán said. ''It's mostly symbolic or political more than anything else.''

Past increases in the minimum wage affected more workers, he said.

The last time the minimum wage went up, some businesses feared it would hurt, said Dalia Rodriguez, director for corporate communications at Edinburg-based WorkFORCE Solutions, which is funded by the state's employer and labor agency.

''There was some effect but not what we thought it was going to be,'' she said.

Nationally, there are some concerns about labor costs from the small business community, said Sofia Hernandez, chief executive of the Southwest Community Investment Corp., which oversees the Small Business Administration-funded Women's Business Center in McAllen. But she hasn't heard of any such fears locally.

''It's important to the economy to have people earning more, but I know on the business side it's a cost,'' she said. ''So you have to balance those two issues.''

As far as students at the University of Texas-Brownsville/Texas Southmost College who are paying for an education with minimum wage work-study jobs are concerned, Congress should raise the Nation's base pay.

One, Ilianna Garza, a 19-year-old freshman biology student, has been working 20 hours a week at the university's news and information department since October. She earns $5.15 an hour and says a raise would help her pay for books, gas and clothes and save for the next semester.

''Every little bit helps, especially when you have to put yourself through school,'' she said.

At Media Luna restaurant in Brownsville, Campirano contemplates how a higher Federal minimum wage would affect her business and sole employee. Depending on whether tax breaks are included in the proposed wage increase bill, paying her worker more might mean taking money from her advertising budget or upping the cost of a sandwich 20 cents.

''You don't want to raise prices because that's going to deter people from coming to your establishment, but it's got to come from somewhere,'' she said.

On the other hand, ''There's no way anyone can live on $5.15.''

EXHIBIT 2

[From the Washington Post, Jan. 10, 2007]

LIFE AT $7.25 AN HOUR

AS HOUSE PREPARES TO VOTE ON MINIMUM-WAGE INCREASE, ISSUE IS COMPLEX FOR THOSE WHO EARN, OR PAY, THAT AMOUNT

(By David Finkel)

ATCHISON, KAN.—It was payday. Money, at last. Twenty-two-year-old Robert Iles wanted to celebrate. ''Tonight, chimichangas!'' he announced.

He was on his way out of the store where his full-time job pays him $7.25 an hour—the rate that is likely to become the nation's new minimum wage. Life at $7.25: This is the life of Robert Iles, and with $70 in a wallet that had been empty that morning, he headed to a grocery store where for $4.98 he bought not only 10 chimichangas but two burritos as well.

From there he stopped at a convenience store, where for $16.70 he filled the gas tank of the car he purchased when he got his raise to $7.25; then he went to another grocery store, where he got a $21.78 money order to pay down some bills, including $8,000 in medical bills from the day he accidentally sliced open several fingers with a knife while trying to cut a tomato; and then he headed toward the family trailer 19 miles away, where his parents were waiting for dinner.

Today in Washington, the House is scheduled to vote on whether to increase the federal minimum wage from $5.15 to $7.25. Passage is expected, with Senate approval soon to follow, and if President Bush signs the resulting bill into law, as he indicated he would, the U.S. minimum wage would rise for the first time since 1997, ending a debate about whether such a raise would be good or bad for the economy.

But even if the matter is settled in Congress, it isn't settled at all in Atchison, and Robert Iles's drive home is proof. Every stop he made on his ride home revealed a different facet of how complicated the minimum wage can be in the parts of America where, instead of a debatable issue, it is a way of life.

At the store where Iles works, for instance, the owner thinks the minimum wage should be increased as a moral issue but worries about which employees' hours he will have to cut to compensate.

At the store where he bought the chimichangas, the cashier who makes $6.25 worries that a raise will force her out of her subsidized apartment and onto the street.

At the convenience store where he bought gas, the owner worries that he will have to either raise prices, angering his customers, or make less money, ''and why would I want to make less money?''

At the store where he got the money order, the worries are about Wal-Mart, which not only supports an increase but also built a Supercenter on the edge of town that has been sucking up customers since it opened three years ago.

As for Iles—who keeps $70 out of every paycheck to cover two weeks' worth of food and gas and in a matter of minutes was already down to $26.54—his worry was as basic as how fast to drive home.

Drive too fast and he'd be wasting gas. But his family was waiting. And his chimichangas, best cooked frozen, were starting to thaw.

THE MEANING OF A DOLLAR

The debate about the minimum wage usually comes down to jobs. If Congress approves the increase, it will result in raises for an estimated 13 million Americans, or about 9 percent of the total workforce. That's a percentage that most economists agree would cause a modest increase in national unemployment. In Kansas, however, ''it would have a fairly significant impact,'' said Beth Martino, a spokeswoman for the state Department of Labor. According to one independent analysis, 16 percent of the workforce, or 237,000 workers, would be affected—and that doesn't include the 20,000 whose wages aren't governed by the federal Fair Labor Standards Act and earn the state minimum wage of $2.65. That rate, the lowest in the nation and unchanged since 1988, hints at the prevailing wisdom in Kansas about the minimum wage, which is that the only way low-wage earners will make more is through congressional action.

This holds true from Topeka, where the powerful Kansas Chamber of Commerce has long opposed any raise, to rural Mulvane, home of Republican state legislator Ted Powers, who says his futile effort three years ago to raise the state minimum wage resulted in his being branded a ''dirty dog,'' to Atchison, a working-class city of 11,000 where the stores that depend on low-wage workers include one called ''Wow Only $1.00!'' This is the store where Robert Iles has worked for five years.

''Robert, would you help me a second?'' Jack Bower, the owner, called to Iles soon after opening, as the line at the cash register grew. A onetime Wal-Mart vice president, Bower moved back to Atchison several years ago to teach and ended up buying the old J.C. Penney store, and now runs a business where the meaning of a dollar is displayed on shelf after shelf. The jar of Peter Piper's Hot Dog Relish? That's what a dollar is worth. The Wolfgang Puck Odor Eliminator that a customer was looking at as she said to a friend, ''I just don't know how I'm ever going to make it. My ex-husband's not paying his child support''? That's a dollar, too, as is the home pregnancy test, the most shoplifted item in the store.

''This is not a wealthy community,'' Bower explained. ''The thing is, a lot of people depend on this store.''

Robert Iles has his own version of a dollar's meaning, learned last February when Bower took him aside and said he would be getting a pay raise to $7.25. ''Okay,'' Iles remembers replying, wanting to seem businesslike. ''But inside I was doing the cha-cha-cha,'' he said. ''It was like going from lower class to lower middle class.''

Soon after, he bought his car, a used 2005 Dodge Neon, and just about every workday since then he has spent his lunch break in the driver's seat, eating a bologna sandwich with the engine off to save gas, even in winter. An hour later, he was back behind the cash register, telling customers ''Thank you and have a nice day'' again and again.

And meanwhile, Jack Bower wondered whose hours he will cut if he has to give his employees a raise.

It's not that he's against raising the minimum wage—''I don't think $5.15 is adequate,'' he said, adding that $7.25 seems fair—but his profit margin is thin, and wages are his biggest controllable expense. So if wages go up, he said, hours will have to come down, and the question will become: Whose?

Will it be Neil Simpson, 66, who works six hours a day as a stockman, and then five more hours somewhere else cleaning floors, and takes care of a wife who is blind and arthritic?

Will it be Susan Irons, 57, who was infected with hepatitis C from a blood transfusion, is on a waiting list for a liver transplant and needs more hours rather than fewer?

Will it be Christina Lux, who is 22 years old and 13 weeks pregnant?

Will it be Iles?

''Attention, all shoppers,'' he said into the microphone. ''We will be closing in 10 minutes. Please begin making your final selections.'' Ten minutes later, he was clocked out and back in his Neon. ''My brand-new car,'' he called it proudly, and he explained how he was able to afford it on $7.25 an hour: a no-money-down loan for which he will pay $313.13 a month until 2012.

SMALL BUSINESS ''AT BOTTOM''

Seven dollars and twenty-five cents an hour equals $15,080 per year, and out of that comes $313 for the car loan and $100 for car insurance, lies said, going over his monthly

bills. An additional $90 for the 1995 car with 135,000 miles on it that he is buying from a friend for his mother, $150 for the family phone bills, $35 on his credit card, $100 for gas, $100 toward the mortgage on the trailer. ''That's about it. Oh yeah, $20 in doctors'' bills,'' he said, and totaled it up on fingers scarred by surgical stitches. Nine hundred and eight dollars. ''I bring home 900 a month,'' he said. ''So I very rarely have any money for myself.''

He parked in front of a store called Always Low Prices, which has the cheapest chimichangas in town.

Once it was a full-service grocery store with 28 employees. Then came word that Wal-Mart was looking for land for a Supercenter, and now it has become a bare-bones operation where the starting pay for its few employees is $5.50, and the manager wonders how the store will survive if wages increase.

''We're at the bottom. If the minimum wage went up, I don't know how we would make the cuts to cover it,'' Michelle Henry said. The lone salaried employee, she works 80 hours a week to make up for the lack of workers. ''I have mixed feelings,'' she continued. ''I know that people can't afford to live on $5.15 an hour. But on the business side, small businesses can't afford to pay it.''

At the register, meanwhile, Shannon Wilk, 33, who makes $6.25 an hour, said that of course she would like to earn more money. It would help her. It would help her 18–month-old daughter. ''It would be good,'' she said, ''but also, for me, I live in income-based housing, and if I get a raise, my rent would go up, and I would lose my assistance.'' Even the tiniest raise would affect her, she said, and with nowhere to go, the last thing she can afford is a raise to $7.25.

In such an equation, the fact that she was working in Kansas was to her benefit. Atchison sits on the Kansas-Missouri border, and if Wilk worked a few hundred yards to the east, she would already be in jeopardy: In November, Missouri voters supported a ballot initiative increasing the state's minimum wage to $6.50, with an annual adjustment for inflation. Five other states had similar votes, with similar results, bringing to 29 the number that now require an hourly wage above the federal minimum. In the District the minimum is $7, in Maryland it's $6.15, and in Virginia it's $5.15.

Such is the arbitrariness of state-by-state minimum wage laws that Wilk feels lucky to be in Kansas making $6.25 an hour while inside at the first grocery store across the Missouri state line, the cashier was ecstatic that she was in a place where her pay was going from $6.20 to $6.50, explaining, ''That's 30 cents more I ain't got.''

Iles handed over a $10 bill for his 10 chimichangas and two burritos. He stuffed the change deep in his pocket, and headed next to a convenience store owned by a man named Bill Murphy, who said that if he had the chance to talk to new House Speaker Nancy Pelosi, he would ask one question. ''Where does she think the money will come from? And that is the question,'' he said. ''My wages are going to go up 10 percent''

Unlike Jack Bower, who would compensate by cutting hours, Murphy said that in his two convenience stores there are no hours to cut. ''I'm going to have to raise my prices,'' he said—not only because his workers who make less than the new minimum wage would get raises but also because those who earn more would insist on raises as well. Employees at $7.25 will want $8.25. Those at $8.25 will want $9.25.

Economists classify such workers as the ones who would be indirectly affected by a minimum-wage increase. Of the estimated 13 million workers expected to get raises, 7.4 million are in that category. ''You've created this entitlement,'' Murphy said he would tell Pelosi.

And yet he will pay it, he said, and compensate with price increases, which he worries will be inflationary, even though most economists say that won't happen. He will raise prices, he continued, because the only other option would be to earn less money, which he doesn't want to do because he owes $1.5 million on his businesses and wouldn't want to default

''Now that might be a stretch in some people's minds, from giving a guy a raise to not being able to pay the bank, but that's the path I'm talking about,'' he said. Against such a dire backdrop, Iles put $17 worth of gas in his car.

''That'll be $16.70,'' the clerk said to him, and instead of correcting this, Iles gladly took the change.

Thirty cents, suddenly got.

THE WAL-MART FACTOR

Iles drove past the Atchison Inn, where starting pay is $5.15, past Movie Gallery, where it's also $5.15, and stopped in front of Country Mart, the fanciest grocery store in town, where high school students start at $5.15 and, according to owner Dennis Garrett, ''some of them aren't worth that.''

A few days earlier, Garrett had gotten a letter from a lobbying consortium called the Coalition for Job Opportunities, urging him to write Congress to protest the minimum-wage increase. It came in the form of a letter already written, to which he merely had to add his congressman's name and send it off to Washington.

''We are very concerned,'' the letter began, and it was signed by 25 organizations.

The most conspicuous signature, though, was the one that wasn't there, that of Wal-Mart, the nation's largest private employer, with 1.3 million workers. Wal-Mart won't say how many of those workers earn less than what the new minimum wage would be, but if the Atchison store is an example, starting pay is $6 an hour.

Nonetheless, in October 2005, Wal-Mart chief executive H. Lee Scott Jr. said in a speech that the ''U.S. minimum wage of $5.15 an hour has not been raised in nearly a decade, and we believe it is out of date with the times.'' He went on to say, ''Our customers simply don't have the money to buy basic necessities between paychecks.''

When it comes to Wal-Mart, however, just about any announcement that affects public policy is greeted with suspicion, and that has been the case with the minimum wage. Some have said that Wal-Mart, in need of good publicity, is supporting an increase for public relations reasons; others have declared it an attempt to drive small, independently owned stores out of business.

These suspicions exist in Atchison as well. As in many small communities, Wal-Mart defines local retail, and just as Always Low Prices had to retool itself, Country Mart was significantly affected by Wal-Mart's new food-stocked Supercenter several miles away.

What is Wal-Mart up to? What are its true motives? Like many others, Dennis Garrett wonders. He imagines public relations is part of it, but he didn't want to speculate on whether this was an attempt to put him out of business, except to say that raising some wages wouldn't do that. He'd reduce some hours, he said. He'd manage.

Yes, Atchison businesses would be hurt initially, but in the long run, if unemployment increases, those hurt the most would be the very ones Wal-Mart insists would be helped—the customers, especially the younger ones, ''the people who don't advance their education and need a job between the ages of 16 and 21, 22, 23.''

In other words, many of the workers in Atchison, one of whom was now at Garrett's service counter buying a money order so he could pay bills. Even though Iles has a checking account, this is the method he prefers because if he were to pay by check, and the check were to bounce because of insufficient funds, the penalty would be devastating. A $25 fee would require more than three hours of work.

And where would those hours come from?

''It's Tough for Me''

So go the calculations of a $7.25 worker, now headed home.

''It's an old trailer,'' he explained earlier in the day.

The heat doesn't work, he said, and the water heater works sporadically.

One of the bedroom ceilings is caving in. He sleeps in the other bedroom, and his parents sleep in the living room because his father, who has diabetes and had to have several inches of one of his feet amputated, can't really get around.

Also, his father has leukemia. And is legally blind. And his mother, who once made $6.50 an hour as an aide at a nursing home, quit to take care of her husband.

''We're pretty much living off my money,'' Iles said, and in he went to cook them dinner, bring payday to an end and, the next morning, start the cycle again.

Life at $7.25. Should that be the minimum wage?

''Yes,'' Iles said.

Even if it hurts job opportunities for people like him, as Dennis Garrett had suggested?

''Yes.''

Or causes price increases, as Bill Murphy had suggested?

''Yes.''

Or damages businesses such as Always Low Prices?

''I mean, it's tough for me, and I'm already making $7.25 an hour.''

Or causes Jack Bower to reduce hours for one of his employees? Perhaps for Iles himself?

''It's just so hard for people. I mean, it's hard,'' Iles said, and then he went to work.

''I think it'll be bad today,'' one of the workers suggested as the line at the Wow Only $1.00! cash register began to form.

''Well, it depends on your perspective,'' Iles said.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Ms. STABENOW. Mr. President, I ask unanimous consent that Senator DORGAN be recognized to speak for up to 15 minutes, to be followed by Senator MARTINEZ for up to 5 minutes, and then the Senate resume consideration of the Ensign amendment No. 154; that the time for those statements last until 12:20, to be equally divided and controlled by Senators ENSIGN and STABENOW; that at 12:20, the Senate proceed to vote in relation to the Ensign amendment; provided further that no second-degree amendment be in order prior to the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is ordered.

The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I have been listening to my colleagues on this issue of the minimum wage and thinking about a time 70-some years ago that I read about when there was an initiative on the floor of the Congress

dealing with the Fair Labor Standards Act.

The Fair Labor Standards Act, which President Franklin Delano Roosevelt wanted, was considered radical. They said it was going to injure business and there would be trouble in this country. That provision said, on behalf of America's workers, that employers ought to keep time records, ought to pay overtime for over a certain number of hours—the kinds of things you would expect. But once again, the sky was going to fall if this sort of thing was embraced. We have heard this every time we have had something on the floor of the Senate.

My colleagues have talked about initiatives that are important. I think many of these initiatives are important. What about the initiative to help the people at the bottom rung of the economic ladder? It has been almost 10 years since the minimum wage has been increased. Yet it is unbelievable how difficult it is to pull it through this Chamber. The price for pulling it through the Chamber is to add additional tax breaks.

There was a time when in this Chamber we considered tax breaks, saying to the biggest corporations in America that moved many of their jobs overseas: We want to give you the right—the only people in the country—to pay an income tax of 5¼ percent. It will cost us $104 billion in lost revenue to our Treasury, in my calculation. That went through like greased lightning. Did you hear anybody say: If we are going to give a $104 billion tax break to the biggest companies, maybe we ought to help the people at the bottom of the economic ladder. Oh, no, nobody wanted to leverage that because nobody cared about that.

As I have described before, it is like the lyrics of the Bob Willis and the Texas Playboys song; it is the same thing that plays out in every situation. The lyrics are, ''The little bee sucks the blossom and the big bee gets the honey.'' In this case, the big guy gets the money. It is always the case in these debates.

What about a maximum wage? We hear about a minimum wage, and the people at the bottom who have not had a raise for 10 years.

This notion that I have heard all week, which is that this is impacts just a bunch of teenagers, is just not true. This is not a bunch of teenagers. Well over 70 percent of the workers who will benefit from the minimum wage are adults; 60 percent are women; 6.4 million children will benefit because their parents are working for the minimum wage. For a third of them, that is their sole family income. So it is just not true to come to the floor and banter around and say it is just a bunch of teenagers working.

But if we are so concerned about the people at the bottom getting too much, let me make this point to you: Wages and salaries, which is the compensation given to workers in this country, are at their lowest levels as a percentage of GDP since they started keeping score in 1947. They are the lowest since they started keeping score. Now, why is that the case? There is plenty of income in this country, but it is going to others.

I mentioned the maximum wage. Is there a maximum wage? Did anybody rush to the Senate floor to express concern when we read in the paper one morning that the head of Exxon got a $400 million buyout, or $400 million in benefits, as he left his job? That is $150,000 a day in income. What is the minimum wage these days? It is about $40 a day. There is a lot of concern about that on the floor of the Senate. Maybe it will go to $50 a day for the folks at the bottom of the ladder in this economy of ours. Does anybody come over here and say: You know what, when I read that somebody gets $150,000 a day, I am concerned. No, it is just quiet; you can hear a pin drop in the Chamber about the issue of the maximum wages. It is unbelievable.

The other day, $180 million was given to a person who was leaving a company because the company was displeased with his performance. I could spend a couple of hours here talking about those kinds of payouts. Nobody is talking about a maximum wage. I am not here talking about a maximum wage. Why so much concern about a minimum wage for the folks who work at the bottom in this country?

I support expensing for small business investments in equipment and machinery, but why is this bill being held hostage for that sort of thing? I voted for that in other circumstances and will again. Why is it so hard to pull a minimum wage through this Chamber? It is really pretty bizarre.

You know, I have watched people work in circumstances that are very difficult. We have a lot of people who work two and three jobs and work very hard. One day, I talked to a woman who was an unbelievable success story. She was working for very little money at the bottom of the ladder, cleaning toilets and the hallways of a very small college—a single mother with four kids, working right at the bottom. She thought: You know, somehow, some day, I want to graduate from this college. I was there when she did. I was a speaker at the commencement. She was 42 years old and had four kids. She was wearing a cap and a gown and a smile, and she did it because we cared enough for Pell grants and the kinds of things that can give someone hope.

The fact is that people who work at the bottom of the economic ladder for minimum wage have been lost and forgotten, particularly here. They are the people who make the beds in the hotels in which we sleep. They are the people who serve the food at the fast food places we frequent. They are people who work hard. They want an opportunity and a chance. After 10 years, this bill isn't a major policy change; this is an obligation this Congress has had for years, which it has ignored. Now we bring it to the floor of the Senate, and we are told that the price for this is additional tax breaks. The only way you will help somebody at the bottom after 10 years is to give additional tax breaks.

Go back and look at the tax breaks that have been given. I just mentioned one, by the way—a 5¼ percent income tax rate. There is no one listening to this debate who is paying 5¼ percent. Everyone is paying more than that. But the biggest corporations in America got to pay 5¼ percent on income they earned overseas in plants where often they sent American jobs. They get to pay 5¼ percent on income they earn there. That is the break they get. Nobody else gets that. That went through here very easily. Nobody is going to hold that hostage; my gosh, that benefits the folks at the top.

Let me make one other point that I think is important. The very people who are opposed to a minimum wage—George Will says the minimum wage ought to be zero, by the way. That is all right for him because he is not earning the minimum wage. But the very people in this Chamber who are opposed to a minimum wage, if you go back and check the votes, are the ones who have voted for a tax incentive or tax break for the companies that ship their jobs overseas.

That is easy to track, by the way, because we have had four votes on that—to shut down that pernicious, unbelievable tax break. We say to a company: Shut your manufacturing plant down, fire your workers, move your production to China, and we will give you a big fat tax break. We have tried to get rid of that four times, and four times we have failed.

The same colleagues who are so concerned about helping people at the bottom with a very reasonable adjustment in the minimum wage after 10 years are the very same people who said: We want to continue a tax break to ship American jobs overseas.

I am just telling you that everybody has a right to their opinion, and I will respect it. But I certainly have a right to say I believe it is wrong. I believe it is bad policy for this country. This economic engine works best when everybody works. There is no social program in this country as important as a good job that pays well. We all understand that. We also understand there are a lot of jobs in this country with substantial downward pressure on income because of this so-called globalization by which the largest enterprises can go find the lowest paid workers anywhere in the world and move their jobs, putting downward pressure on American workers' income. We know what is happening in the workplace.

Let me end as I started, by saying that salaries and wages, which is the income workers in this country get, are at their lowest percentage of our economy since they started keeping score in 1947. It doesn't take a rocket

scientist to interpret that. If the interpretation of that doesn't persuade one that we have an obligation to do something for the people working at the bottom of the economic ladder for the minimum wage, then I don't know what would persuade them.

Finally, this is not about teenagers. No matter how often you say it, that does not make it true.

This is not about teenagers. Over 70 percent of the people on the minimum wage are adults, many of them with children, 60 percent of them women, a third of them working as their only job and their only income for their family. Those are the facts.

There is one other fact that is certain. There is no one in this Chamber—no one in this Chamber—who puts on a dark suit in the morning and goes to work for a minimum wage. No one in this Chamber understands the requirement to work for a minimum wage at two or three jobs to try to keep your family going. But there are a lot of people in this country who do understand, and they wake up every morning hoping and praying that somehow they will get a fair break and get a fair wage.

Productivity is going up in this country, and we are blessed by that. But the income for workers who have become more productive has lagged way behind. And I wonder why. I guess we know the answer. This country is a better country if we understand that the share of wealth and the share of income in this country ought to go to those who deserve it. And if American workers are much, much, much more productive—and they have been—then they also deserve a fair share of this country's income. That has always been the case.

In the last century, the kinds of things we have done to make this a better place in which to work—safe workplace, child labor, minimum wage, the right to organize, and a range of issues—have strengthened this country and made this a better country.

This legislation that we are considering today is also legislation that will strengthen this country and do the right thing.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

AMENDMENT NO. 105

Mr. MARTINEZ. Mr. President, the amendment that I called up earlier, amendment No. 105, is one that touches on a little different issue. I had hoped there would be a bipartisan consensus base. It involves children and youth in our foster care system. Inconsistencies in our Federal wage laws, coupled with increases in the minimum wage, are financially crippling nonprofit organizations and institutions that make up a necessary part of our communities' support systems for the most vulnerable in our society—the children.

More than 500,000 children are in America's foster care system at any given time because their own families are in crisis or unable to provide for their essential well-being—most because they have been subject to abuse and neglect. Thankfully, most are able to be placed with individual caring families. But for children without a suitable or available foster family, they are placed in one of the many group homes associated with our foster care system.

Many of these group homes are specially tailored with the specific needs of foster care children, offering unique programs and onsite education to help heal the emotional scarring they have experienced.

These homes—often run by private, nonprofit organizations—are dedicated to providing residential care and treatment for the so-called orphans of the living, and they have long been a vital part of the social service networks in America's communities.

An essential component of the foster care network is the presence of caring parents in a family-like situation. And as in traditional parenting, the house parents of group foster homes seek to provide the same love, care, and supervision of a traditional family for the five to eight children who reside with them.

House parents volunteer to permanently reside at a group home in order to create a family-like environment for those without a true sense of home, one that offers a structured atmosphere where these most vulnerable youth can heal, grow, and become productive members of society.

Foster care alumni studies show us that it is the consistent and lifelong connection of caring foster parents that plays the biggest role in helping foster children transition into society.

However, our current laws are working against this cause, forcing group homes to move away from what they know is best for the children and preventing them from providing the most consistent care. These youth so desperately need the stability that a family-like situation can provide, and that is what my amendment seeks to address.

Traditionally, in addition to a modest, fixed salary, house parents have received food, lodging, insurance, and transportation free of charge. In 1974, Congress recognized and confirmed the unique role house parents serve when it passed the Hershey exemption. This amended the Fair Labor Standards Act to preserve the appropriate method of compensation for house parents and allowed the lodging and food provided them to be considered when determining an appropriate salary for married house parents serving with their spouse at nonprofit educational institutions.

Through this exemption, Congress supplied a way for these vital social services to continue to be provided by nonprofit organizations in a way that is cost-effective and at the same time appropriate and meaningful to both the children and the house parents.

However, since the addition of this exemption, the demographics of America and of America's foster children have changed. Research now shows that due to the negative experiences some youth have faced, they may find a better environment for growth and healing in having a single house parent of the same sex. Our labor standards for these group homes have not kept pace with the ever-changing needs of these children.

Because the Hershey exemption was only extended to married couples, group homes are now forced to choose between what is cheaper and what is best for the children. Unfortunately, the financial realities of the situation place these facilities in a compromising situation.

You see, when a group home employs a single house parent for a home, they are required to pay them as an hourly employee, whereas married house parents serving together are allowed to be paid as salaried employees.

As a result, it costs a facility in Florida more than $74,000 annually at the current minimum wage rate to provide a full-time single house parent using the traditional live-in model.

In response, most facilities have resorted to teams of house parents who work in 8-to-12-hour shifts just to avoid the additional cost of overtime pay. Yet even this team model is pricey and means tough coordination and inconsistencies in care for these children. It also destroys the family-like arrangement of the home.

If the minimum wage bill, to which I am offering this amendment, passes, it would cost facilities across the United States in excess of $84,000 annually to house and employ a single, full-time house parent in a foster care or educational group home. However, if it were a married couple serving in the same environment, it would only require minimum wage guidelines be met.

Can you see, Mr. President, how this inconsistency in our labor laws is, and will continue to be, crippling for the private, nonprofit facilities?

In order to enable group homes to provide the most appropriate and consistent care for foster and emotionally scarred youth, my amendment will extend the Hershey exemption to single house parents, allowing them to be treated as salaried employees when free lodge and board are provided.

Voting in favor of my amendment will enable private, nonprofit group homes to continue providing these vital services for our communities with a stronger atmosphere of love and growth for the children.

Voting against this amendment—that is, allowing it not to be adopted—will mean that the already heavy financial burden for these facilities will continue to grow. Homes will be forced to close or have to scale back on the number of children they can help.

To vote against this amendment—or to not allow it to be adopted—is to

turn children out on the street at a time when they need us most.

As a loving parent and grandparent, I want what is best for my children. I want to make sure they have whatever they need to overcome all the obstacles life may throw at them. And I also know what it means to be a foster child.

Mr. President, I ask unanimous consent for 1 additional minute in which to conclude my remarks.

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

Mr. MARTINEZ. Mr. President, I conclude with this. I had the experience in life of being a child in foster care for 4 years. I was fortunate to have had two different loving families that cared for me. During that time, I also had the benefit of two parents working to help me. I have maintained, until their deaths, relationships with three of these four loving foster parents, and one of them today struggles for life in a hospital in Tampa, FL, Eileen Young. I pray for her speedy recovery.

However, these people made a difference in my life at a time when it mattered. I hope we are not going to deny today those children who need that care of a foster environment to have their lives complicated by what the unintended effect of the minimum wage will be.

I urge the adoption of amendment No. 105 so we can continue this type of loving foster care relationship for the children of Florida and throughout the United States who so desperately need it.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Michigan.

AMENDMENT NO. 154

Ms. STABENOW. Mr. President, not seeing the sponsor of the Ensign amendment in the Chamber, I will proceed to speak on his amendment. I am sure he will be coming to the floor at some point, but I wish to proceed at this point to speak about this amendment because I have great concern about the approach put forward in the Ensign amendment.

My colleague from North Dakota spoke a few moments ago about the challenge we face as it relates to a global economy and whether in America we are going to have an American strategy for everyone to do well, to keep our middle class, to keep opportunity for people who want to work hard to move into the middle class.

This amendment, I believe, falls into that broad category of where are we going to create opportunity; how are we going to make sure everybody has the opportunity to have health care as part of that great American dream.

What I see happening overall is a strategy that has been put in place right now that certainly I do not support and I believe the majority of people in the majority in the Senate do not support. This basically creates a race to the bottom saying to workers: If you only work for less, pay more in health care, and lose your pension, we can be successful. We all know that is a losing strategy because there is always going to be somebody in another country who can work for less, who will work for less.

What we want to do is trade in a global economy, create an opportunity for other countries to move up to our standard of living—fair trade, addressing health care in a way that moves it off business but creates health care for everyone, investing in education, innovation, and opportunity and that great American engine.

I say that as a backdrop because, unfortunately, this amendment on HSAs, health savings accounts, moves us in the opposite direction. Senator ENSIGN's proposal would spend an additional $8 billion on health savings accounts. There is no good evidence that HSAs are successful at expanding coverage or controlling costs. In fact, many believe that HSAs may do the opposite. They make health care coverage less affordable for those who really need it, encouraging healthy people to leave comprehensive health care and go to these kinds of high-deductible plans.

This amendment would permit individually purchased high-deductible policies to be financed with HSA funds, encouraging more healthy people to move to high-deductible policies in the individual market. What does that mean?

We know that HSAs have deductibles of at least $1,000 for an individual and $2,000 for a family. We also know that someone who has a sick child, a disabled child, someone who has high health indicators, health risks, somebody who is a baby boomer or older may not be able choose to have a high-risk policy because they know they are going to need their health insurance, they are going to need comprehensive health care.

So who chooses an HSA? Someone younger, healthy, or wealthier where they can get a better deductible and the $1,000 out of pocket doesn't matter to them. I find it ironic that we would be putting such a proposal on a minimum wage bill.

We certainly know that minimum wage workers are not those who can take the risk of a health savings account and have the confidence that they will have up to $1,000 to put into their health care before their coverage kicks in.

In fact, we know from GAO that for those earning under $30,000 a year, about 16 percent of tax filers have a health savings account contribution, but for those earning $75,000 or above, that is 51 percent of the filings.

Even in that category, though, we also know, according to the Commonwealth Fund, that over 40 percent of people with a $1,000 deductible reported that even though they had a medical problem, they didn't see a doctor. They didn't fill a needed prescription or they skipped a recommended test or followup visit because they didn't want to have to pay directly the full amount for that under this deductible. What happens in that circumstance we all know. Someone waits until they get really sick, so health care costs go up because people didn't get the care they need—the prevention, the tests, and so on.

Mr. President, I ask when I am within 5 minutes of the time for the majority side that the Chair indicate that to me.

The PRESIDING OFFICER. The Chair will so notify the Senator from Michigan.

Ms. STABENOW. We are in a situation now where we have to decide, are we going to continue health insurance for what it should be, which is pooling the risk? The whole idea of insurance is to pool the risk. We want healthy, younger individuals, we want my son and daughter who are healthier and younger, to buy into the same plan that I am buying into, that the Presiding Officer is buying into, that others who are older are buying into, so that we pool that risk. We may not need that health care as frequently as our mom and dad or aunt and uncle or your neighbor or colleague who has a health problem, but their ability to get health coverage is kept at a reasonable cost because the risk is pooled. That is what health insurance is all about.

That is what auto insurance is all about. We don't have auto insurance where we have a pool only for people we know are going to have an accident and those over here whom we know are not. We pool the risk. This particular amendment expands a concept, a proposal that breaks that apart. It basically encourages people who can afford it, or who are going to gamble because they are very healthy, that they are not going to need any kind of health care this coming year. They get a tax benefit. They get to write off a premium for a high-deductible plan as long as it is in the individual market. But someone, in fact, who is likely to be sick or does have children or does have more risk factors or more need to see the doctor doesn't get the same benefit.

That makes absolutely no sense to me. Certainly, when we look at how we, as America, move forward on health care, that moves in the opposite direction from where we need to go, of pooling the risk. We need to be pooling it even further. We need to be creating large pools so we are pooling the risk and lowering the cost, not doing what this talks about.

I appreciate the great pressure we all feel right now to address health care, as we should, as we must. I believe it is the single driving factor for our businesses. I know in the State of Michigan, with many people working in manufacturing, and those people very concerned about the global economy and how we are going to compete, the

question of health care and how we fund health insurance becomes a competitiveness issue. It is costing us jobs, the way we structure the funding of health care. We also know we pay more because of the way we fund it.

Every single time somebody with a high-deductible policy, somebody who knows they have a $1,000 deductible, decides they are getting a little bit sick, if they don't believe they have the money or want to spend the money to go through their insurance plan they are going to go to the emergency room when they are sick. Who pays when that happens? We all pay. The hospital treats them and then they turn around and raise the rates on everybody with insurance. That is how we get a $20 aspirin. That is how we get all these costs that are shifted onto everyone else.

When the Commonwealth Fund says over 40 percent of the people with these kinds of policies don't get their medical problems addressed or skip a doctor or a prescription or recommended test, that means we are talking about individuals who are more likely to be very ill, more likely to walk into that emergency room, more likely to have their costs shifted onto everyone else.

I urge my colleagues not to proceed with this kind of proposal. I thank the chairman of the Finance Committee for his willingness to seriously address the issues of health care. We intend, in the Finance Committee, to have a series of hearings. Our chairman, who is a very thoughtful, thorough individual, I know will be looking at a wide variety of proposals. We need the opportunity to do that. My opposition to this proposal does not mean that I don't believe health care is at the top of the list on priorities. I do. But we need the opportunity to look at all of the ramifications because what we have seen to date is that this kind of proposal moves us in exactly the opposite direction.

We know a number of things that we can do that would take $8 billion and add health insurance for people. We have colleagues—Senator DURBIN and Senator LINCOLN—who have offered a proposal for national pooling of small businesses to be able to buy into systems nationally to be able to lower costs. Other colleagues have proposals as well. We know we are going to have proposals to extend children's health care before us very shortly. Again, I commend our chairman for his commitment to the issue of expanding children's health care to all children. That is an important way for us to be able to spend $8 billion and be able to provide health care to more children, more families, and to lower costs—not raise costs.

Senator SNOWE and I are working on a proposal, with our distinguished friend from Wyoming as well, on health IT. We know we can dramatically save costs and put money back into the provision of health insurance paying for health care by using health information technology. I think a more productive way to spend $8 billion at this point would be to provide tax incentives for our physicians and other private sector providers to be able to help them purchase hardware and software, to be able to do ''e-prescribing,'' to be able to use technology and have all the benefits both from a quality standpoint and saving lives as well as saving dollars.

At this point I would simply say that I believe very strongly that HSAs are the wrong direction in which to go fundamentally. They do not expand who receives health insurance, they do not lower costs, and I believe very strongly that there are other ways to use $8 billion. The Finance Committee, I have every confidence, is going to look at a wide variety of opportunities, including expanding health insurance for children.

Mr. DURBIN. Will the Senator yield for a question?

Ms. STABENOW. I am happy to.

Mr. DURBIN. Most of the analyses of health benefit accounts say they primarily benefit people who are healthy and wealthy, and it seems to me the challenge for health insurance in America is for those in the lower income categories, and particularly those who may be vulnerable from a health situation. It seems putting more money into a plan that helps people who are doing fairly well in comparison to others is not the right investment at this moment.

I wonder if the Senator from Michigan agrees with that.

Ms. STABENOW. I absolutely agree with our distinguished assistant majority leader. Let me say I indicated a moment ago that he has a better proposal himself, and Senator LINCOLN. We know for the majority of people who are not insured, 80 percent of those who are uninsured work for small businesses. I am very excited about the approach that the Senator has proposed in terms of a national pool and a tax credit to help fund it. I think we all are very committed to expanding health care coverage and to doing it the right way.

Mr. DURBIN. If the Senator from Michigan will yield on that point, Senator LINCOLN and I and many others have introduced a bill to help small businesses buy the same kind of health insurance that is available to Members of Congress. If it is good enough for us, it is good enough for America. Some 250 private insurance companies across America sell insurance to Federal employees and to Members of Congress. What we want to do is make that insurance available to small businesses. The $8 billion in this bill could be used to help small businesses pay for the health insurance premiums of lower income employees. Instead of focusing on the healthy and wealthy, we would be focusing on businesses that want to do the right thing and need a helping hand from the Tax Code.

I ask the Senator from Michigan, if we are going to invest money to try to deal with 48 million uninsured and underinsured Americans, wouldn't it be better to expand opportunities for small business than to focus on those among us who are already pretty well off?

Ms. STABENOW. I thank my friend. I couldn't agree more. I think he very eloquently stated what is in front of us. We have 8 billion precious dollars in the middle of a deficit, and we have to be very strategic about where we put our dollars. The proposal for small business pooling is similar to what we receive. I think that is the least we can do for small business, particularly when we know that 80 percent of the people who do not have health insurance are in small businesses.

I thank my colleague. I know colleagues on both sides of the aisle want very much to address this issue of health care. It is a question of how we do it.

The PRESIDING OFFICER. The Senator from Michigan has 5 minutes remaining.

Ms. STABENOW. I ask in closing at the moment that we, at a minimum, withhold on this amendment; that we not proceed on this particular proposal to allow us on the Finance Committee to look at all of the options, to look at the facts, to look at what actually expands coverage, what actually lowers costs, and do this together. This is something we need to do on a bipartisan basis, and I hope we will do this in a very positive way so that when we are spending $8 billion, we know we are getting every single penny of value out of that for people who desperately need health care today.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Can I inquire as to the time remaining? I was under a little different impression on the time to vote, I guess.

The PRESIDING OFFICER. The Senator from Wyoming has 21 minutes. The Senator from Michigan has 4 minutes 20 seconds. The Senator from Wyoming is recognized.

Mr. ENZI. I had hoped that the discussions that are happening on health care would continue to happen and that they would not be a focus of this particular bill. But, again, until we get some assurance that there is going to be a tax package that provides for some of the impact for small business, we will be discussing a variety of topics. I can tell by the amendments that have been put in.

I need to do some clarification on this particular amendment. While I encourage people to keep working across the aisle on a whole variety of proposals, this particular amendment deals with helping to pay premiums for high-deductible plans in the individual market, not in the group market. This is in the individual market. I think everybody who works with health care pretty much agrees that one of the difficulties we have with health care is that primarily the premiums are paid

for by companies that get a huge tax deduction for doing that. When the premiums are paid for that way, the insurance is paid for that way, there isn't nearly as much responsibility on the part of the individual to see that they are getting the best care at the lowest cost. It has allowed the system to blossom and grow.

But this particular amendment deals with the individual nongroup market. At the present time, while we allow companies to deduct anything they put in for premiums, we don't allow individuals to do that. We do allow individuals to buy health savings accounts. That means they pay a premium for a high deductible, which helps to bring down that premium and puts people in a market that they could not have been in before. But the part that they get the deduction on is the part that covers the deductible, the high deductible. They can put that in a savings account, and they can actually roll that over from year to year if they don't have to use the deductible on it. But nobody helps them with the tax on their premium.

For most people it is the premium that is the biggest cost. For individuals it is the premium that is the biggest cost. If they work for a company that provides insurance, they don't have that cost. But if they are an individual, they get taxed on the money they pay to pay their premium.

What this amendment is suggesting is that we need to level the field a little bit, and while they are paying a smaller premium on a high deductible and allowed to deduct the portion that would be the deductible, if they put that in a savings account, allowing them to take part of that savings account and pay it for the premium so that their premium would also be deductible.

I don't know where the $8 billion comes from. There is not a formal score on this, but there is a 2006 informal opinion from the Treasury staff. It indicates that the cost is probably going to be about $50 million over 5 years, which is pretty modest compared even to the cost of other proposals for HSA expansion. The intent and effect would be to make this HSA high-deductible option more easily available and affordable outside of the employment context.

We have to admit, if it is an individual buying the policy, it is the most portable there is in the United States. We also talked about the need for portability. When someone loses their job there are some ways they can still get insurance, but that runs out. But if you have a health savings account, that is completely portable. It goes with you. The whole works goes with you.

There are some small businesses that have been taking advantage of this and paying the premium for their employees and then paying a portion of the deductible that goes into a savings account. They found that this is the only mechanism by which they could afford insurance for their employees. So we are not even talking about those folks because this is about ones in the individual market, which limits it considerably.

Everyone recognizes the difficulties with health care costs and obtaining health care coverage in the United States, and real solutions to this growing problem has to allow individuals and families to make decisions based on their unique health care needs too. We can't just limit health care to those who work for particularly big corporations who, also, are having problems being able to fund the insurance they are buying for their people. The cost is dramatically escalating in the health care area. I think it is the No. 1 concern of people across the United States.

We have a lot of proposals that will help to bring down or at least stabilize those costs. I appreciate the help we have had from people on both sides of the aisle in coming up with those proposals. A lot of times we have agreed on principle and now we are trying to get down to details and the detail is always the tough part, but I think we can make some progress.

I am for choices. I am for individuals and families having more options for obtaining health care insurance. I think more options help to bring down the cost; it is a competition factor. For that reason, I support Senator ENSIGN's amendment to provide more choices to allow individuals and families who work—not the ones working for companies where the company is getting a tax deduction to buy their insurance. This is for the individuals and families so they will have additional options for obtaining health care coverage, especially when the employer does not provide adequate options for health insurance. Senator ENSIGN's amendment does that. It provides more choices by allowing individuals without employer-based health coverage to use funds from their health savings to pay for their high-deductible health plan premiums. Right now they only get to use the money they have in savings to take care of deductibles. We would like for them to be able to take care of some of the premiums, too, which takes some of the pressure off that end, and since most people in the country already get that benefit through their company, which gets the tax deduction, we thought it would be nice if individuals had that too.

I think this is a modest proposal, with an estimated score of $50 million over 5 years. There will not be a lot of people who will take advantage of it, but there will be some people who will take advantage of it, and it will provide additional options for individuals and families without employer-based health coverage.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. OBAMA). The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I am wondering whether my friend from Michigan would yield me the last 4 minutes.

Ms. STABENOW. I am happy to yield the balance of the time to the Senator from Massachusetts, the chairman of the committee.

Mr. KENNEDY. Mr. President, this amendment does nothing to help working families, especially those earning the minimum wage. It is a travesty that we are debating more tax breaks for the wealthy who use health savings accounts as another way to shelter their income when we should be talking about a long overdue pay increase for working families.

The real-world impact of this amendment is one more tax break that makes health savings accounts, already the most tax-preferred accounts in history, even more alluring to those who are healthy and wealthy. It seems my colleagues on the other side of the aisle have yet to run out of more sweeteners for wealthy health savings account holders.

We shouldn't spend another dime on health savings accounts. At the same time, there is no money—no money—for health care for children of those who are poor or frail, there is no limit to the money they want to spend for new tax breaks for the wealthy.

Health savings accounts don't work for working families. A minimum wage worker who works 40 hours a week, 52 weeks of the year, makes $10,712. The deductible for a high-deductible family plan can be as much as $11,000—more than the worker makes in a year. And that is just the deductible, that doesn't even include the premiums.

These accounts are no solution for working families who are uninsured or underinsured. A recent survey by the Commonwealth Fund found that compared with those with traditional comprehensive insurance, families using high-deductible health plans with health savings accounts were less than half as likely to have been uninsured before being covered by their current plan. Instead, those opening health savings accounts are more likely to be healthy and wealthy and switching to a health savings account to take advantage of tax breaks. Do we understand? Do we understand the growth in the health savings are for people who are already insured? This doesn't do anything for workers, let alone minimum wage workers. Why does the increase in the minimum wage have to be—have to carry the burden of providing a tax break for the wealthiest individuals in this country? Why don't we put this on some other program? Why is it the hardest working Americans at the lowest end of the economic ladder have to be out there and to have a sweetener for the wealthiest individuals? Why is it, Mr. President? That is what this amendment is all about.

The GAO found the average income of those using health savings accounts was $133,000—three times that of all tax filers. That is the average income of use. We are trying to get an increase in

the minimum wage from $5.15 to $7.25, and our friends on the other side want to have a tax break for those whose average income is $133,000. We know our Republican friends are opposed to an increase in the minimum wage. Isn't a vote against it enough? Do you have such disdain for hard-working Americans who are earning the minimum wage that you have to file these kinds of amendments? Put it on your tax extenders. That is what the health savings accounts were on before. Put it on that. Why take it out on hard-working Americans who are at the lower end of the economic ladder?

These plans don't work for working families because the high out-of-pocket costs associated with the high-deductible plan leaves these families at great financial risk. It's no wonder that over half of all bankruptcies in America are caused by patients unable to pay their medical bills.

Of those who go bankrupt due to medical expenses, 75 percent had health insurance but found it didn't cover the care they needed when they got sick. Health savings accounts contribute to this, with those who are in high-deductible health plans with the accounts twice as likely to spend 5 percent or more of their income on medical costs and twice as likely to delay or avoid needed health care as those with traditional health plans.

The large majority of low- and moderate-income working families who are given no choice but a high-deductible plan can't afford to fund a health savings account. And many employers don't contribute to their employee's accounts, and if they do, the contributions are well below the funds needed to meet the high deductible.

While more than half of those with incomes above $50,000 contribute $1,000 or more annually to their accounts, more than two-thirds of those with lower incomes contribute less than $1,000, and more than one-quarter are unable to contribute any money to their account.

Even if they manage to come up with money to put into their account, those with lower incomes are disadvantaged because of the regressiveness of the tax code. A family of four earning $20,000 who manages to scrape together $1,000 gets no tax advantage for their contribution, while a family earning $120,000 gets a $310 tax reduction.

The inequity only increases with higher contributions. In the unlikely event that a family earning $20,000 was able to contribute $5,450, last year's maximum contribution, would still get no tax advantage for their contribution, while a family earning $120,000 would receive a tax break of $1,667.

It's no surprise that a study late last year by the Government Accountability Office found that health savings accounts were being disproportionately used by those with high incomes. The GAO found that the average income of those using health savings accounts was $133,000, almost three times that of all tax filers. And account holders in a health savings account focus group acknowledged that many were using their health savings accounts to shelter income.

Finally, the GAO noted that:

> when individuals are given a choice between HSA-eligible and traditional plans . . . HSA-eligible plans may attract healthier individuals who use less health care or, as we found, higher-income individuals with the means to pay higher deductibles and the desire to accrue tax-free savings.

The adverse selection that would result will raise premiums for working families in traditional plans, increasing the likelihood they will join the ranks of the uninsured.

I urge my colleagues to vote against this amendment. Promoting health savings accounts is bad health policy, it is bad tax policy, and it does nothing to help low- and moderate-income working families.

Mr. President, I yield the floor.

Mr. ENZI. Mr. President, I yield the remainder of the time to the Senator from Nevada.

Mr. ENSIGN. Mr. President, we are debating about whether to raise the Federal minimum wage in our country. I think that people on both sides of the aisle have agreed that it is time to raise the minimum wage in this country. But health care is an important issue, and ensuring that health care is more affordable, available, and accessible affects a lot more people in the United States than does the minimum wage. So at the same time we are helping some in our society, shouldn't we be looking at ways to help many more Americans obtain health care that is accessible, affordable, and available?

Our health care system does not work to keep costs down and quality up because the people who actually receive health care services are not responsible for paying for the services. The vast majority of people receive health care through their employer and have low-deductible policies. This provides no incentive to shop for better prices or high quality of care. If there was such an incentive, most people would shop for better prices and better quality. However, many people are covered by a health insurance plan where they are told where to go and which doctor to see. These individuals do not shop for quality or for price. Market forces can improve both the quality of medicine and the cost of medicine in the United States. Health savings accounts are an example of one instrument that can bring the idea of market forces into the health care field.

I can use several examples to illustrate how insurance can provide the wrong incentives for people, ultimately driving up costs and utilization. Try to imagine if your homeowners policy was similar to what our health care policies are today. In other words, try to imagine if your homeowners insurance covered items beyond the structure of your home if it was damaged and destroyed. For example, what if your homeowners policy covered painting the trim on your house or doing the yard maintenance. If that were the case, what would happen? Well, all of us would paint the trim on our houses a lot more often. And, all of us would probably have landscapers instead of doing the yard work ourselves. As a result, the cost of all of our homeowners insurance would skyrocket.

We have seen the cost of health insurance skyrocket for the last several decades. As the cost of health care increases every year, faster than inflation, more and more Americans are becoming uninsured. So, in order to try to drive down the cost of health insurance, health savings accounts were created. These accounts allow individuals with a high deductible health insurance plan to set aside money, tax-free, up to a set limit, to use for routine medical expenses. Health savings accounts allow individuals to shop for quality and for price.

With the health care system we have today, employers, who pay most of the costs, indicated that something had to be done about the high cost of health care. As a result, health maintenance organizations were created. HMOs were supposed to help manage care, but became more about managing costs. HMOs are not viewed positively by most of the American people. Individuals who are enrolled in HMOs often don't have a lot of choice when it comes to picking a doctor. These individuals also do not get to spend a lot of time with their doctor because their doctors are paid on what is called a capitated rate. This means that doctors are paid a certain amount of dollars per patient.

The more patients these doctors can move through their offices, the better off they do. As a result, the doctor-patient relationship has been hurt.

Health savings accounts allow you to walk into the doctor's office with your own money, so you will want your doctor to spend appropriate time with you. Health savings accounts do something else fairly wonderful. Since 30 to 35 percent of our health care costs today are spent in the bureaucracy of paying the bills, every single doctor's office has to hire people to collect the bills. With a health savings account, you are paying for your care at the time of your visit. As a result, you are not spending all of your money in an HMO, where there are layers of administration when it comes to billing. Health savings accounts go a long way toward eliminating a lot of the bill collecting that is conducted, and the money that is saved can go into providing better quality of health care in the United States.

My amendment is simple. It would make health savings accounts more attractive. It would make it easier for people to get health care coverage by allowing people to use their pre-tax Health Savings Account dollars to pay for health premiums. I believe my amendment will encourage more people to adopt health savings accounts.

Now that Federal employees are eligible for health savings accounts, my family and I signed up for our own health savings accounts. We actually had some health care issues with our children this last month. So my wife has been spending a lot of time talking with doctors. I told her to negotiate for prices and talk about quality and all of the various things that shoppers do in the marketplace. When market forces are brought in—whether it is with regard to cars, airplanes, or computers—costs not only go down, but quality goes up.

I have introduced this amendment today to urge more health savings accounts, so there are more market forces brought into our current health care system. My amendment will make health care more affordable and more accessible. It may also reduce the number of uninsured.

If we can bring the cost of health care down, more people will be able to afford health insurance. A lot of healthy young people say: Health insurance is expensive. I can use that money to do other things. I am probably not going to get sick.

If we can bring down the cost of health care, a lot of the young people who are currently choosing not to enroll in a health plan can be brought into the health insurance market. What does this mean for the rest of us? It means that risk will be spread out among healthier people, which brings the cost of health insurance down for everyone else in the system. Health insurance is all about spreading out risk. What does that do? It makes health insurance even more affordable. It brings in more people who are healthier and younger into the health insurance market.

Of those 40-plus million people who are identified as not having health insurance coverage today, a lot of them are young, healthy people. The more of these people we can get into the health care system, the more affordable health care is going to be for everyone else. It can have a magical spiraling effect that can make health care more accessible, more affordable, and more available to the citizens of the United States.

Mr. President, this amendment is the right thing to do for America. If Members care about getting better quality health care to more people in the United States, vote for my amendment to expand health savings accounts today.

How much time remains on both sides?

The PRESIDING OFFICER. Four minutes remain.

Mr. ENSIGN. Just on my side?

The PRESIDING OFFICER. On the Senator's side.

Mr. ENSIGN. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Michigan has 13 seconds.

Ms. STABENOW. Mr. President, I will take 13 seconds to say, unfortunately, evidence shows exactly the opposite of what my friend is saying. Any person who chooses on their own to buy insurance not through an HSA will not get the same benefit.

If you have a child who is sick, if you are older, if you have health issues, this issue does not address, unfortunately, the issues my colleague has been talking about.

Mr. President, I raise a point of order the pending amendment violates section 505(a) of House Concurrent Resolution 95, the concurrent resolution on the budget for fiscal year 2004.

Mr. ENSIGN. I move to waive all points of order that lie against the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The bill clerk called the roll.

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

Mr. LOTT. The following Senators were necessarily absent: the Senator from Missouri (Mr. BOND), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. THOMAS).

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

The yeas and nays resulted—yeas 47, nays 48, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—47

Alexander	Dole	McCain
Allard	Domenici	McConnell
Bennett	Ensign	Murkowski
Brownback	Enzi	Nelson (NE)
Bunning	Graham	Roberts
Burr	Grassley	Sessions
Chambliss	Gregg	Shelby
Coburn	Hagel	Smith
Cochran	Hatch	Snowe
Coleman	Hutchison	Specter
Collins	Inhofe	Sununu
Corker	Isakson	Thune
Cornyn	Kyl	Vitter
Craig	Lott	Voinovich
Crapo	Lugar	Warner
DeMint	Martinez	

NAYS—48

Akaka	Durbin	Mikulski
Baucus	Feingold	Murray
Bayh	Feinstein	Nelson (FL)
Biden	Harkin	Obama
Bingaman	Kennedy	Pryor
Boxer	Kerry	Reed
Brown	Klobuchar	Reid
Byrd	Kohl	Rockefeller
Cantwell	Landrieu	Salazar
Cardin	Lautenberg	Sanders
Carper	Leahy	Schumer
Casey	Levin	Stabenow
Clinton	Lieberman	Tester
Conrad	Lincoln	Webb
Dodd	McCaskill	Whitehouse
Dorgan	Menendez	Wyden

NOT VOTING—5

Bond	Johnson	Thomas
Inouye	Stevens	

The PRESIDING OFFICER. On this vote, the yeas are 47, the nays are 48. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the pending amendments be temporarily laid aside and that Senator KYL be recognized to offer an amendment.

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

The Senator from Arizona.

Mr. KYL. Mr. President, I thank the chairman of the committee.

I say to the Senator, do I understand there is a Member on his side who would like to give some brief remarks?

Mr. BAUCUS. Mr. President, I say to my good friend from Arizona, there is always a Member on our side who would like to give some brief remarks. I ask, when might the Senator be ready to offer his amendment?

Mr. KYL. We are ready to offer the amendment. I thought what I could do is get it pending, and then if someone wants to make some remarks.

Mr. BAUCUS. Mr. President, I asked unanimous consent that the pending amendments be laid aside so Senator KYL can offer his amendment.

Mr. KYL. Mr. President, as soon as the staff brings it to me, I will send it to the desk.

There is an amendment I sent to the desk earlier, and I will briefly describe it. It simply extends the provisions in the Finance Committee bill that provide tax assistance to small business in terms of expensing, depreciation, leasehold improvements, and so on, from the period of March 31 of next year through the end of next year. So it extends those provisions an additional 9 months. That legislation is pending at the desk.

AMENDMENT NO. 205 TO AMENDMENT NO. 100

Mr. President, at this time, I send to the desk the legislation which adds to that the element that provides for the pay-for or the tax provisions that will ensure this is revenue neutral. So I send this amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. KYL] proposes an amendment numbered 205 to amendment No. 100.

Mr. KYL. Mr. President, 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:

(Purpose: To extend through December 31, 2008, the depreciation treatment of leasehold, restaurant, and retail space improvements, and for other purposes)

On page 4, line 21, strike ''April 1, 2008'' and insert ''January 1, 2009''.

On page 6, lines 5 and 6, strike ''April 1, 2008'' and insert ''January 1, 2009''.

On page 99, after line 19, add the following:

SEC. _____. TERMINATION OF EXCLUSION FOR QUALIFIED TUITION REDUCTION.

(a) IN GENERAL.—Section 117(d) is amended by redesignating the last paragraph as paragraph (4) and by adding after paragraph (4) the following new paragraph:

''(5) TERMINATION.—This subsection shall not apply to taxable years beginning after December 31, 2006.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

Mr. KYL. Mr. President, I can further describe the amendment, and we can discuss it, debate it, when the chairman is ready to do that or there is no one who intends to speak. I hope we can get this amendment voted on as soon as possible today.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, for the interest of moving this along the rest of the day, there are two Senators who wish to speak, and it is my hope after they speak we can get some other amendments up and start voting.

Mr. President, I ask unanimous consent that the Senator from Ohio, Mr. BROWN, be allowed to speak for 10 minutes, and following Senator BROWN, that the Senator from Vermont, Mr. SANDERS, be allowed to speak for 10 minutes.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The Senator from Ohio.

Mr. BROWN. Mr. President, I grew up in Mansfield, OH, a small, blue-collar city in the middle of America, a town of famous names—junior highs named after U.S. Secretary of State John Sherman and the legendary Johnny Appleseed; factories called Westinghouse and Tappan Stove and Fisher Body. Like many of our country's greatest cities and our Nation's most comfortable small towns, Mansfield has a Park Avenue and a Main Street, a Central Park and a town square, a Carnegie Library and a corner drugstore.

In those days, people who worked hard, who paid their taxes, who played by the rules just about always had something to show for it. Almost everyone—virtually almost everyone—in my hometown believed that their children would enjoy a better life than they did. The more productive they were—insurance salesmen and factory worker, clerk and farmer—the better off they would be. The harder they worked, the more opportunity for their children. The middle class and all that it meant was much closer to them and for them than a distant aspiration.

One-third of this body, 32 of my colleagues, came off the campaign trail victorious last November. Ten of us joined the Senate earlier this month. We are here for a reason. We are here because for too long Government betrayed the middle class.

In recent years, Ohioans have watched the drug companies write the Medicare law, the oil industry dictate our Nation's energy policy, the insurance companies shape our health care. And perhaps worst of all, many of our largest corporations, untethered to any community, have forced through a willing and compliant Congress job-killing trade agreements which outsource our jobs, divide our families, and hurt our communities.

We are here because Ohioans and people across our land understand the words of Pope John Paul II:

> We judge any economic system by what it does for and to ordinary people and by how it permits all to participate in it. The economy should serve the people, not the other way around.

We are here because we have heard from people who have worked hard and played by the rules all their lives, yet have so little to show for it. I met a man at the free clinic in Youngstown who had all but given up because of his diabetes. He came to the free clinic, his blue eyes tearing up, because his daughter insisted, he told me, that she simply wanted him to live. The number of free clinics in Ohio—a rich State in a rich country, a State known for some of the best medical facilities in the world—has doubled in the last decade. In rural Appalachia, the small community of Lottridge in Athens County is suffering from such staggering job loss that the local food bank now serves more than 200 local families. And to maintain their sense of community pride and togetherness, the food bank workers put up curtains and decorations to resemble a general store, not a place of charity.

A worker in Jackson, locked out of his factory because the company refused to negotiate with the union and now without health care, told me his doctor advised him he needed heart surgery. ''I take aspirin every day instead,'' he said, hoping his heart lasts longer than the lockout.

A woman in Cincinnati suffering from hypertension, high blood pressure, and diabetes told me, with fear in her voice, that she was about to fall in the doughnut hole in the new Medicare prescription drug law. She needs help, but she was hiding it from her family. ''I'm so ashamed,'' she sobbed, as if it were her fault.

Last fall, my wife Connie was waiting in line at the local drugstore in the affluent community of Shaker Heights. The woman in front of her was, for all intents and purposes, negotiating prices with the pharmacist to save money. ''What if I cut my pill in half and then take it twice a day,'' she asked. The very understanding pharmacist told her the doctor wants her to take her full medication twice a day. ''But isn't it better, since I can't afford this, to take half a pill twice a day than the whole pill just once?'' she asked. My wife asked the pharmacist: How often does this happen? ''Every day,'' the pharmacist shrugged, ''Every day, all day long.''

At one time, our Government looked out for its people. I wear on my lapel a pin depicting a canary in a birdcage. A mine worker, 100 years ago, used to take a canary down in the mines. The mine worker had no government that cared enough to help him and no union strong enough to help him. He was on his own. In those days, a child born in this country had a life expectancy of about 46 or 47 years. Today we live three decades longer because of what this Government has done. People of faith, people in their union halls, advocates for children and for women and for the poor have pushed this Government to pass clean air and safe drinking water laws, to pass Medicare and Medicaid and workers' compensation and mine safety laws to protect the elderly and the disabled and women and children. Today it seems to be a different story.

Will and Ariel Durant, who probably have documented a wider sweep of history than any writers of the 20th century, warned us:

> No society has survived without a middle class.

Something is profoundly wrong with our economy. The CEO of a major retail company recently was awarded a $210 million severance package after the company's stock value dropped. Yet our Nation's working families, Ohio's middle-class families, often cannot afford to send their sons and daughters to school. The Nation's wealthiest 1 percent control as much wealth as 90 percent of the rest of us combined, yet 47 million of us do not have health insurance. That class difference is a threat to our democratic system. A minimum wage worker earns less than $11,000 a year, yet some CEOs in our country make more than $11,000 an hour.

Today we consider legislation to raise the minimum wage from $5.15 to $7.25 an hour. In the last decade, our Government has failed to raise the minimum wage but given ourselves six pay increases. Those who plan to vote against the minimum wage in this Chamber, those who for 10 years have blocked a minimum wage increase in the House of Representatives and in this body, are saying to the single mother working as a chambermaid in a Cleveland hotel, to a farm worker outside Toledo, to a janitor in Zanesville, those who plan to vote against the minimum wage are telling those minimum wage workers that they don't deserve a fraction of what we get, not even a fraction.

There have been failures, to be sure, in this institution. And there have been great moments.

Today, I am joined on the floor of the Senate by Senator BYRD of West Virginia. Three weeks ago, I stood next to him as I was sworn in for my first term and he was sworn in for his ninth term. More than 4 years ago, in October of 2002, Senator BYRD stood in this Chamber and spoke with prophetic wisdom about the pending war with Iraq. He instructed and taught millions of Americans, and he, with Senator KENNEDY, inspired and emboldened many of us in the House of Representatives. I was a House Member then. More than 130 of us voted against that war. He warned us then that authorizing war in Iraq was ''both blind and improvident.''

''We are rushing into war,'' he said, ''without fully discussing why, without

thoroughly considering the consequences, or without making any attempt to explore what steps we might take to avert conflict.''

I thank the senior Senator from my neighboring State of West Virginia.

The 110th Congress brings with it the breath of bipartisanship too long absent from our discourse. Democrats and Republicans alike are already working toward rebuilding our Nation's middle class. Earlier this week, I stood with Senator DORGAN of North Dakota and Senator GRAHAM of South Carolina as we called for a new direction in our trade policy. I look forward to more of the same. Our Government needs to stand up for the middle class. We know why our constituents sent us here. We need to get to work. Raising the minimum wage is a very important first step.

We must also work to create an alternative energy industry that not only fosters development of renewable fuels but also creates solid middle-class jobs and new businesses. We must invest in education at all levels. We must provide for our veterans. We must lower the cost of prescription drugs and make health care more affordable. And we must finally bring our troops home from Iraq.

There is much work to do in this Congress. The people of this Nation have placed great trust in our ability to transcend partisanship. We cannot, we must not violate that trust.

I thank the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, we cannot, we must not violate that trust.

This is my 49th year in the U.S. Senate. When I came here 49 years ago, there was no sound system in the Senate—none. And so when a Senator spoke, especially if he was giving his maiden speech, the word got around that a Senator was going to make his maiden speech. Senators came to the floor. The speeches, as I say, were not televised. There was no audio. A Senator spoke from his desk, and he spoke out. He spoke out. He spoke without an audio system. But other Senators would come up. They would come closer to the Senator who was speaking. They would gather around. I can remember when I made my maiden speech in the Senate. It was a long time ago.

It has been my privilege today to sit at my desk here and listen to the distinguished Senator who comes from my neighboring State just across the great Ohio River. It has been my privilege to listen to him. He spoke well. Senators are at their offices, most of them. A lot of them heard this speech. They were not here to hear it, but I was here. I wish to commend the Senator on his maiden speech. It was a good speech. I like the way he spoke. I like the way he spoke from his heart. That speech will be in the Record for 1,000 years. I compliment the Senator. I am proud to be here in his audience today. I want him to continue to take the floor and speak his mind, speak for his people and to the people all across this country. I thank him for his speech. It was well done. The content was splendid. It meant much to him, and it meant much to me as I sat here. I thank him. May God continue to bless him in his work here.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I join my friend from West Virginia in commending Mr. BROWN, the Senator from Ohio, for his speech today.

When I first arrived here—the Senator from West Virginia probably remembers—freshman Senators were rarely expected to speak. If you spoke within the first 2 years, people thought you were coming along a little more rapidly than others might expect. That tradition has long passed. We can understand why.

Today in the Senate, working families and the middle class have a new champion. His name is SHERROD BROWN, and he comes from Ohio. He has spoken eloquently and movingly and compellingly about the challenges facing citizens in the small towns and big cities of his State. He could be speaking for the middle class and working families in New Bedford, Fall River, Lowell, Lawrence, Springfield or Worcester or other places around the State of Massachusetts.

Mr. BYRD. Yes.

Mr. KENNEDY. When he summons us to the great challenge in foreign policy, the war in Iraq, he speaks what is in the hearts, the souls, and the minds of all Americans.

Mr. BYRD. Yes. And the quicker we begin that debate and the quicker we begin to bring the change and alteration in policy, as he has spoken to on other occasions, the better it is going to be not only for those extraordinary, brave service men and women who have been fighting bravely and gallantly for over 4 years in Iraq, but we will begin to restore the prestige and influence of this country and the State he represents and loves. I thank the Senator for an excellent statement.

The PRESIDING OFFICER (Mr. BROWN). The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, it is my understanding that the Senator from Vermont will be recognized for 10 minutes. Is the Senator from Missouri seeking time?

Mrs. MCCASKILL. I am.

Mr. GREGG. I would also like to be recognized, as would the Senator from Arizona. I believe the Senator from West Virginia still has time. I wonder if we can organize an order so we know when we are going to speak. The Senator from Vermont is going to speak——

The PRESIDING OFFICER. Under the previous order, the Senator from Vermont will speak for 10 minutes.

Mr. GREGG. Mr. President, I ask unanimous consent that at the completion of the statement of the Senator from Vermont, I be recognized for 10 minutes, the Senator from Missouri for 10 minutes, and the Senator from Arizona be recognized for 10 minutes.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I ask what the Senators are going to speak on.

Mr. SANDERS. I have an amendment dealing with poverty in America.

Mr. GREGG. I have an amendment dealing with employee option time.

Mr. BAUCUS. The Senator from Arizona wants to speak on the amendment?

Mr. KYL. Yes.

Mr. BAUCUS. And the Senator from Missouri?

Mrs. MCCASKILL. I have been asked to speak on the President's health care plan today.

Mr. BAUCUS. For how long?

Mrs. MCCASKILL. Less than 10 minutes.

Mr. BAUCUS. So the understanding is that the Senator from Vermont will speak for 10 minutes, the Senator from New Hampshire for 10, the Senator from Missouri for less than 10, and then Mr. KYL for 10 minutes.

I ask unanimous consent that the order of speakers be as just stated.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object, and I will not object, we have a rule which provides that a Senator who wishes to speak should address the Presiding Officer and that the Senator first seeking to speak shall be recognized. We have rules around here.

I don't much like this idea of having people stand in line to speak, and when some Senator comes to the floor and seeks recognition, he or she finds that somebody else already has consent to speak, and then someone else, and then someone else.

I will not object at this moment to this batting order, this lineup of speakers. I think the rules provide that if a Senator wants to speak, he or she shall stand and ask for recognition. That is the way to do it. So I will not object to this lineup of speakers which puts at a disadvantage a Senator who has not been here to listen to this lineup and who wants to come to the floor and speak—comes to the floor and seeks recognition and finds that somebody else has already gotten unanimous consent to speak. Let's do it right. I will not object today, but let's not have this lining up of speakers. Let Senators come to the floor and seek recognition and get recognition. That is what the rules say. I will not object.

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

Mr. BAUCUS. Mr. President, I will speak for just a minute. I very much appreciate the remarks of our very good friend from West Virginia. He is right. He is always right, especially on matters of procedure. It is my thought that we will have no more than four. In

honor of the Senator's points, I deeply appreciate that sentiment. We won't go beyond the four. In an attempt to try to move the bill forward, we are trying to get floor speakers and, hopefully, get the amendments up so that there is enough opportunity to offer their amendments and we can vote on the amendments. But the Senator's basic point is absolutely correct.

Mr. BYRD. Will the Senator yield?

Mr. BAUCUS. Yes.

Mr. BYRD. Mr. President, I thank the Senator. Senator BAUCUS, who is the chairman and who is managing this bill—am I correct?

Mr. BAUCUS. At this point.

Mr. BYRD. He is a fine Senator. I take off my hat to him and thank him for what he has said.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

AMENDMENT NO. 201 TO AMENDMENT NO. 100

Mr. SANDERS. Mr. President, I ask unanimous consent that the pending amendment be set aside and that it be in order for me to call up amendment No. 201, and once the amendment is reported by number, I be recognized under the order and, at the conclusion of my statement, the amendment be set aside.

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

The clerk will report.

The bill clerk read as follows:

The Senator from Vermont [Mr. SANDERS] proposes an amendment numbered 201.

Mr. SANDERS. Mr. President, 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:

(Purpose: To express the sense of the Senate concerning poverty)

At the appropriate place insert the following:

SEC. ___. SENSE OF THE SENATE CONCERNING POVERTY.

(a) FINDINGS.—The Senate finds that—

(1) the United States has the highest rate of poverty and the highest rate of childhood poverty among 17 major countries in the Organization for Economic Cooperation and Development including Germany, France, Italy, the United Kingdom, Canada, Australia, Austria, Belgium, Denmark, Finland, Ireland, the Netherlands, Norway, Spain, Sweden, and Switzerland;

(2) 36,950,000 Americans are living in poverty, an increase of 5,400,000 since 2000;

(3) 12,896,000 children in the United States under the age of 18 lived in poverty in 2005, and the number of children living in extreme poverty rose by 87,000 from 2004 through 2005;

(4) in 2005, an estimated 33 percent of the homeless population were children and an estimated 1,350,000 children will experience homelessness in a year;

(5) the number of uninsured Americans rose to 46,577,000 in 2005, 1,272,000 more than in the previous year, and the number of Americans without health insurance has risen for 4 consecutive years;

(6) the Department of Agriculture has found that, in 2005, 35,100,000 people lived in households experiencing food insecurity, meaning that they did not have adequate access to enough food to meet basic dietary needs to all times due to a lack of financial resources;

(7) households with children experience food insecurity at more than double the rate for households without children;

(8) The United States has the largest gap between the rich and the poor of any major industrialized country;

(9) the wealthiest 400 Americans saw their combined net worth increase by $120,000,000,000 from 2004 to 2005;

(10) the richest 400 Americans have a combined net worth of $1,250,000,000,000 equaling the annual income of over 45 percent of the entire world's population or 2,500,000,000 people;

(11) of the world's 793 billionaires, over 400 are Americans;

(12) in 1989, we only had 66 billionaires in this country; and

(13) on January 20, 2001, President Bush stated ''In the quiet of American conscience, we know that deep, persistent poverty is unworthy of our nation's promise. Where there is suffering, there is duty. Americans in need are not strangers, they are citizens, not problems, but priorities. And all of us are diminished when any are hopeless. And I can pledge our nation to a goal: When we see that wounded traveler on the road to Jericho, we will not pass to the other side.''.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the United States has a moral obligation to improve the lives of the 36,950,000 Americans living in poverty and the 15,928,000 of those who live in extreme poverty;

(2) the United States has a moral obligation to reduce the enormous gap between the rich and the poor; and

(3) the President should immediately present to Congress a comprehensive plan to eradicate child poverty and reduce the gap between the rich and the poor by 2017.

Mr. SANDERS. Mr. President, let me begin by congratulating Senator KENNEDY for his strong leadership on the need to raise the minimum wage—a minimum wage that has not been raised for 10 years.

Let me also congratulate my colleague from Ohio, the current Presiding Officer, for his fine remarks, which I certainly concur with.

The United States of America is the richest country in the history of the world. Unfortunately, despite our great wealth, nearly 13 percent of our citizens are living in poverty, and we have today the highest rate of childhood poverty of any major country in the industrialized world. In my opinion, we have a moral responsibility to end childhood poverty in America.

Therefore, the amendment I am offering today simply expresses the sense of the Senate that, No. 1, we have a moral obligation to improve the lives of nearly 37 million Americans living in poverty, including nearly 13 million children; No. 2, we have to address the reality that in the United States today we have, by far, the most unfair distribution of wealth and income of any major industrialized country, and that we have a moral obligation to reduce that growing gap between the rich and the poor; No. 3, and most important, this amendment calls upon the President to submit a plan to Congress which eradicates childhood poverty over the next decade and reduces the growing gap between the rich and the poor.

As a nation, we are often very proud of our accomplishments. How often do we hear people say, ''U.S.A., No. 1''? I share that sentiment. Certainly, in so many areas our country is leading and has led the rest of the world, and we are all very proud of that.

Unfortunately, in terms of childhood poverty, within the industrialized world, we are also No. 1. We are No. 1 in having the highest rate of childhood poverty among any major country in the world, and that is not a No. 1 of which we should be proud.

According to the U.S. Census Bureau, the childhood poverty rate in the United States today is nearly 18 percent. According to data from the Luxembourg Income Study Group, the childhood poverty rate in the United States is even higher, almost 22 percent.

Well, let's take a look at what childhood poverty rates are in other major countries, in many of the countries that we compete against economically. In Germany, the childhood poverty rate is 9 percent. In France, it is 7.9 percent. In Austria, it is 6.7 percent. In Sweden, it is 4.2 percent. In Norway, it is 3.4 percent. In Finland, the childhood poverty rate is only 2.8 percent—2.8 percent in Finland, over 18 percent in the United States of America. There is something wrong with that equation.

Have other countries succeeded when they put their minds to reducing childhood poverty rates? The answer is yes.

In 1999, the British Government—our good friends in the United Kingdom—made a commitment to address childhood poverty. Six years later, child poverty in the United Kingdom had been cut by 20 percent. Similar progress, as I understand it, has been made in Ireland.

Unfortunately, at the same time that Britain was taking important steps to reduce childhood poverty, in the United States childhood poverty increased by about 12 percent. The situation is bad, and we are moving in the wrong direction.

When we hear our fellow Senators come to the floor and say the United States is the greatest country on Earth, I share that sentiment. But I do not share the sentiment that the greatest country on Earth should have, by far, the highest rate of childhood poverty in the industrialized world, and that rate is growing higher and higher. We have to address that issue. We cannot sweep it under the carpet.

While we continue to have the highest rate of childhood poverty, and while over 5 million more Americans have slipped into poverty since George W. Bush has been President, there is another issue that this Senate has to address, and that is the growing oligarchic nature of our society. It is not talked about too much, but I think we should place it on the table.

Today, the wealthiest 1 percent of Americans own more wealth than the bottom 90 percent, and the CEOs of our largest corporations now earn over 800

times what a minimum wage worker earns. Today in America the wealthiest 13,000 families who constitute one one-hundreeth of 1 percent of the population receive almost as much income as the bottom 20 million American families in the United States; one one-hundreth of 1 percent receive almost as much income as the bottom 20 million American families. That, in my view, is not what America is supposed to be.

Mr. BYRD. Here here.

Mr. SANDERS. Mr. President, working with the President of the United States, working in a bipartisan manner, we have to come up with ideas, place them on the table, and end the disgrace of having the highest rate of childhood poverty in the industrialized world. Other countries are making progress; we can do the same.

Mr. BYRD. Yes, Mr. President.

Mr. SANDERS. Mr. President, at the same time, we have to reverse this trend by which fewer and fewer people own more and more wealth, while more and more people have less; while poverty increases and while the middle class shrinks.

The true greatness of a country does not lie in the number of millionaires and billionaires that it has; rather, a great nation is one in which justice, equality, and dignity prevail.

I close with a quote that none other than President George W. Bush made on January 20, 2001. I quote from President Bush:

> In the quiet of American conscience, we know that deep, persistent poverty is unworthy of our Nation's promise. Where there is suffering, there is duty. Americans in need are not strangers, they are citizens, not problems, but priorities. And all of us are diminished when any are hopeless. And I can pledge our Nation to a goal: When we see that wounded traveler on the road to Jericho, we will not pass to the other side.

George W. Bush.

The President was right to make that pledge, but since he made that statement, we all know that over 5 million more Americans have slipped into poverty, including over 1 million children.

Let us turn that pledge to reality. We can begin to do that by raising the minimum wage, and we can begin to do that by coming up with a plan, with a program, with legislation which eliminates childhood poverty in America and lowers the gap between the rich and the poor.

I thank the Chair.

Mr. BYRD. Amen. Yes.

The PRESIDING OFFICER. Under the previous order, the Senator from New Hampshire is recognized for 10 minutes.

AMENDMENT NO. 203 TO AMENDMENT NO. 100

(Purpose: To enable employees to use employee option time)

Mr. GREGG. Mr. President, I rise to offer an amendment to this legislation which is extraordinarily relevant to the legislation. It is called the employee option time amendment. It basically gives people who work, especially working mothers, the opportunity to adjust their work schedule so they can do things they need to do for their family by allowing them to move the work schedule around so that if they have an issue where one of their children may have to go in the hospital or needs attention or a child has a soccer tournament or maybe there is a recital or maybe there is a family event they want to go to, a wedding, or they want to take a 3-day weekend to enjoy some event, such as a NASCAR race or something they need to get to, this amendment allows that working mother and that working family, or any worker for that matter, the opportunity to have that chance.

In the past, it has been called flextime. We changed the title of it primarily because we changed the language to make it absolutely clear that this opportunity to move your work hours around is totally at the discretion of the employee, that the employer cannot force the employee to do this, the employer cannot require the employee to do this but, rather, the employee has the option of choosing to do this in a manner which they think is appropriate to their lifestyle.

This is not a radical idea. It is not some conservative idea. It is just a basic idea of giving fairness and options to working people but people who are working a 40-hour week, especially to working single parents or parents generally.

It is so unradical and so reasonable that Federal employees—Federal employees—have actually had this right to move their schedule around since 1978. But every time we have tried to give it to the rest of the folks who work in this country, it has been blocked. It has been blocked because some people felt it was inappropriate from a collective bargaining standpoint or they felt it would affect overtime or they felt the employee would be at a disadvantage relative to the employer.

What we have done in this amendment is make it clear that none of those things could happen. This doesn't affect collective bargaining agreements. Overtime cannot be affected. If a person works more hours in a period, if a person exceeds the hours they are allowed to work without getting overtime, overtime must be paid.

As I said earlier, the decision as to whether an employee pursues this course of action, of choosing to move their hours around, is left with the employee.

The way it works technically is like this. This is the way it works at the Federal level with Federal employees, and this is the way it would work in this amendment when it is applied to the general population, especially people working 40-hour weeks.

If you as a working mother, for example, know you have an event coming up for which you are going to need to take time off, for example, as I said earlier, such as your child has to go into the hospital for an operation—hopefully not, but if that is the case—or there is a big event in your family life, such as a recital or major athletic event, you want to know there are going to be 3 days you need for a wedding or for something that is significant, you can adjust your schedule so that one week you work up to 50 hours and in the next week you only have to work 30 hours or anything in between. You can work 45 hours in one week and 35 hours in the following week, whatever works relative to your schedule and your time.

One can see the advantage of this, especially for people who have families and so much going on in their life that they do need to have more flexibility in their capacity to structure their hours.

Today they can't do that. Today an employee simply can't do that unless they are a Federal employee. If they are a Federal employee, they can do that.

This amendment, which we have taken up before in a different form, accomplishes the goal of giving parents especially, but all working people who work a 40-hour week, more capacity to make that schedule fit their lifestyle rather than having an arbitrary 40-hour work week schedule.

The changes, as I have mentioned, which we made in this amendment so that it addresses the concerns which have been expressed on this floor before when we brought forth this idea—and this idea received a majority at least once—are, as I mentioned, to make it very clear, voluntary.

On page 2 of the amendment, it states no employee may be required to participate in such a plan.

On page 3 (2)(ii) states that the program may be carried out only if the agreement was entered into knowingly and voluntarily by such employee and was not a condition of employment.

On page 4, it states in subsection (b) that if such an employee has affirmed in writing, in a written statement that is made, kept, and preserved, that the employee has voluntarily chosen to participate in the program.

There are significant penalties in this bill for an employer who violates that voluntary aspect of an employee making a choice to go forward. So we have addressed that concern.

As I mentioned earlier, we make it very clear that in no way does this abrogate the obligation to pay overtime if somebody exceeds the 80 hours in that 2-week period. So if you work 81 hours, you get overtime, just as you would if you were under the usual agreement of 40 hours a week.

In addition, it makes it very clear this in no way abrogates any collective bargaining agreements. Most of the resistance of this amendment has come from the leadership of organized labor which, for some reason I don't understand, quite honestly, views this as some sort of a threat or potential threat to the collective bargaining

process. It is not. We make it clear it is not.

This is simply an attempt to put all Americans on the same footing as all Federal employees by giving them flextime. We call it employee option time to make it absolutely clear it is the employee who has the choice.

The amendment in the past was linked also—and this is another reason it was resisted—to something called comptime. Comptime is something more controversial, I admit to that. Comptime is not in this amendment. Comptime isn't going to be offered as an amendment, I don't believe.

Rather, we are sticking purely with what has traditionally been known as flextime and what has been given to Federal employees for over 20 years, almost 30 years.

It is a very reasoned approach. When one thinks about it, yes, the minimum wage is going to help some people, but as a practical matter, this idea of giving people more capacity to manage their schedule is going to have a much greater impact on the quality of life of people than raising the minimum wage. Literally millions of people are going to have this authority and find it will increase their quality of life.

Most of the people who will receive this new opportunity to adjust their schedule to fit what their family needs are not making minimum wage. They may be wage earners and they may be hourly paid, but they are certainly not making minimum wage. So this is going to benefit literally millions of people beyond the minimum wage earners, and it is especially, as I mentioned, going to benefit those people who have families, and especially benefit those people who are single parents trying to raise families and being in the workplace at the same time, which is one of the most difficult things anybody does in our country. This gives them more flexibility to manage their schedule so they can do things that are important to their families.

It is a reasonable amendment. It is so reasonable, as I have mentioned, that the Federal employees have accepted it. It has been accepted by the Federal employees.

I ask that the amendment be called up.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for himself, Mr. ENZI, Mr. SUNUNU, and Mr. ISAKSON, proposes an amendment numbered 203 to amendment No. 100.

Mr. GREGG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. GREGG. Mr. President, I ask unanimous consent that Senator ALEXANDER be added as cosponsor to the amendment.

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

Mr. ENZI. Mr. President, the flexible time proposals we are debating today could have a monumental impact on the lives of thousands of working men, women and families in America. There are some fortunate Americans, including most State and Federal workers, who already have the right to flexible time scheduling. In fact, according to a national study, some 43 percent of all U.S. workers have this right, and they love to use it. Seventy-nine percent of the women who have to use it, and 68 percent of the men who have to use it, Study on the Changing Workforce, Families and Work Institute)

But the majority of Americans do not have access to flexible time scheduling, and they deserve it, too. It could help the 67 percent of Americans who say they don't have enough time with their children and the 63 percent of Americans who say they don't have enough time with their spouses. At the very least, it would remove one of the barriers for achieving a work-life balance.

So who are the people who are prohibited access to this type of benefit? Well, it isn't any Member of this Senate. Salaried employees are not penalized for flexible work arrangements. Employers don't have to increase pay for these employees if they work more in one week and less in another. It isn't government employees, either. Flexible work arrangements have been available in the Federal Government for almost three decades.

In fact, this program has been so successful with government employees that in 1994 President Clinton issued an Executive order extending it to parts of the Federal Government that had not yet had the benefits of the program. President Clinton then stated, the ''Broad use of flexible arrangements to enable Federal employees to better balance their work and family responsibilities can increase employee effectiveness and job satisfaction while decreasing turnover rates and absenteeism.

I couldn't agree more, but now we need to go further and extend this privilege to private sector workers. It is long past time to give employees the choice—the same choice as Federal workers. There is no reason that government employees need greater flexibility in meeting and balancing the demands of work and family than private sector employees.

There are two proposals under consideration today. Senator GREGG has offered an employee option time amendment. This would give employees the option of ''flexing'' their schedules over a 2-week period. Basically, hourly employees who wish to could voluntarily have their work hours calculated on a biweekly rather than a weekly basis. This way a working mother could work 50 hours in one week and 30 hours in the next week, while her husband worked an opposite schedule and their children enjoyed an extra 10 hours a week with a parent. If such an arrangement were made and agreed to by both the employee and the employer, the employee would still be entitled to overtime for any hours beyond that agreement. For example, if an employee was asked to work 32 hours in a week that was scheduled to be a 30-hour week, the employee would be paid overtime for the additional 2 hours.

I have to emphasize again, because I know my friends on the other side of the aisle don't always understand this, that the flexible time arrangement is entirely voluntary. In fact, the Gregg amendment requires written consent from the employee, and only employees with at least a year's tenure would be eligible. No employee could be pressured to enter into one of these agreements. Such coercion is specifically prohibited and punishable with monetary penalties.

The second amendment which has been offered to this bill is a little different approach. Senator DEMINT's amendment addresses the disparity between government and private employees that has existed since 1978. It essentially says government employees cannot exercise this benefit until private employees have the same right. I hope we will pass the Gregg amendment today and the DeMint will not be necessary. There is no reason this shouldn't be the case.

There is a long history of support for flextime on both sides of the aisle. I hope my friends won't mind if I remind them of a little of this history. Although Democrats may now be attacking flextime proposals and calling it a ''wage cut'', some seem to be forgetting that flextime is not a new issue but one with a long, bipartisan history.

In the early 1980s Senator STEVENS led the effort to secure Federal worker access to compensatory time off and flextime. In 1985 former Senator Nickles shepherded a bill through the Senate that extended these positive benefits to State and local employees.

These Senators did not foist an unpopular program onto unsuspecting workers over the objections of Democrats. Both of those laws passed the Senate with overwhelming, bipartisan support. Senator KENNEDY voted to ensure that Federal employees would have access to flextime to have the scheduling options necessary to balance work and family life.

Senator KENNEDY, along with 11 other Democrats, cosponsored the Nickles bill to extend flextime and comp time to State and local employees. Flextime was not a pay cut for State and local workers when Senator KENNEDY and other Democrats endorsed it in 1982 and 1985. And it is not a pay cut for private sector employees now.

We are coming together—Republicans and Democrats—to raise the minimum wage in this bill, and to do it with fairness for the employers who will be subject to this mandate. Let us

also come together to give fairness to the employees who have been left out in the cold for 28 years. Let's give private employees the same right to arrange flexible work schedules as government employees. I urge my colleagues to support the Gregg amendment and, if it becomes necessary, the DeMint amendment.

Mr. GREGG. I yield back my time.

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri is recognized for 10 minutes.

HEALTH CARE

Mrs. MCCASKILL. Mr. President, I rise today to address a national crisis—health care. Over the past 6 years, the number of uninsured in this country has increased by 6 million people. Premiums have increased by 87 percent, compared to a 20-percent increase in wages. Our most vulnerable are being cut from the health care rolls. More and more are in fear that their existing coverage is inadequate and it would probably leave them bankrupt if, God forbid, someone in their family fell seriously ill or was injured. In other words, we are in pretty bad shape when it comes to health care in this country.

Needless to say, I was pleased President Bush finally acknowledged our worsening health care crisis during his State of the Union Address on Tuesday. While I was pleased with the acknowledgment, I was sorely disappointed with the plan he laid out.

In a nutshell, the President's plan would essentially further the tax burden on the middle class, hurt employees and the businesses of those who offer benefits, siphon funding from community-based health centers, and still leave 44 million Americans out in the cold when it comes to health care coverage.

On Tuesday, he presented this plan to the country. Today he is visiting my State, the great State of Missouri, to peddle his program, attempting to sell it to the heartland.

Although we will be a polite audience, the show-me State got its name for a reason. In Missouri, our Medicaid rolls were slashed as a result of budget decisions made on the State level, leaving nearly 100,000 additional Missourians without any health care coverage. Also in Missouri, over 25,000 children have lost their health care because of cuts to our children's insurance program. In Missouri, we now have over 600,000 citizens who have no health care coverage at all.

Initially I had high hopes that the President might offer a plan that would help the millions of Americans just like these Missourians who do not have any health care. I was certainly looking for the President to show me something a little different on Tuesday. I had hoped he might look to the successful reforms occurring in other States, such as those in Massachusetts and Vermont that expand access to care through risk pooling or the optimistic proposals that have been presented in California and Pennsylvania, to enhance State programs by creating similar pooling mechanisms. These plans focus on ways to make health care more affordable for every participant and increase accessibility for those who are uninsured or underinsured, which is often just as risky. These plans utilize options such as insurance risk pooling so that large groups of people can use their numbers as leverage to bring down the rates for everyone and protect those with existing conditions. As many of us who have family members suffering from high blood pressure, asthma, or even migraines know, these individuals may make their health care plan more susceptible to higher premiums or denials for coverage altogether.

Under the President's plan, folks can't work together for better rates or protect higher risk patients from denial. They are left to fend for themselves. Providers will take the low-risk participants, like skimming the cream off the top, and the rest are on their own as individuals in a very difficult insurance market.

To make matters worse, if an individual currently has a high premium because of a family member's health condition, because they are older or because they have simply just opted for the most comprehensive coverage, the President's plan would only allow for a certain deduction, leaving them to foot the bill for a new tax increase. Let me say that again—a new tax increase that is not covered.

Let me make this very simple and very clear. The President's plan for health care embraces a tax increase for 30 million Americans. He will raise taxes on 30 million Americans while only adding 3 million Americans to the health care rolls. This is not a good bargain for the American people. It does nothing for the working poor. This plan is based on the idea of income tax deductibility. Obviously, if you are working poor, your income tax deductions are not meaningful to you. You don't have mortgage deductions. You don't have other deductions. You don't have the kind of income for which those deductions are even helpful. So this plan will increase taxes on 30 million Americans and will do nothing for the working poor who are uninsured in such large numbers.

We may know that the President wants to tax our health care for the first time, but he is masking that by telling the American people, like those in Missouri today, that he is offering a tax deduction. This tax deduction, of course, will end up favoring the most wealthy, while those at the bottom or the middle will not benefit as much. For example, a tax deduction of $15,000 as proposed in the President's plan would be worth over $5,000 for a family taxed at the higher bracket of 35 percent, the high-income earners of America, but for those in the 10-percent tax bracket, the poorer Americans, that deduction would only be worth $1,500.

Furthermore, employers who offer comprehensive health care would be encouraged to shift the responsibility to their employees. Even for employers who offer an increase in wages to compensate for the change, the individual market plans are more likely to cost more, be less comprehensive, and provide a greater risk of high premiums or denial of coverage for those who have existing conditions.

What may seem like a bargain today would not be a bargain in 10 years. In fact, all you have to do is look at the numbers in the President's plan. It will cost our Treasury money in the beginning, but it is estimated that 10 years from now there will be no cost. All you have to do is look at that to realize that this is not a plan which over the long run will bring stability to our health care system, accessibility to our health care system, or bring down health care costs.

As you can tell, I do not agree with forcing the middle class to shoulder another tax hike. With a minimum wage that has not increased in over a decade, these are the same people who are trying to afford to send their kids to college with ever-spiraling tuition costs, to fill their cars with gas and put food on the table. Wall Street might be seeing a boost in the economy, but these folks on Main Street have not seen it, and they need a break.

That is where I come down on this plan. Instead of asking the middle class to bear another cost to their pocketbooks, we ought to look at those big tax breaks to America's most wealthy. Let's look at these different options. Let's use the President's plan as an opportunity to have a discussion about the severity of the problems in the system and what we need to do to make it better. Let's ask the tough questions and examine what is out there. Let's look at why is it that the United States spends 16 percent of our income on health care but other wealthy countries do not spend more than 11 percent; why is it that we spend 34 percent of our health care dollars on administrative costs while other countries are only spending 19 percent; and why is it that American health insurance companies are insuring 4 percent fewer people in America between 2001 and 2005, yet they have added 32 percent more people to their payroll. Think about that for a minute. The health insurance companies are insuring 4 percent fewer people in their health insurance plans between 2001 and 2005, but in that same time they added 32 percent more people to their payroll. What are these additional people doing if they are insuring fewer people? Could it be that they are hiring more people to help them figure out ways to avoid paying health insurance claims? Let's find out why an American automotive giant passes on $1,500 in health care costs per car, while the Japanese automaker Toyota only passes on $110.

Bottom line: Families are hurt by health care costs. The vulnerable are at risk due to high health care costs, and businesses are struggling. Health

care in this country has turned into a giant game of pass the buck. I, for one, can say that I thank President Bush for bringing our worst domestic nightmare out of the dark. But as my predecessor liked to say, the buck needs to stop right here.

I look forward to the many hours of debate we will need to have take place in order to get this right, and we cannot stop until we get there. The American people deserve this. In the meantime, I say to President Bush in Missouri, you need to show us more than this.

I yield the remainder of my time.

The PRESIDING OFFICER (Mr. SALAZAR.) The Senator from Arizona.

Mr. KYL. Mr. President, I direct a question to the chairman of the Finance Committee. Did he need to do some intervening business before I speak?

Mr. BAUCUS. Yes. I thank the Senator from Arizona.

The PRESIDING OFFICER. The Senator Montana.

AMENDMENT NO. 206 TO AMENDMENT NO. 100

Mr. BAUCUS. I ask unanimous consent that the pending amendment be temporarily set aside and I be allowed to call up my amendment, No. 206.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 206.

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

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

The amendment is as follows:

(Purpose: To express the sense of the Senate that Congress should make permanent the tax incentives to make education more affordable and more accessible for American families and eliminate wasteful spending, such as spending on unnecessary tax loopholes, in order to fully offset the cost of such incentives and avoid forcing taxpayers to pay substantially more interest to foreign creditors)

At the appropriate place insert the following:

SEC. ___. SENSE OF THE SENATE REGARDING PERMANENT TAX INCENTIVES TO MAKE EDUCATION MORE AFFORDABLE AND MORE ACCESSIBLE FOR AMERICAN FAMILIES.

It is the sense of the Senate that Congress should make permanent the tax incentives to make education more affordable and more accessible for American families and eliminate wasteful spending, such as spending on unnecessary tax loopholes, in order to fully offset the cost of such incentives and avoid forcing taxpayers to pay substantially more interest to foreign creditors.

AMENDMENT NO. 205

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. It is my understanding that under a previous order, I have 10 minutes to speak. I will speak on the amendment that until just a moment ago was pending, amendment No. 205, which is my amendment to this minimum wage bill to extend provisions of the Finance Committee bill from March 31 of next year through the end of next year.

The committee decided in its wisdom—and I note that it was a unanimous vote out of the committee, a bipartisan vote—that there were certain small business tax provisions that should be extended to help small business pay for the minimum wage increase we would be mandating by this bill. Most of the jobs are small business jobs that would be affected by the minimum wage. In fact, about 60 percent of those jobs are in the restaurant industry.

As a result, the Finance Committee took several provisions of existing law and created a couple of new provisions that enable these small businesses to write off their leasehold improvements or their owner improvements either in a shorter period of time than they had been previously allowed under the code or, in the case of new improvements, a 15-year period which would be consistent for all these entities, whether they be restaurants or leasehold improvements or other new construction. This makes sense under the Tax Code since one needs to conform a new building that is built with leasehold improvements. If you are talking about a restaurant, for example, what you build in terms of new counters or new kitchen facilities is going to be the same for both. The writeoff period should be the same, a consistent 15-year period in this case. Certainly the Presiding Officer can appreciate the need to be able to make improvements to a restaurant kind of facility and be able to write those improvements off in a meaningful time under the Tax Code.

This was not a matter of debate. The members of the Finance Committee agreed unanimously that this was good policy. But the policy was only extended through the end of March of next year. The reason was that the committee was committed to offsetting the cost—that is to say the loss of revenue to the Treasury—with some other way of raising revenue to equal that revenue which was lost. The so-called pay-for requirement, requiring members of the committee to find a way to pay for the tax loss, inhibited my amendment which would have extended these provisions for an additional 9 months through the end of the year.

We now have found ways to pay for this additional extension and to simplify it. What my amendment does is to take these same provisions that are in the Finance Committee bill and extend them, not just through the end of March of next year but through the end of December next year. That obviously allows businesses to be able to plan better, and if they can plan better, they can help to add to their facilities, create new facilities, create new jobs. And, of course, what we ought to be doing to enable small businesses to pay a minimum wage increase is to be creating more business, more jobs earning more income so they can afford to pay this minimum wage.

Another reason I offered the amendment was that there is an imbalance in the Finance Committee product. One provision out of the Finance Committee actually was extended for a period of 5 years. This is the work opportunity tax credit. This is mostly—in fact, one witness said about 95 percent of the value of this work opportunity tax credit is enjoyed by big businesses because they can afford to hire the lawyers and accountants to figure out how to comply with the provision. So this work opportunity tax credit—the value of that is mostly something that is enjoyed by the bigger businesses. That provision was extended 5 years.

All of these provisions to help the small businesses were only extended through March of next year. We believed that was very much out of balance. My amendment doesn't impact this 5-year extension of the work opportunity tax credit, but what it does do is at least it brings these other tax benefits up to the end of next year rather than just the end of March of next year. So we make it slightly more beneficial for small businesses and therefore somewhat improve their ability to pay for the minimum wage increase.

I would argue that something like we have done here, that is, a temporary extension of a tax benefit, should not have to be ''paid for'' with a permanent change in tax policy. That makes no sense. But the chairman of the committee ruled my amendment would have been out of order without such a so-called pay-for, so I withdrew the amendment in committee and now have reoffered it with a pay-for. It is change in permanent tax policy.

At this moment, my staff is meeting with the staff of the committee chairman and ranking member on the committee to see if there is some way we can agree to pay for this modest extension with tax policy on which we can all agree and not have to have a debate about. If we can do that, obviously that would be my preference, and perhaps we can have a vote that can be accommodated here very quickly. If staff is not able to agree on what that pay-for is and we have to go forward with the one I offered, we certainly want to do that. We want to have that vote as soon as possible this afternoon. I will briefly describe what it is. There may be some slight error in the way I describe it because I will, instead of reading it, explain it the way I understand it.

Currently, the Tax Code would allow a discrimination between certain kinds of—different people receiving free tuition at a university, for example. If you work for a company and that company says: We will send your child to school free, we will pick up the tuition, you have to pay the tax on that benefit, it is a taxable benefit to you. Let's say the tuition cost is $10,000, and your company gives you the $10,000 to pay

for your child, though you have to pay the taxes on that. But if you are a university professor and your child wants to go to school, in many cases, the school waives the tuition for your child. Right now, you don't have to pay the tax on that. That is clearly discriminatory. The Joint Tax Committee has recommended in a report that deals with the so-called tax gap several provisions or loopholes that need to be closed. This is one of those so that the Tax Code would treat everybody the same. If you have tuition waived at a school, for example, it doesn't matter whether you are the principal of the school, a teacher, or you are an employee of another corporation that is paying for it; in any event, the tax treatment is the same: You would be taxed on that particular benefit. That is a fairer treatment than the current code. As I say, it was recommended by the Joint Tax Committee as part of this tax gap series of recommendations to enable the Internal Revenue Service to collect taxes fairly and try to ensure that when the code is administered, it treats all taxpayers the same.

As I said, if there is a concern about that and the majority would like to work with us to try to find a different way to offset the cost of our modest provision, we would be delighted to work with them. I appreciate the willingness of the chairman of the committee to do exactly that.

So if I could summarize, in my own words, all my amendment does is to take the provisions of the Finance Committee bill that passed out of the committee unanimously, that extends for small businesses certain tax benefits through the end of March of next year and extend those through the end of next year, December 31 of next year. That is the sole effect of the amendment. I think it is something we can all agree is good policy and would help to pay for the minimum wage increase we are imposing on the small businesses of our country.

The Congressional Budget Office estimated that the minimum wage increase would impose $4 billion in new costs on the private sector in 2009 and $5.7 billion in 2010, with the increased costs extending at roughly $5 billion each year. Small businesses would incur the bulk of these costs, with restaurants subject to 60 percent of those costs.

Therefore, it is responsible to combine the minimum wage increase with tax provisions that will help these small businesses weather the financial blow of the increase. That's why I am introducing my amendment to extend three tax incentives that are designed to encourage business investment and job creation in areas where the impact of the minimum wage increase will be felt most.

There are three provisions. The first amends current law and is a 15-year recovery period for leasehold improvements and restaurant renovations. The second, new provision, is a 15-year recovery period for new restaurant construction. The third, also new, is a 15-year recovery period for retail improvements

The base bill extends current law by 3 months, through the first quarter of 2008. My amendment extends the time-period during which renovations to leaseholds or restaurants must be completed through the end of 2008 will enable more businesses to plan renovations that will help them improve and expand their business operations.

Regarding my provision on restaurant construction, there is no policy justification for providing a 39-year depreciation recovery period for new construction, but giving renovations the 15-year treatment. The floor, walls, or restrooms installed in a new building are the same quality as full-scale renovations and will suffer the same wear and tear. Further, convenience stores—a direct competitor of quick service restaurants—are allowed to use a 15-year depreciation schedule for all construction this treatment is permanent law for convenience stores. Ideally, all of the accelerated depreciation provisions we are considering should be permanent too. By allowing restaurateurs to deduct the cost of renovations and new construction on a shorter schedule, many more restaurant owners will be in a position to grow their businesses and continue to create more jobs. By definition, encouraging more new restaurants to be built means more new restaurant jobs. This is important, because the restaurant industry is uniquely impacted by a minimum wage increase. Of the nearly 2 million workers earning the minimum wage, 60 percent work in the food service industry. Further, the last time Congress increased the minimum wage, 146,000 jobs were cut from restaurant industry payrolls, according to the industry.

Regarding the provision on retail improvements, The Small Business and work Opportunity Act of 2007 provides 15-year recovery period for improvements made to owner-occupied retail spaces, thus putting these establishments on the same footing as the leasehold improvements through the first quarter of 2008. The Kyl amendment would extend it through the end of 2008. Again, extending this treatment through 2008 makes it more likely businesses can take advantage of the incentive.

Some have asked questions about the offset for these provisions. Although I don't believe we need an offset, this one does the following: It eliminates the present—law exclusion from gross income and wages—meaning income and payroll taxes for qualified tuition reductions under section 117(d) of the Tax Code. The proposal would be effective for taxable years beginning after December 31, 2006.

I don't question whether a university or prep school wants to provide free tuition as an employment perk for a professor or chancellor. But it makes little sense that the rest of the taxpayers in this country have to subsidize that free tuition. Senators must clearly understand, if a small business wanted to give its employees' children free tuition at the local college, amounts over $5,000 would be a taxable benefit. And that is the right tax policy. To allow a college to provide the same benefit and have it competely tax-free is unfair. And again, this amendment does not eliminate the free tuition benefit.

Finally, let me reiterate that if we are going to increase the minimum wage, it must be combined with responsible tax relief to ensure that we maintain our strong and growing economy. Mr. President, the scale of this tax relief does not represent what we should be passing today. This is a modest proposal, and I urge my colleagues to approve it.

AMENDMENT NO. 207 TO AMENDMENT NO. 100

Mr. BAUCUS. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside and that I be allowed to call up my amendment No. 207.

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

The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 207 to amendment No. 100.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

AMENDMENT NO. 207

(Purpose: To express the sense of the Senate that Congress should repeal the 1993 tax increase on Social Security benefits and eliminate wasteful spending, such as spending on unnecessary tax loopholes, in order to fully offset the cost of such repeal and avoid forcing taxpayers to pay substantially more interest to foreign creditors)

At the appropriate place insert the following:

SEC. ____. SENSE OF THE SENATE REGARDING REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.

It is the sense of the Senate that Congress should repeal the 1993 tax increase on Social Security benefits and eliminate wasteful spending, such as spending on unnecessary tax loopholes, in order to fully offset the cost of such repeal and avoid forcing taxpayers to pay substantially more interest to foreign creditors.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the time until 2:05 p.m. today be for the debate on the Baucus amendment No. 207 and the Bunning amendment No. 119 and that the time run concurrently on both amendments, with the time equally divided and controlled between Senators BAUCUS and BUNNING; that at 2:05 p.m., the Senate proceed to vote in relation to the Baucus amendment, to be followed by a vote in relation to the Bunning amendment; with 2 minutes of debate equally divided between the

votes; with no second-degree amendment in order to either amendment prior to the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I urge my colleagues to support my amendment No. 207 which was just reported. This is essentially a substitute amendment to the Bunning amendment No. 119.

My amendment is quite simple. It says that Congress should repeal the 1993 tax on Social Security benefits and eliminate wasteful spending such as spending on unnecessary tax loopholes—and I might say there are many of those—in order to fully offset the cost of such repeal. My alternative also explains that if we do not fully offset the cost of repeal, we will be paying substantially, among other things, more interest to foreign creditors because we will be not paying for it, essentially—and so increasing the deficit, essentially.

This amendment of mine, the alternative, I think is the better amendment. Why? Because we have to be concerned about fiscal discipline. Unlike the underlying small business tax package reported out by the Finance Committee, the Bunning amendment is not paid for. Indeed, to repeal this provision now, as Senator BUNNING proposes, would drain over $200 billion from the Treasury over the next 10 years.

Furthermore, the Bunning amendment would eliminate a dedicated source of revenue for Medicare. As my colleagues on the other side of the aisle know, we recently set up a trigger to warn us when 45 percent of Medicare funding comes from general revenues and, of course, the Bunning amendment would move us closer to that trigger point.

The dedicated funding source that would be eliminated by the Bunning amendment helps pay for hospitals, nursing care, home care services for the elderly, all paid for by Medicare. I think a drastic reduction in that funding source, that is $200 billion worth, would impair the Federal Government's ability to pay for hospital and nursing home care under Medicare.

Furthermore, a loss of revenue such as that in the Bunning amendment will make it even more difficult for us because it fails to address long-term solvency and, in fact, makes long-term solvency of Social Security more in peril, not less. Such a change as Senator BUNNING proposes is not paid for and would do great harm to both Social Security and to Medicare.

I strongly urge my colleagues to think carefully. There is an option to vote for the Baucus amendment and an option to vote on the Bunning amendment. The first vote would be on the Baucus amendment. The Baucus amendment is more in the nature of a sense of the Senate, and I think it is the better course because, clearly, if we are to reduce the taxes Senator BUNNING proposes in his amendment, we have to do it thoughtfully and not in a way that is not paid for, in a way that threatens and imperils not only the deficit but also Medicare and Social Security.

Mr. President, I see my colleague on the floor now, and I yield the floor so my colleague can speak.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

AMENDMENT NO. 119

Mr. BUNNING. Mr. President, we will be voting on two amendments shortly, both dealing with the 1993 tax placed on Social Security benefits. First, let me point out I am pleased the other side apparently agrees with me that these taxes need to be repealed. However, only one amendment which we will be voting on today actually does that, and that is my amendment.

My amendment, the Bunning amendment, would actually repeal the unfair tax on senior citizens and provide relief. The amendment proposed by my good friend, Senator BAUCUS, would not actually do anything. It is simply a sense of the Senate.

This issue is fairly simple. When the Social Security program was created, benefits were not taxed at all. However, since then, Congress twice has added taxes on these benefits for supposedly wealthy seniors. In 1993, a tax was placed on 85 percent of seniors' Social Security benefits if their income was above $34,000, if they were single, or $44,000 for a couple. Those are wealthy seniors. These numbers aren't indexed to inflation. So what has happened is more and more senior citizens are affected by them each year.

My amendment is fairly simple. It repeals the tax starting in 2008. Seniors would not have to pay this additional tax. The amendment for the other side is the type of thing known in the real world as a cover-your-backside amendment. It does not give America's senior citizens a tax cut. All it does is provide political cover. It is a sense of the Senate which says that Congress should repeal the 1993 tax. We all know that a sense of the Senate amendment doesn't really mean anything. It cannot be enacted into law. Congress never has to consider the issue again. But our seniors will still be paying this tax.

My amendment actually repeals the 35-percent increase that was put on seniors in 1993. I think this issue is important enough to act on immediately. My amendment would do that. If my amendment were to become law, the seniors would see the tax decrease on January 1, 2008. It will happen instead of playing political games. The sense of the Senate amendment basically thumbs its nose at American seniors. If it passes, we are saying that although we agree the 1993 tax should be repealed, we aren't going to do anything about it. A vote for the Bunning amendment is a vote for a tax decrease on America's working seniors, on January 1, 2008; that is the date, no ifs, ands or buts about it.

As for paying for the amendment, the amendment is paid for. It is paid for exactly like a lot of other things we pay for in this body: out of general fund dollars. We fund the Medicare Part A system generally out of general fund dollars. Our good friend from Montana has suggested there is a trigger mechanism, when we get close to a certain figure, on paying for Medicare Part A out of general fund dollars, and that is true. But the fact is, over a 10-year period, at about $20 billion a year, our senior citizens will have relief from this unbelievable 35 percent increase on seniors that we put on them in 1993. I think it is about time we stop fooling with it and actually do the job and repeal the tax of 1993. I would like to see that done today.

Mr. BAUCUS. Mr. President, how much time remains on my side?

The PRESIDING OFFICER. There is 5½ minutes.

Mr. BAUCUS. I yield the remainder of our time to the Senator from Maryland, Mr. CARDIN.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. CARDIN. Mr. President, let me take us back to 1993 because I had the opportunity, in 1993, to serve with Senator BUNNING in the other body, and we were both on the Ways and Means Committee in which this legislation originally was considered.

The tax on Social Security was increased for two reasons. It was done because we wanted to be fiscally responsible and have adequate revenues to pay our bills. But it was done for a second reason, and that is to shore up the Social Security and Medicare trust funds so there would be adequate money in the funds to pay for benefits. We wanted to be responsible. But there was another reason as well. There was another rationale as to why the tax was increased to that rate, and that is to make it more comparable to the tax treatment of private pensions, as to the amount of money the individual has already paid taxes on and that which the individual has not paid taxes on. So there was rationale for what was done in 1993. I wish to make sure that is clear in the record.

But the reason I oppose my friend's amendment, Senator BUNNING's amendment, is for three basic reasons. First, this amendment will add $200 billion more to our national debt if it were passed. It would increase our deficit by that amount of money, and all of us are interested in balancing the Federal budget and moving toward balancing it, not making the gap wider. We talk about fiscal responsibility, we talk about pay-go, we talk about other rules. Well, let's start with the amendments we are considering.

The second reason is I think we have to be concerned about taking our general funds and putting them into the Medicare trust fund. I think that is an issue we should be very concerned about. For the sake of our Medicare system, Medicare Part A is financed

through our payroll tax and through the tax on the extra 35 percent. That is dedicated funding sources our seniors can depend upon to be there for their Medicare system. The Bunning amendment takes some of that money out and says: We will use our general funds to pay for it. I say to my colleagues, seniors are going to be a lot safer by knowing we have a dedicated revenue source that goes into Medicare rather than relying on the transfer of funds into the Medicare system.

So for the sake of our seniors and the Medicare system and for fiscal responsibility, we should defeat the Bunning amendment. All of us want to provide sensible tax policies for our constituents, but let's do it in an orderly way.

This is interesting: I didn't think I would ever say this, but in the Constitution, tax bills are supposed to originate in the other body, and we are not following that order today by considering a tax issue on the minimum wage bill. We would have been better off to keep this bill limited to the minimum wage and consider tax issues when we legitimately have that issue before this body.

I urge my colleagues to reject the Bunning amendment.

Mr. President, I yield the floor.

Mr. BUNNING. How much time do I have?

The PRESIDING OFFICER. The Senator has 3 minutes 40 seconds.

Mr. BUNNING. First of all, as my good colleague with whom I spent 12 years, 8 of which were spent on the Ways and Means Committee—as my colleague knows, the House always has the opportunity to blue-slip the bill if they do not like it because it has tax provisions added that originated in the Senate. They have a chance to blue-slip if they don't like the provisions. So we will send it to the House and see what they do with it. So that argument is not sound basically.

If we want to balance the Federal budget, I suggest we not do it on the backs of our senior citizens. That is what my good colleague from Maryland is asking Members to do. I am asking that our seniors, our most vulnerable people in society, those who are so wealthy at $33,000 worth of income, who have to pay and get their Medicare furnished to them by the Federal Government, I ask that they not be asked to burden another 35 percent increase, which they have been asked to do since 1993. I don't think it is fair to ask our senior citizens to carry that burden when the younger Americans, who pay the bulk of our taxes, are those who should be asked to pay the burden.

One thing I want to make sure Members understand when they vote on this amendment is, never in the history of this tax has one penny of it ever gone into the Social Security system—not one penny—since 1993. It has all been dedicated to Medicare Part A. It has only been dedicated to Medicare Part A because it was sinking. Then we raised the cap to allow uncapped provisions to fund Medicare Part A since 1993. So where we capped Social Security benefits at a certain level, Medicare Part A and Medicare taxes have been uncapped. If you make $5 million a year, you pay a portion of that in a tax to the Medicare system.

Let's be honest. My amendment is the only real amendment that repeals the 1993 tax on the Social Security benefits that senior citizens receive each month, at the end of the month or the first of the month. This is the only time we will get a chance to vote on this issue. Maybe we will get another tax bill before the Senate this year. I guarantee if this goes down, we will revisit this again in a later bill; it is that important.

Our seniors are struggling to pay their bills, as is everyone else in America. A tax reduction for them, 35 percent on their Social Security benefits—if they saved any money, we are going to penalize them if they have saved a little bit for retirement. That makes no sense at all when we encourage savings every day. Now we are going to penalize them with their Social Security benefits because they have an income of $34,000 or $44,000?

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.

VOTE ON AMENDMENT NO. 207

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The bill clerk called the roll.

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

Mr. LOTT. The following Senators were necessarily absent: the Senator from Missouri (Mr. BOND), the Senator from Oklahoma (Mr. COBURN), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. THOMAS).

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

The result was announced—yeas 93, nays 0, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—93

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

NOT VOTING—7

Bond	Inouye	Thomas
Coburn	Johnson	
Dodd	Stevens	

Mr. LEAHY. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Montana.

AMENDMENT NO. 119

Mr. BAUCUS. Mr. President, might I inquire, what is the regular order?

The PRESIDING OFFICER. Two minutes of debate equally divided on the Bunning amendment.

The Senator from Kentucky is recognized.

Mr. BUNNING. Well, Mr. President, we just passed a sense-of-the-Senate amendment that does nothing to reduce the tax on our senior citizens. Our good friends always say they want to only tax millionaires, but it always ends up the same way, with higher taxes on millions—millions of workers, millions of families, millions of small businesspeople, and now, here again, millions of our senior citizens.

If you actually want to reduce the tax, you must vote for the Bunning amendment because that is the only amendment that actually removes the 35-percent increase we put on our senior citizens in 1993. So I urge a ''yes'' vote on the Bunning amendment.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Montana.

Mr. BAUCUS. Mr. President, I oppose the Bunning amendment. It is a perfect example of why we do things in committee; namely, here we are on the Senate floor. This is an amendment that raises the budget deficit by $200 billion. It has never been discussed. We haven't taken it up in the Finance Committee. That is not a good way to legislate.

Second, it has the adverse consequence of increasing the deficit by $200 billion. That is not a good thing to do, with all the ramifications that an increase of $200 billion in the deficit will have. I strongly oppose the amendment.

Remember, the way to work legislation, generally, is through committees, as much as we possibly can. That way we will get a better product. My goal in the Finance Committee is to work as a committee. If we work as a committee, we are more likely to get better legislation rather than ad hoc legislation out here on the floor of the Senate.

I urge opposition to the amendment.

Mr. President, I raise a point of order that the pending amendment violates section 505(a) of H. Con. Res. 95, the concurrent resolution on the budget for fiscal year 2004.

Mr. BUNNING. Mr. President, I move to waive the applicable provisions of the Budget Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The bill clerk called the roll.

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

Mr. LOTT. The following Senators were necessarily absent: the Senator from Missouri (Mr. BOND), the Senator from Oklahoma (Mr. COBURN), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. THOMAS).

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

The yeas and nays resulted—yeas 42, nays 51, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—42

Allard	Domenici	Martinez
Bennett	Ensign	McCain
Brownback	Enzi	McConnell
Bunning	Graham	Murkowski
Burr	Grassley	Nelson (NE)
Chambliss	Gregg	Roberts
Cochran	Hagel	Sessions
Coleman	Hatch	Shelby
Collins	Hutchison	Smith
Cornyn	Inhofe	Specter
Craig	Isakson	Sununu
Crapo	Kyl	Thune
DeMint	Lott	Vitter
Dole	Lugar	Warner

NAYS—51

Akaka	Durbin	Murray
Alexander	Feingold	Nelson (FL)
Baucus	Feinstein	Obama
Bayh	Harkin	Pryor
Biden	Kennedy	Reed
Bingaman	Kerry	Reid
Boxer	Klobuchar	Rockefeller
Brown	Kohl	Salazar
Byrd	Landrieu	Sanders
Cantwell	Lautenberg	Schumer
Cardin	Leahy	Snowe
Carper	Levin	Stabenow
Casey	Lieberman	Tester
Clinton	Lincoln	Voinovich
Conrad	McCaskill	Webb
Corker	Menendez	Whitehouse
Dorgan	Mikulski	Wyden

NOT VOTING—7

Bond	Inouye	Thomas
Coburn	Johnson	
Dodd	Stevens	

The PRESIDING OFFICER. On this vote, the yeas are 42, the nays are 51. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

Mr. ENZI. Mr. President, quickly, for the benefit of my fellow Senators, we are trying to get as much done as possible. I appreciate the cooperation we have had. Usually the problem managers have is getting people to offer amendments. We have many amendments that have been offered. We need to get votes on them. Some are: Senator SMITH's on education tax incentives, which I think we will have in a moment; VITTER's on paperwork violations; KYL's on extended depreciation provisions; SESSIONS' on Federal contract torts; BURR's on more flextime; DEMINT's on involuntary donation collections, and an amendment regarding American Samoa. A lot of them are ready to go. If we lock in limited debate time and get votes, it will be helpful. I hope we move forward on that.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I have been listening to this debate. I am curious and somewhat disappointed that we have not been able to move to a conclusion. This is, after all, a vote on the minimum wage. It has been nearly 10 long years since the minimum wage has been increased, and my hope is that we have a number of amendments, debate, and be able to move this legislation forward. It now seems obvious to me this is not a priority for some.

In 1916, a man named James Fyler died of lead poisoning. That is a different way of saying he was shot 54 times. He was shot 54 times because he believed people who went underground in this country to mine for coal should be paid a fair wage and work in a safe workplace. He lost his life for that. We fought for a century for the rights of workers in this country—for the right to organize, to work in a safe workplace, for child labor laws—a whole series of things that have made life better for workers. Some are at the bottom rung of the economic ladder.

Some in this Chamber have said those are just teenagers. That is not true. Some teenagers certainly do work at the minimum wage. But well over 70 percent of those working at minimum wage are adults; 60 percent of them are women, and for one-third of them, it is the sole income for their families. Many are working two and three jobs trying to make ends meet. They make the beds in the hotels and motels. They work at the counter of the convenience store when you stop to get gas, or get some candy or something at the convenience store. They are the people we see every day. They are working at the minimum wage that has been the same for 10 long years.

I said this morning that it is puzzling to me how quickly and easily legislation moves through this Chamber when it supports the big interests. If it is a $104 billion benefit to allow big companies to repatriate income they have made abroad by, in many cases, moving their jobs abroad and being able to bring their income back and pay a 5¼ percent income rate—yes, this Congress did that. We said bring that income back and you get to pay a 5¼ percent income tax rate. How many Americans would like to pay 5¼ percent on their income taxes? Nobody gets to do that. Some of the biggest enterprises in this country—names everybody would recognize—were told by this Congress a couple years ago that you can bring all that money back and pay 5¼ percent income taxes. Yes, you moved your jobs overseas and decided to get rid of your American workers, close your American plants, and hire foreign workers; but when you bring your income back, we will tax you at just 5¼ percent.

What a deal, bargain basement tax rates. That went through the Congress like greased lightning. Do you think anybody was blocking that? Well, Fritz Hollings, who used to sit back here, was trying to, and I was. The fact is it moved through here as quick as anything you have ever seen because it represented the big interests. Now all of a sudden people who work at the minimum wage have their issue on the floor of the Senate. Is the hallway clogged with people demanding a vote on the minimum wage out there? Is anybody in the hallway in the front of this building representing people who work on the minimum wage? No, I am afraid not. Is this Congress moving as quickly on behalf of the little guy as it is for the big guy? I am afraid that is not the case.

I mentioned this morning the lyrics in Bob Wills' and the Texas Playboys' song some 70 years ago. It plays out all the time, yes, here in the Chamber of the Senate: ''The little guy picks the cotton and the big guy gets the money; the little bee sucks the blossom and the big bee gets the honey.''

One wonders whether on this issue, as simple as it is, if maybe we can get to a vote, for Members of the Senate to stand up and answer the question: Whose side are you on? Maybe we can get enough to stand up to say I am on the side of the people who are working for a living, working hard, working two and three jobs at minimum wage, without an adjustment to that minimum wage in nearly 10 years, during which time the value of the purchasing power of that minimum wage has dramatically eroded. One wonders whether we can get a majority of the Senate, or 60 Senators, to stand up and say let's do this. It could not be done that way, so it was brought to the floor with tax breaks for business.

Look, I am a big supporter of big business. They represent an engine of opportunity for this country and create jobs. I support businesses. Almost all of the things in this bill, such as expensing—I have been involved, as have other colleagues, in trying to provide more expensing opportunities for businesses. I have voted for that many times, and will again. But it doesn't belong on this bill. As a price, apparently, for bringing this bill to the floor, it has to have tax breaks for businesses. Even with that, we cannot get it passed; even with that, we are sitting here day after day waiting to see whether the Senate will decide to increase the minimum wage for those

folks working at the bottom of the economic ladder.

Well, Mr. President, it is an interesting thing to watch—this process of legislating. Everybody talks about watching sausage being made and watching legislative processes in work, and I understand it is difficult, not easy. I understand these issues are, in many cases, controversial. But this ought to be the first baby step in the direction of fairness for these workers. We, after all, live in a time now of what is called the ''global economy,'' where there is downward pressure on income for American workers.

Former Vice Chairman of the Federal Reserve Board Alan Blinder said, with respect to the pressure on American workers, that there are 42 million to 56 million American jobs that are tradeable and, therefore, outsourceable. We have lost 3 million jobs to overseas factories, where you can hire somebody for 33 cents an hour, and he said there are 42 million to 56 million more. This is not somebody who is radical. This is a former vice chairman of the Federal Reserve Board. He said not all of those jobs will leave our country, but those that remain will have downward pressure on income because they are competing with people in China, Sri Lanka, and Bangladesh, who work for 30 cents or 40 cents an hour.

There are 250 million workers who are kids age 5 to 14. Our workers are told to compete with that. You cannot. There is downward pressure on income of people in this country.

This bill deals with one part of that—the workers at the bottom of the economic ladder, those who get up in the morning and are trying to get their kids ready for school, and trying to figure out how to put gas in the tank of the car to drive to work; and they work 8 hours and they earn a little over $40. I said this morning, what about a maximum wage? We have trouble getting a minimum wage through the Congress. George Will, that columnist who writes in the Washington Post, says the minimum wage ought to be zero. Of course, it never would affect him, so it is easy for him to write that it ought to be zero. He would like to take us back, I assume, just as we had great debate when the Fair Labor Standards Act was created and people said that is socialism, but it was standing up for workers, requiring employers to keep track of hours of work, overtime, and provide basic protections for workers. So some people think the minimum wage ought to be zero.

Well, what about a maximum wage? I am not suggesting there ought to be a maximum wage, but has anybody come to the floor to express outrage when you read that the CEO leaving Exxon Corporation was making $150,000 a day? Yes, that is right—a wage or income of a CEO of a corporation was $150,000 a day. Think of that. Did anybody come and complain about that? No, we just have columnists and colleagues complaining about somebody who might earn a few bucks an hour. Sixty percent of them are women, as I said, with children; 6 million children live in families supported by the minimum wage. So the question, I guess, that I ask at the moment is not whether we support small business—I certainly do, and I will in the rest of this Congress support the kinds of things that will be helpful to small businesses, which are engines of growth and opportunity. That is not the question. The question is, are we going to increase the minimum wage at this point? It appears there is this unbelievable snail's pace in the Senate. Glaciers move faster than this Chamber sometimes. Nobody ever accused the Senate of speeding, but this is something quite different. I am hoping that very soon—I know the folks who have been managing this bill join this hope—we can decide we have had enough amendments about things that have nothing to do with anything about the workers at the bottom of the ladder. And maybe we can get a vote to say as a Chamber, as the House has done without extraneous matters attached to it, that we stand for workers who have been working at the bottom of the economic ladder and have not had an adjustment in 10 years; that we stand for them and believe it is important to have this adjustment. We believe it will be good for our country. I hope that happens sooner rather than later.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

AMENDMENT NO. 113

Ms. COLLINS. Mr. President, I ask for the regular order with respect to amendment No. 113.

The PRESIDING OFFICER. That amendment is pending.

AMENDMENT NO. 204 TO AMENDMENT NO. 113

Ms. COLLINS. Mr. President, on behalf of Senator WARNER, Senator SMITH, and myself, I call up a second-degree amendment, amendment No. 204, which is at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Maine [Ms. COLLINS], for herself and Mr. WARNER, proposes an amendment numbered 204 to amendment No. 113.

Ms. COLLINS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to permanently extend and increase the above-the-line deduction for teacher classroom supplies and to expand such deduction to include qualified professional development expenses)

On page 2 of the amendment, strike lines 1 through 7, and insert the following:

(b) EXPANSION OF ABOVE-THE-LINE DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—

(1) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain trade and business deductions of employees) is amended to read as follows:

''(D) CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—The deductions allowed by section 162 which consist of expenses, not in excess of $400, paid or incurred by an eligible educator—

''(i) by reason of the participation of the educator in professional development courses related to the curriculum and academic subjects in which the educator provides instruction or to the students for which the educator provides instruction, and

''(ii) in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2006.

Ms. COLLINS. Mr. President, the second-degree amendment that Senators Warner, Smith, and I are offering increases a deduction for schoolteachers and other educators that is in current law. Our amendment would increase this deduction to $400 and make it permanent. This tax deduction is available to schoolteachers and other educators who incur out-of-pocket expenses in order to purchase classroom supplies for their students. It would also allow this above-the-line tax deduction for expenses related to professional development.

This amendment builds on a $250 tax deduction in current law that Senator WARNER and I authored in 2001. It became law that year as part of the tax relief package. The tax relief provided by that act to schoolteachers and other educators was later extended through the end of this year, but we need to act to extend it further, and I suggest there is no reason we shouldn't just go ahead and make it permanent. Teachers who buy classroom supplies in order to improve the educational experience for their students deserve more than just our gratitude. They deserve this modest tax incentive to thank them for their hard work.

So often, teachers in my State and throughout the country spend their own money to improve the classroom experience of their students. Many of us are familiar with the survey of the National Education Association that found that teachers spend on average $443 a year on classroom supplies. Other surveys show they are spending even more than that. In fact, the National School Supply and Equipment Association has found that educators spend an average of $826 to supplement classroom supplies, plus $926 for instructional materials on top of that—in other words, a total of $1,700 out of their own pockets.

In most States, including mine, teachers are very modestly paid for their jobs, and I think it is so impressive that despite challenging jobs and modest salaries, teachers are willing to dig deep into their own pockets to enrich the classroom experience because they care so deeply for their students.

Indeed, I have spoken with dozens of teachers in Maine who tell me they routinely spend far in excess of the $250 deduction limit that is in current law. I have made a practice of visiting schools all over Maine. In fact, I have visited more than 160 schools in my State. At virtually every school I visit, I find teachers who are spending their own money to benefit their students. Year after year, these teachers spend hundreds of dollars on books, bulletin boards, computer software, construction paper, stamps, ink pads—everything one can think of. Let me just give a couple of examples. For example, Anita Hopkins and Kathi Toothaker, who are elementary school teachers in Augusta, ME, purchased books for their students to have a classroom library, as well as workbooks and sight cards. They also purchased special prizes for positive reinforcement for their students. Mrs. Hopkins estimates that she spends between $800 and $1,000 of her own money on extra materials to make learning more fun and to create a stimulating classroom environment.

I have proposed that we also expand the uses for this tax deduction. We should make it available for teachers who incur expenses for professional development. We hear a lot of discussion when the provisions of No Child Left Behind are debated about the need for highly qualified teachers. One of the best ways for teachers to improve their qualifications is through professional development. Yet in towns in my State—and I suspect throughout the country—school budgets are often very tight and money for professional development is either very small or nonexistent. So what I think we should do is to allow this tax deduction to also apply when a teacher takes a course or attends a workshop and has to pay for it out of his or her own pocket.

In my view, it is the students who are the ultimate beneficiaries when teachers receive professional development to sharpen their skills or to teach them a new approach to presenting material to their students. Studies consistently have shown that other than involved parents, the single greatest determinant of classroom success is the presence of a well-qualified teacher, and educators themselves understand just how important professional development is to their ability to make a positive impact in the classroom.

The teacher tax relief we have made available since 2001 is certainly a positive step, and I was very proud, along with Senator WARNER, to have authored that law. This amendment would increase that deduction from $250 to $400, reflecting more accurately what teachers really do spend, and it would also make it permanent.

The National Education Association, the NEA, has endorsed this amendment. I ask unanimous consent that a copy of the NEA's letter be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER (Ms. KLOBUCHAR). Without objection, it is so ordered.

(See Exhibit 1.)

Ms. COLLINS. Madam President, this amendment is a small but appropriate means of recognizing the many sacrifices our teachers make every day to benefit the children of America.

I thank the Senator from Oregon for working with me on this amendment. It is my understanding that it is acceptable to him. It builds on the many positive provisions he has in his amendment. He is a cosponsor of the amendment. He has been a real leader on educational issues.

Shortly, I am going to ask that the amendment be adopted.

EXHIBIT 1

NATIONAL EDUCATION ASSOCIATION,
Washington, DC, January 24, 2007.

Senator SUSAN COLLINS,
Senator JOHN WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATORS COLLINS AND WARNER: On behalf of the National Education Association's (NEA) 3.2 million members, we would like to express our strong support for your legislation that would increase, expand, and make permanent the tax deduction for educators' out-of-pocket classroom supply expenses. We thank you for your continued leadership and advocacy on this important issue.

As you know, the educator tax deduction helps recognize the financial sacrifices made by teachers and paraprofessionals, who often reach into their own pockets to purchase classroom supplies such as books, pencils, paper, and art supplies. Studies show that teachers are spending more of their own funds each year to supply their classrooms, including purchasing essential items such as pencils, glue, scissors, and facial tissues. For example, NEA's 2003 report Status of the American Public School Teacher, 2000–2001 found that teachers spent an average of $443 a year on classroom supplies. More recently, the National School Supply and Equipment Association found that in 2005–2006, educators spent out of their own pockets an average of $826.00 for supplies and an additional $926 for instructional materials, for a total of $1,752.

By increasing the current deduction and making it permanent, your legislation will make a real difference for many educators, who often must sacrifice other personal needs in order to pay for classroom supplies.

NEA also strongly supports your proposal to extend the tax deduction to cover out-of-pocket professional development expenses. Teacher quality is the single most critical factor in maximizing student achievement. Ongoing professional development is essential to ensure that educators stay up-to-date on the skills and knowledge necessary to prepare students for the challenges of the 21st century. Your bill will make a critical difference in helping educators access quality training.

We thank you again for your work on this important legislation and look forward to continuing to work with you to support our nation's educators.

Sincerely,

DIANE SHUST,
Director of Government Relations.
RANDALL MOODY,
Manager of Federal Policy and Politics.

Mr. WARNER. Mr. President, I rise today in support, once again, of America's teachers by joining with Senator COLLINS in introducing an amendment regarding the Teacher Tax Relief Act.

Senator COLLINS and I have worked closely for some time now in support of legislation to provide our teachers with tax relief in recognition of the many out-of-pocket expenses they incur as part of their profession. In the 107th Congress, we were successful in providing much needed tax relief for our Nations teachers with passage of H.R. 3090, the Job Creation and Worker Assistance Act of 2002.

This legislation, which was signed into law by President Bush, included the Collins/Warner Teacher Tax Relief Act of 2001 provisions that provided a $250 above the line deduction for educators who incur out-of-pocket expenses for supplies they bring into the classroom to better the education of their students. These important provisions provided almost half a billion dollars worth of tax relief to teachers all across America in 2002 and 2003.

In the 108th Congress, we were able to successfully extend the provisions of the Teacher Tax Relief Act for 2004 and 2005. In the 109th Congress we were able to successfully extend the provisions for 2006 and 2007.

While these provisions will provide substantial relief to America's teachers, our work is not yet complete.

It is now estimated that the average teacher spends $826 out of their own pocket each year on classroom materials—materials such as pens, pencils and books. First-year teachers spend even more.

Why do they do this? Simply because school budgets are not adequate to meet the costs of education. Our teachers dip into their own pocket to better the education of America's youth.

Moreover, in addition to spending substantial money on classroom supplies, many teachers spend even more money out of their own pocket on professional development. Such expenses include tuition, fees, books, and supplies associated with courses that help our teachers become even better instructors.

The fact is that these out-of-pocket costs place lasting financial burdens on our teachers. This is one reason our teachers are leaving the profession. Little wonder that our country is in the midst of a teacher shortage.

Without a doubt the Teacher Tax Relief Act of 2001 took a step forward in helping to alleviate the Nation's teaching shortage by providing a $250 above the line deduction for classroom expenses.

However, it is clear that our teachers are spending much more than $250 a year out of their own pocket to better the education of our children. Accordingly, Senator COLLINS and I have joined together to take another step forward by introducing this amendment.

This amendment will build upon current law in three ways. The amendment will:

(1) Increase the above-the-line deduction, as President Bush has called for, from $250 allowed under current law to $400;

(2) Allow educators to include professional development costs within that $400 deduction. Under current law, up to $250 is deductible but only for classroom expenses; and

(3) Make the teacher tax relief provisions in the law permanent. Current law sunsets the Collins/Warner provisions after 2007.

I will ask to have printed in the RECORD at the end of my statement a letter from the National Education Association endorsing the Collins-Warner amendment, and also a letter from the Virginia Education Association endorsing the Collins-Warner amendment.

Mr. President, our teachers have made a personal commitment to educate the next generation and to strengthen America. And, in my view, the Federal Government should recognize the many sacrifices our teachers make in their career.

This teacher tax relief amendment is another step forward in providing our educators with the recognition they deserve.

Mr. President, I ask unanimous consent that the aforementioned materials be printed in the RECORD.

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

NATIONAL EDUCATION ASSOCIATION,
Washington, DC, January 24, 2007.

U.S. SENATE,
Washington, DC.

DEAR SENATOR: On behalf of the National Education Association's (NEA) 3.2 million members, we urge your support for an amendment to be offered by Senators Collins (R–ME) and Warner (R–VA) to the minimum wage bill that would make permanent the tax deduction for educators' out-of-pocket classroom supply expenses. Votes associated with this issue may be included in the NEA Legislative Report Card for the 110th Congress.

The educator tax deduction helps recognize the financial sacrifices made by teachers and paraprofessionals, who often reach into their own pockets to purchase classroom supplies. Studies show that teachers are spending more of their own funds each year to supply their classrooms, including purchasing essential items such as pencils, glue, scissors, and facial tissues. For example, the National School Supply and Equipment Association found that in 2005–2006, educators spent out of their own pockets an average of $826.00 for supplies and an additional $926 for instructional materials, for a total of $1,752.

The current deduction was extended at the end of 2006, but will expire again at the end of this year absent additional congressional action. Making the deduction permanent will acknowledge the sacrifices made by those who have dedicated their lives to educating our children and will alleviate the uncertainty they face as they wait each year to see if the deduction will be extended.

We urge your support for this important amendment.

Sincerely,

DIANE SHUST,
Director of Government Relations;
RANDALL MOODY,
Manager of Federal Policy and Politics.

VIRGINIA EDUCATION ASSOCIATION,
Richmond, Virginia, January 25, 2007.

Hon. JOHN WILLIAM WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATOR WARNER: On behalf of the Virginia Education Association's (VEA) 62,000 members. I thank you for offering an amendment to the minimum wage bill that would make permanent the tax deduction for educators' out-of-pocket classroom supply expenses.

In Virginia we are fighting to improve the salaries of teachers and other education support professionals to bring them to the national average, so it iswonderfuI that you recognize the financial sacrifices they make when purchasing classroom supplies such as pencils, glue, scissors, and facial tissues. The National School Supply and Equipment Association found that in 2005–2006, educators spent out of their own pockets an average of $826.00 for supplies and an additional $926 for instructional materials, for a total of $1,752.

Your amendment acknowledges these sacrifices made by those who have dedicated their lives to educating our children.

Sincerely,

PRINCESS MOSS,
President,
Virginia Education Association.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. SMITH. Madam President, I thank Senator COLLINS. Her amendment is important. She has been working on this issue since 2001. It does have a very real impact. I certainly support her adding it to my amendment. It is an important contribution to education, specifically to those who are educators.

I will make a few remarks, but I do wish to point out that my friend from North Dakota was talking about the repatriation bill that he said was not for little folks, I suppose, or however he termed it. That bill that was passed, by my last count, has resulted in repatriations of $290 billion. These dollars have benefitted our economy and created new jobs.

One of the reasons we have such low unemployment in this country today is because of that bill. It affects regular folks, working folks, and, yes, it does involve multinational companies, but these are American companies which do business all over the world. Some of them are in my State, like Nike. Some may even be from North Dakota.

What we do relative to the Tax Code has real consequences. People respond to incentives. What that bill represents is truly $290 billion can either come back into our economy or it is $290 billion that will never come back into this economy. I am proud of that legislation because it has helped working people.

If the Senator wanted something that will help those—let's term it ''those of average income''—those working Americans who would like a break under the Tax Code, we did that in the Bush tax cuts, and I am trying today, with this amendment, with Senator COLLINS' help, to extend these tax cuts as they relate to education. It is hard to see how anybody could be against it, and I don't suppose there are many in this Chamber who truly are. Some will question the timing of bringing it up now but, frankly, I have learned in 10 years around this place that if you want something to move, you better hook it on to any train that is moving.

Yes, I want to vote to raise the minimum wage, but I also want to put on provisions to help the folks we are trying to help, without hurting small employers, but people who are on minimum wage, particularly moms and dads who are trying to save for education.

There are three provisions, in addition to the fourth Senator COLLINS added to this bill, that I want to highlight. First is the deduction for qualified tuition and related expenses.

Americans can currently deduct up to $4,000 for higher education expenses, depending on their income level. In 2004, over 4.5 million American students and families benefited from this deduction, including almost 65,000 Oregonians, of which I am proud. I am glad we cut this tax. I am glad this deduction is in there. But it is about to expire. So the sooner we extend it, make it permanent, as this amendment proposes to do, the better off American families will be for planning. We are not talking about the rich here; we are talking about folks who are trying to make education more affordable, more accessible, and these are the tools of the Tax Code that enable us to do it.

The second provision addresses the exclusion for employer-provided educational assistance. This tax benefit allows employees to exclude from their gross income up to $5,250 a year of educational assistance provided by their employers. We are not talking about employers; we are talking about the employees who get to exclude it from their gross income. This helps the very people we are also trying to help with an increase in the minimum wage. It is a very popular employee benefit.

Third, this amendment proposes to extend certain enhancements to the Coverdell education savings account. This is an important tool for Americans who want to save for future education expenses. Paul Coverdell was a beloved colleague of ours. I miss him. He was passionate on education. I am proud his name is attached to these savings accounts.

The 2001 Tax Act made a number of reforms to enhance these Coverdell accounts. For example, it increased the annual contribution limit to $2,000 from $500 and expanded the definition of ''qualified expenses'' to include elementary and secondary schools. However, like the exclusion for employer-provided educational assistance, these enhancements expire soon. This amendment would make these improvements permanent.

Education tax breaks are extremely important to all Americans but particularly working Americans. In fact, I think we would be hard pressed to find a student, parent, or teacher who does not support these provisions.

I urge my colleagues to strengthen the education system of America and make these provisions permanent. That is the whole point of this amendment. If we do not succeed, I look forward to working with my chairman on the Finance Committee on another vehicle to make this happen. I know of his good will. I appreciate him and look forward to working with him on the committee on which we both sit to make sure, if this does not happen now, that it will happen soon. We are talking about real people and, with this amendment, real dollars that will make a real difference.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine is recognized.

AMENDMENT NO. 204

Ms. COLLINS. Madam President, I ask unanimous consent that the second-degree amendment, No. 204, be agreed to.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 204) was agreed to.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Madam President, I ask unanimous consent there be 40 minutes of debate to run concurrently on the Baucus amendment No. 206 and the Smith amendment No. 113, the time controlled as follows: 30 minutes under the control of Senator BAUCUS or his designee, 10 minutes under the control of Senator SMITH; that no further second-degree amendment be in order to either amendment; that there be 2 minutes of debate equally divided between the votes; that upon the use or yielding back of the time, the Senate vote in relation to the Baucus amendment to be followed by a vote in relation to the Smith amendment, as amended.

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

Mr. BAUCUS. Madam President, I will speak for a few minutes. Clearly education is one of our country's highest priorities. I don't think there is anybody in this body or in the other body on the other side of this Capitol who will disagree with that statement. It is certainly one of the most important, if not the most important. The pending Smith amendment, however, is not the right way to address this issue.

First, the Senator did not offer his amendment in the committee of jurisdiction. There have not been hearings on this amendment. The committee has not had a chance to work on the amendment, and it shows. First, the amendment is not paid for. It would increase the deficit by $35 billion over 10 years. No. 2, it leaves in place overly complex tax provisions. It needs simplification. We clearly need to consolidate the myriad different education credits and deductions with which the people in the country are faced and have an almost impossible time trying to figure out. This amendment does not do the job.

It also includes controversial provisions such as the Coverdell tax cuts for K–12 education, provisions I personally favor but I know many Members of this body have deep public policy concerns with. We need to focus on education. As chairman of the Committee on Finance, I pledge that this committee will work aggressively to develop a comprehensive education package that includes simplification of all the myriad current tax provisions and hopefully will be much more effective—do what it is supposed to do—and will also address the various needs of various people in our society, especially low-income people who have a hard time getting to college or getting into a voc-ed school, a community college, a tribal community college, or whatnot.

We in America are in sixth place in a competitive index in the world and most of that is due to a lower standing in higher education, clearly behind Nordic countries and Singapore. To compete in a global economy, we need to focus to improve our educational system. It is my goal, if I have anything to do with it, in 3 or 4 or 5 years it will be known in the world that it is in America where the action is, it is in America where they are starting to get it right, they are starting to address and to figure out ways to make sure their kids—and a little older kids—are very well educated; where we Americans are so proud of what we are doing and other countries will recognize what we are doing.

It will take work to get there, but that should be the goal, and I am doing what I can to help us get there. We know about the increase in college tuition and all the problems that is causing. My State of Montana has an especially difficult time. More than two-thirds of the students in my State receive grant aid. Frankly, that is a nationwide figure. In my State it is even higher; it is 80 percent. We need education assistance. Mr. President, 14,000 individuals from my State claim more than $35 million in tuition fee deductions; nationwide, more than 4.5 million people together claimed about $10 billion in tuition fee deductions. Again, simplify, target them, make it work so we are doing what we should be doing.

Let me talk for a few minutes about how complicated these education provisions are. First, we have the HOPE scholarships and the Lifetime Learning credits.

I might say to my colleagues, there are nine other types of tax benefits for education. Here they all are. I am sure everybody knows all about these and I am sure everybody understands them completely. First, the student loan interest deduction; next, tax-free treatment of canceled student loans; tax-free student loan repayment assistance; Coverdell education savings accounts featuring tax-free earnings; qualified tuition programs which also feature tax-free earnings; penalty-free early distributions from any type of retirement account arrangement for education costs; allowing families to cash in savings bonds for education costs without having to pay tax on the interest on those; tax-free educational benefits for employers; business deductions for work-related education. We have over 11 that I can count, and I don't think anybody knows them, not one person—maybe one person. Not very many people. If we have a hard time in this body understanding those, think of the poor students. Think of the families. Think of the people trying to make some sense out of all this.

To some degree, voters in November were saying to us in Washington and around the country: People in Washington aren't listening to us. We have problems. They are not listening to us. Congress is a bit dysfunctional. What are they doing about education? We all know the need. What are they doing?

My goal in the committee, working very closely with Senator KENNEDY of the HELP Committee, is, together with their authorizing legislation and our tax legislation, to get the ball rolling so we are focusing on education. It is so important to me.

We also, I might say, need to focus on the neediest. Current tax credits and deductions don't help the neediest. They don't have any income to pay income tax on. It is not targeted, all these lifetime scholarships and HOPE scholarships, and so forth. We had a great hearing in the Committee on Finance. Maybe while we consolidate and simplify—a very strong recommendation, I might say, by all those who appeared before us, is combined Pell grants. So many students get their aid through Pell grants. That is certainly true in community colleges, it is true in tribal colleges. Those are lower income students. It is Pell grants that they need and we need to boost Pell grant levels even higher.

Also, working with Pell grants, make a simplified tax credit—maybe refundable. Lower income people need the money upfront. It doesn't make any difference to have it later on, a year later when they are figuring out tax returns. It has to be upfront. That is another recommendation given by a very impressive, persuasive witness before our committee a short time ago.

We also need to think about covering not only tuition but also other education expenses. What about books, room and board, and so forth? The current major provisions cover tuition, tuition only. I think it is true that some of this has to be increased. Which ones, that is the question.

Frankly, as we are talking about helping teachers with greater deductions, my view is: Find a way to give teachers greater pay. That is the real solution here, rather than saying you have to get a deduction so you can help pay for your students' expenses. We need to get teachers better pay. Even though we don't have primary jurisdiction, we are certainly creative around

here. We can figure out a way here in the Congress to help States pay better salaries to teachers so we get even better people teaching school than we have now. We have good teachers, but we need to also make sure they have the pay they need.

The underlying minimum wage bill is paid for. This amendment is not paid for. The underlying total small business package is $8.3 billion and we pay for it. This is a $35 billion package, four or five times that, but it is not paid for. It was not discussed in committee. Slapdash here on the floor. That is not the way to do legislation. As I said many times, and I keep saying it because I believe it, in the Committee on Finance we are going to work as a committee because that is the best way to legislate. That means working with Democrats and with Republicans in a give and take to get a committee product. I pledge to my colleagues we are going to work mightily to get a very good education product from our committee in conjunction with the Senator from Massachusetts, Mr. KENNEDY, so the right hand knows what the left hand is doing.

I do believe the whole is greater than the sum of the parts. With the two of us working together in cooperation from both sides of the aisle—and Senator ENZI, I am quite certain, has the same views—we are going to do something about education here. I fully believe that will happen.

Now I yield 10 minutes to the senior Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mrs. LINCOLN. Madam President, I thank my colleague from Montana and certainly my colleagues from Maine and from Oregon for their very intense interest on this very important issue. I come to the floor today to discuss and visit about what I also think is an enormously important priority for us here in the Senate, and that is education. I want to voice my support for action during the 110th Congress. I come to the floor not only as a Senator from the great State of Arkansas, but also as a mother. I come to the floor with twin boys in the fifth grade, having completed a fifth grade chemistry test this week along with a chemistry experiment, a unit test on ancient Egypt, and all the while talking with our students and teachers, and realizing all of the many challenges they face in making sure our children get the kind of education they need to be an active and productive part of the 21st century.

I see what not just our teachers are up against but our families as well, and noticing as my husband left, not only on top of the question of what's for dinner and did you pick up my cleaning, but also he asked: Did you take part of that Christmas bonus and put it into the children's college account? I know that working families all across this country, much like mine and yours and others here, are realizing the critical role that education plays, not just in our families but in the success of this great country, and what it means to all of the different issues we face.

Promoting education is an essential element of many of the efforts to prepare our workforce to meet the demands of today's increasingly competitive global marketplace. But it is also the key that will unlock the doors to solving so many of our challenges. Making sure our children are equipped with the knowledge and the skill and the tools is going to make the difference between whether we do reduce our dependence on foreign oil and move to renewable fuels. It is the key to whether we are able to move forward in so many different scientific arenas and, looking at health care, are able to provide the kind of health care we need in this country, the expertise and the research that is necessary there—all of these challenges we face hinge on the job we do on education.

I have no doubt in my mind that Chairman BAUCUS, along with Senator GRASSLEY, working together in the Finance Committee, have every intention of making sure we do our level best in this session of Congress to address these issues through the incentives the Tax Code can provide us to encourage and reinforce our education system—both for our families as well as our educators—to do the right thing on behalf of our children and our country.

I look forward to working with them.

I have enjoyed the opportunity to work with my colleagues, with Chairman BAUCUS and Senator GRASSLEY and my friend from Oregon, Senator SMITH, and Senator COLLINS, who have long histories of passion on this issue. We look for ways to use the Tax Code as a tool to help more of our children have that opportunity to receive quality education. Last Congress, we together introduced the Educational Opportunity Act of 2006 so that existing education tax incentives are a more viable tool for our students and their families and educators, particularly in our rural communities. Already this year, as Chairman BAUCUS mentioned, the Finance Committee has had some very productive hearings, good conversations about what is important, what works, what doesn't; how do we get it out there to the people who need it the most in order to make sure the people of this country have the opportunity to give back to this great land. So I commend Senator SMITH and Senator COLLINS on their efforts, and I wish to continue the dedication on this issue in working with them.

Unfortunately, I agree with Senator BAUCUS: This is not the place to do this. We have many things to achieve in this 110th Congress, and the only way we will achieve them is if we take our time and make sure we, step-by-step, make the necessary moves that need to be made to accomplish all we have to do. I ran in the other day with a grocery sack that I had overfilled in an attempt to hurry and get to where I needed to be to do one more thing and it broke and everything went everywhere. It was awful, an awful experience because I knew it was my own fault. I had rushed and tried to put too much into one sack so that everything else fell apart.

Under the wise leadership of Chairman BAUCUS, we have worked hard to make sure we craft a proposal on small business tax relief that will be productive, that will be the one step in this direction we need to take in a way that will be productive, but it won't overload, so that we don't get anything accomplished.

So I plead with my colleagues. Looking at what Chairman BAUCUS and Ranking Member GRASSLEY have done, with significant input and consideration by the entire Finance Committee, they have put together a very good package of small business tax relief to supplement the minimum wage, which we all agree is extremely overdue. The comments of my colleague from North Dakota couldn't have been more appropriate; the fact that we are trying now, having not been able to move a simple minimum wage, to do what we can do and to do it in a practical and moderate way.

The package is a balanced one. It includes provisions that are supported on both sides of the aisle, such as small business expensing, the Work Opportunity Tax Credit, and the S corporation reforms.

The package is a responsible one. Compared to tax packages we have considered in the recent past, this one is much smaller, with a price tag of $8 billion, and not to mention it is completely paid for. When we take things one step at a time, we can act responsibly in paying for them. There is one thing we hear from our constituents, and that is: Please, please recognize the debt you are creating in this country has as much of an impact on our children as educating them does because they are going to be the ones left holding the bag.

Finally, the package is targeted. When we began putting it together, there were a lot of us on the committee who had priorities we wanted to address. Senator SNOWE and I care deeply about doing something on small business health care, as does Senator STABENOW, who has mentioned it many times as well. Senator BINGAMAN filed an amendment to expand the HOPE scholarship credit. Of course, there were many others. We all have our priorities, and we are all eager to address them. But if we take our time, if we move step-by-step and do it correctly, we will get to all of those issues. Under the leadership of Senator BAUCUS, he has pledged to us to work diligently in the Finance Committee to be able to address these issues.

In response, we were asked, having come to the chairman about all of these issues, not to jump the gun but to focus on the bill at hand and to provide the committee and the larger body

the opportunity to take a more thorough look in regular order, so that we can reach consensus and make progress on those important issues, as we have with the small business tax relief.

In the coming year, I know the HELP Committee will be extremely busy as they focus on the reauthorizing of No Child Left Behind. As they work on improving and extending our education policy from their end, I know that we on the Finance Committee will be doing the same with our tax policy. Chairman BAUCUS, through the Chair, I would like to have his reassurance—which I don't need, but I want the rest of the body to know—if he could clarify for us that, yes, the Finance Committee will, indeed, be taking up all of these many issues, but certainly these education issues that rest heavily on many of our minds, and that it is his intention to move on an education tax package, along with such other reauthorizations. I know the chairman has given me his word, and I know he wants to encourage others as well.

Mr. BAUCUS. Madam President, I ask unanimous consent that the Senator from Arkansas and I be allowed to have a dialog without Senators losing the right to the floor.

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

Mr. BAUCUS. I would say to my good friend from Arkansas that I very much want to reassure her. She is such a tremendous member of our committee and such an able Senator from her State, and I know her State is very proud of her. But the answer is definitely totally 100 percent yes. Education is one of my passions. It is so important. It means so much to me, and I know it does for all of us. I love going to schools and seeing the teaching in schools. It is one of the best parts of this job.

I also wish to make sure that our kids and grandkids have the same quality of life, the same standard of living that we have been able to enjoy, and that means, given the global competition we face from other countries such as China and India, and so forth, we need the best, and we are going to have the best.

So I say to my good friend, in the Committee on Finance, Senator GRASSLEY and I are a very close team on the committee and we are going to move aggressively on ways to boost the availability and to help people get the very best education, in conjunction with Senator KENNEDY and Senator ENZI, when No Child Left Behind is brought up, and other authorizing legislation on education comes up, so that we can do something that makes us all on both sides of the aisle proud to address education.

Mrs. LINCOLN. Madam President, reclaiming my time, I thank the chairman for that because I do think it is important. I have every confidence the chairman will do that. I know he will. He has told me that and he has told many others. I wanted the rest of the Senators to know he truly has a commitment, in terms of recognizing that we on the Finance Committee have a unique opportunity to help provide America's working families with the incentives they need and the tools they need to invest in their children. I know he believes in that passionately, and I am so pleased he will be working with us on that, and I know he will. It is obviously an extremely important issue to our friend, the Senator from Oregon, and to the Senator from Maine. It is important to me as a parent, as an Arkansan, and I think it is important to every one of our constituents that we are desperately trying to ensure that their children are given the tools to succeed in life.

My mother used to always say that if you want to do something nice for me, do something wonderful for my children. That is what we are here to say today. So after all, there should be no higher priority than providing our children the opportunity to succeed, and I look forward to working with the Finance Committee to do that.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BAUCUS. Madam President, could I ask the time allotment on both sides?

The PRESIDING OFFICER. The Senator has 8 minutes 30 seconds, and the Senator from Wyoming has 10 minutes.

Mr. BAUCUS. I don't see the Senator from Oregon on the floor. I don't know if other Senators wish to speak on the pending amendment. I don't see other Senators on the floor. I would ask my good friend for a little bit of assistance in this matter.

Mr. ENZI. It is my understanding they do not wish to speak. I would like to reserve the time until I hear some of the other comments. I have nothing to say at the moment.

Mr. BAUCUS. Madam President, we have two votes coming up shortly, and I would like to speak to a couple of points on my amendment. Essentially, my amendment is a sense of the Senate that we will, and must, work under the provisions we have been discussing in the last few minutes. It says we believe the taxpayers play such an important role making education more affordable, and it also says we should pay for it. That is something I must say, and I will say, as my good friend from Minnesota as well as other Senators have said, that there are a lot of ways to find the so-called pay-fors we should find, the so-called pay-fors, in closing tax loopholes. There is a lot of constructive talk—in fact, I initiated a lot of it—about the tax gap, about $350 billion of income taxes owed to the Government—owed but not collected—$350 billion every year owed but not collected—without raising any taxes, without passing any legislation that increases taxes. That is $350 billion that should be collected, and we are not collecting it. I am not saying we could get it all, but I am saying we should get a lot of it. Part of that is payroll taxes that is not collected. The estimates are $50 billion, $60 billion in payroll taxes that are not being collected. Well, adding $30 billion, $40 billion a year to the Social Security trust fund wouldn't hurt. Adding a few billion dollars to the hospital insurance Part A trust fund wouldn't hurt. We have to work hard to find that.

My point is we can find the so-called pay-fors when we do the things we need to do. So this is not some big pipe dream: Sure, we are going to talk about this stuff. I am saying we are going to enact the kinds of provisions we are talking about. It could be up to $35 billion, which is the amount contained in this amendment but which is not paid for. As I mentioned, it is under the alternative amendment, that is the amendment offered by the Senator from Oregon, which doesn't address the complexity, it doesn't address a lot of real problems.

I said, perhaps a bit unfairly, it is a slapdash amendment on the floor, but it is true it is an amendment of first impression. This is the first we have seen it. It never came up in the committee. I am trying, in a small way in this Congress, to try to anticipate subjects that are going to come up on the floor, anticipate major amendments that are going to come up on the floor, in the committee of jurisdiction, the Committee on Finance, and have hearings on them. Let's get experts to come and tell us about them so we can modify them and make them work, rather than seeing them for the first time on the floor and wondering what in the heck this is and what it is all about.

So I would urge my colleagues to support the sense of the Senate amendment which I am offering. I think it is the right way to get at the problem. As I have said many times, I pledge to my colleagues that we on the Finance Committee are going to dig into this. We are going to find ways to make sure we have the best education tax provisions we can possibly get. Therefore, I urge a positive vote on my amendment. After that, I encourage Senators to vote against the Smith amendment. He means well, he is a good guy, but there is a time and place for everything. This is not the time and place for the Smith amendment. There will be a time and place later on this year for those subjects and the able Senator from Oregon is a member of the committee and I know we are going to hear from him on his amendments and he will be right. These provisions we can address and will address.

So I am prepared to yield back my time. I know the Senator from Massachusetts was seeking time to speak, but apparently he no longer is.

Mr. ENZI. Madam President, before the Senator yields back his time, I need to say that Senator SMITH is on his way to the floor to make a couple more comments.

Mr. BAUCUS. Madam President, I suggest the absence of a quorum, to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMITH. 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. SMITH. Madam President, I think everything that could be said and should be said has been said. I ask for the yeas and nays if they have not already been asked for.

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

Mr. SMITH. I request the yeas and nays on the Smith amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 206

Mr. BAUCUS. Madam President, I ask for the yeas and nays on the Baucus amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BAUCUS. I am prepared to yield back the remainder of my time.

Mr. SMITH. Madam President, we yield back the remainder of our time.

Mr. BAUCUS. I yield back the remainder of our time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to amendment No. 206.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Connecticut (Mr. DODD), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. JOHNSON), the Senator from New Jersey (Mr. MENENDEZ), and the Senator from New York (Mr. SCHUMER) are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN), the Senator from Connecticut (Mr. DODD), and the Senator from New Jersey (Mr. MENENDEZ) would each vote ''yea.''

Mr. LOTT. The following Senators were necessarily absent: The Senator from Missouri (Mr. BOND), the Senator from Oklahoma (Mr. COBURN), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. THOMAS).

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

The result was announced—yeas 90, nays 0, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—90

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

NOT VOTING—10

Biden	Inouye	Stevens
Bond	Johnson	Thomas
Coburn	Menendez	
Dodd	Schumer	

The amendment (No. 206) was agreed to.

AMENDMENT NO. 113, AS AMENDED

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes of debate equally divided on the amendment of the Senator from Oregon, No. 113, as amended.

Who yields time?

The Senator from Oregon is recognized.

Mr. SMITH. Madam President and colleagues, we have just voted for a sense of the Senate unanimously to do what the next amendment says we should do. And we should do it today. My mother used to always say: Son, never put off until tomorrow what you can do today.

I say we should do today the following things with this next vote: make permanent the deduction for qualified tuition expenses; make permanent the employee exclusion from gross income of employer-provided education assistance; make permanent the enhancements to the Coverdell education savings accounts.

Do it today. That helps working folks and families struggling to pay for education. Let's not put off until later what we can do right now. I urge an ''aye'' vote.

I yield back the remainder of my time.

Mr. KENNEDY. Madam President, while I appreciate my colleague from Oregon and his commitment to education, this is not an omnibus tax bill; it is long overdue legislation to increase the minimum wage. It is not an opportunity for Members to present their tax cut wish list. It is Congress's opportunity to finally right the wrong of denying millions of hard working minimum wage workers a raise for 10 years.

Unfortunately, our Republican colleagues filed more than 25 amendments proposing new or expanded tax cuts. Many of them would cost billions of dollars. None of them are paid for.

This amendment would extend several tax benefits for education that I strongly support, but it should be paid for. It would cost $35 billion over the next decade. That cost should be offset by the elimination of unjustified corporate tax loopholes that are currently draining the Treasury.

I also can not support his amendment because it seeks to make permanent tax benefits that I believe represent misplaced priorities. The amendment would extend the Coverdell education savings account provision, which provides benefits to families with children in private elementary and secondary schools, while doing nothing to improve our Nation's public school system.

And this amendment does nothing for working families who do not have enough assets and savings to participate in the Coverdell scheme.

As the nonpartisan Congressional Research Service notes:

the main outcome of extending the [Coverdell accounts] to pay for K–12 education expenses may be to slightly subsidize higher income families who might have sent their children to private school anyway.

While Coverdell accounts might help richer families send their children to private school, it does nothing to address what parents are calling for to improve public schools.

The Coverdell bill does not: put qualified teachers in the classroom; reduce class sizes; modernize or repair school buildings; provide additional afterschool opportunities; or hold schools accountable for improved student achievement.

At a time when we are asking our schools to do more under the No Child Left Behind, while failing to live up to our funding commitments, we should not divert billions of tax dollars to support private schools. This year over half of the school districts in America will see their title I funding cut. Funding for the No Child Left Behind Act has fallen over $55 billion short of the amount promised 5 years ago.

We are over $8 billion under the amount promised to ensure equal education opportunities to disabled students just 2 years ago when we reauthorized the Individuals with Disabilities Education Act.

Reversing these shortfalls should be our priority in this Congress, not making permanent a tax benefit that promotes private schools over public schools.

I do strongly support the extension of the deduction for qualified tuition and related expenses for higher education, which is set to expire at the end of 2007. This deduction allows middle-income Americans to take a deduction for higher education expenses of up to $4,000. The IRS estimates that nearly 4.7 million students and families in the U.S. took advantage of the deduction in 2004.

I look forward to working on this proposal as we move forward with the debate on college affordability and higher education in the coming weeks.

We must prioritize making college more affordable.

The cost of college has more than tripled in the last 20 years. Each year, 400,000 students who are qualified to attend a 4-year college find themselves shut out because of cost factors.

As a result, students and families are pinching pennies more than ever to pay for higher education and more students and families are taking out loans to finance higher education.

We must provide them relief with a comprehensive strategy that starts with a substantial increase in the Pell grant. As the cost of even public college tuition and fees has climbed by an unacceptable 46 percent since 2001, the maximum Pell grant has not increased even a penny. This Congress should quickly act to remedy this.

We also should reform the student loan programs and use the savings to increase student aid. Senator SMITH has joined me in introducing the STAR Act, which provides incentives for schools to participate in the cheaper federal student loan program and uses savings to increase need-based aid generating over $13 billion over 10 years in need-based aid at no additional cost.

Finally, Congress should make college loan payments more affordable by reducing interest rates and capping monthly loan payments.

I plan to address these issues in our committee very soon and I would welcome Senator SMITH's contributions to that legislation and that debate.

I also look forward to working with him, Senator BAUCUS and other members of the Finance Committee as they develop a responsible tax package that helps middle class and low-income families afford to send their children to college.

The PRESIDING OFFICER (Mr. TESTER). The Senator from Montana.

Mr. BAUCUS. Mr. President, I appreciate the admonition and good counsel of my good friend from Oregon. My mother used to say: If you can do it, do it now. My mother used to also say: If you are going to do it now, do it right the first time. This is not doing it right the first time.

We rejected, about an hour ago, a similar amendment; that is, an amendment that was not offered in committee. I do not mean to be pejorative, but it is sort of a slapdash amendment, thought up, not considered in committee.

This amendment is just too complex. It causes a big increase in the budget deficit. It is not paid for. I have a whole list of reasons why we should not adopt this amendment. Essentially, we will get to these issues in committee, and that will be the right time and place to deal with these issues.

Mr. President, I raise a point of order that the pending amendment violates section 505(a) of H. Con. Res. 95, the concurrent resolution on the budget for fiscal year 2004.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH. Mr. President, I move to waive the applicable portion of the Budget Act and urge an ''aye'' vote.

Mr. BAUCUS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The bill clerk called the roll.

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

Mr. LOTT. The following Senators are necessarily absent: the Senator from Missouri (Mr. BOND), the Senator from Oklahoma (Mr. COBURN), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. THOMAS).

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

The yeas and nays resulted—yeas 43, nays 50, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—43

Alexander	Dole	Martinez
Allard	Domenici	McCain
Bennett	Ensign	McConnell
Brownback	Enzi	Murkowski
Bunning	Graham	Nelson (NE)
Burr	Grassley	Roberts
Chambliss	Gregg	Sessions
Cochran	Hagel	Shelby
Coleman	Hatch	Smith
Collins	Hutchison	Sununu
Corker	Inhofe	Thune
Cornyn	Isakson	Vitter
Craig	Kyl	Warner
Crapo	Lott	
DeMint	Lugar	

NAYS—50

Akaka	Feingold	Nelson (FL)
Baucus	Feinstein	Obama
Bayh	Harkin	Pryor
Biden	Kennedy	Reed
Bingaman	Kerry	Reid
Boxer	Klobuchar	Rockefeller
Brown	Kohl	Salazar
Byrd	Landrieu	Sanders
Cantwell	Lautenberg	Snowe
Cardin	Leahy	Specter
Carper	Levin	Stabenow
Casey	Lieberman	Tester
Clinton	Lincoln	Voinovich
Conrad	McCaskill	Webb
Dodd	Menendez	Whitehouse
Dorgan	Mikulski	Wyden
Durbin	Murray	

NOT VOTING—7

Bond	Johnson	Thomas
Coburn	Schumer	
Inouye	Stevens	

The PRESIDING OFFICER. On this vote, the yeas are 43, the nays are 50. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I think we had an agreement to speak. I ask unanimous consent, if the floor managers agree, to commence my time at 4:45. A number of Senators have amendments they want to offer during that period of time between now and 4:45.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, reserving the right to object, I understand we are working out a time agreement. I would like to try to see what the time is. I have heard we then want to vote—some have said we are going to vote at 5:15. I don't understand what the time agreement is. I want to cooperate, and will, with the Senator. If we can withhold for a minute or two so that we can get the time agreement, if others want to speak, I certainly won't object to it. I understand we had an agreement, but I am not sure of the particulars yet and what it all means.

Mr. SESSIONS. I understood that an agreement had been reached to vote at 5:15. We had agreed to 30 minutes equally divided. I left a few minutes for some others who want to speak. That was my suggestion.

Mr. KENNEDY. Mr. President, I see other Senators. If they want to introduce amendments for a minute or two until we get this straightened out, if that is their purpose, that is fine. I have no objection to that while we are trying to work this through.

The PRESIDING OFFICER. Does the Senator from Alabama withdraw his request?

Mr. SESSIONS. I will.

Mr. ENZI. Mr. President, I ask the chairman that the 10 minutes be divided between Senators BURR, CHAMBLISS, and ALLARD.

Mr. ALLARD. If the Senator from Wyoming will yield, I need more than a few minutes. I need probably about 7 minutes. Maybe if I can get 7 minutes after the vote, that would be all right.

Mr. ENZI. So the unanimous consent request is to divide the 10 minutes, or the time until 4:45, between Senators BURR and CHAMBLISS, and after the vote, 7 minutes for Senator ALLARD.

Mr. SESSIONS. If the Senator will yield for a question, can we add that I be allowed up to 15 minutes before the vote at 5:15, or thereabouts?

Mr. KENNEDY. Mr. President, I have tried to be accommodating, and I have heard that people want to vote at 5:15 and 5:30. I want to make sure that we are going to get a fair share of the time. I will have to object until we have an agreement. I think we are going to get the agreement. What has been outlined on the floor is not what the agreement is going to say. If we have an agreement in terms of time, I think we ought to follow that. If there is going to be objection, that is fine. I will be around here. They told me there were Members who wanted to vote by 5:30 because of traveling. I want to accommodate that, and I want to make sure we divide the time between now and 5:30.

Mr. SESSIONS. Mr. President, I understand Senator KENNEDY's concern. All I am asking for is 10, 15 minutes before we vote.

Mr. KENNEDY. Mr. President, whenever we are going to vote, I ask unanimous consent that the Senator from Alabama have 15 minutes prior to that time. We will try to work out the time

before that with the floor staff. But we have that locked in.

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

The Senator from North Carolina is recognized.

Mr. BURR. Mr. President, I ask unanimous consent to set the pending amendment aside.

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

AMENDMENT NO. 195 TO AMENDMENT NO. 100

Mr. BURR. Mr. President, I call up amendment No. 195.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. BURR], for himself, Mr. DEMINT and Mr. COBURN, proposes an amendment numbered 195.

Mr. BURR. Mr. President, 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:

(Purpose: To provide for an exemption to a minimum wage increase for certain employers who contribute to their employees health benefit expenses)

At the end of section 102, add the following:

(c) EXCEPTION IN THE CASE OF PROVISION OF HEALTH BENEFITS.—Notwithstanding the amendment made by subsection (a), an employer to which such amendment applies shall have the option to—

(1) increase the minimum wage paid to employees as required under such amendment; or

(2) provide such employees with health care benefits that are equal (in terms of the monetary amount expended by the employer for such benefits) to the monetary amount by which the minimum wage is to be increased pursuant to such amendment.

Mr. BURR. Mr. President, let me take this opportunity to commend my colleagues, Senator KENNEDY and Senator ENZI. There is no question that we need to do something on minimum wage. What I am trying to do is realize that, as we do this, we do it in the wisest way we possibly can.

My simple amendment is very brief. It allows employers, with the increase we are making in minimum wage, to supply that equal dollar amount in health care benefits. Think about that. It would be the option of the employer to invest the $2.10 in the health care benefits of his or her employee. Some will probably suggest that is not enough.

If you look at the national average today for 100 percent of an individual's premium, the national average, based on the Kaiser Foundation, is $4,248. Well, based upon the amount we are proposing to raise the minimum wage, that leaves $120 to spare after we have paid 100 percent of that individual's health care. Stretch it a little bit further and apply it to a family, and that $4,368 that we are going to increase their wages by would provide almost 50 percent of the premium of a family plan.

You know, we talk about extending health care to all Americans, about the need to provide the resources for people to have affordable and accessible health care. Well, here is a way to do it. Let's allow those employers to have a benefit package that they extend to minimum wage workers for the first time so those who are most at risk might have the opportunity to be supplied health care by their employer, negotiated at the group rate.

Some might think that all Americans don't have a dog in this fight. I say they do. For every American we can put under the umbrella of coverage, we have reduced the cost shift in health care to where insurance premiums for the average person today will not continue to go up at the rate it is today. My hope is that even if it is incremental, we can bring more Americans under the umbrella of coverage.

It is my hope that my colleagues will see the great benefit we are talking about now, money designated to increase the wages of individuals, and we will at least allow employers the option to give them that benefit in health care. I think it is a very reasonable amendment. I urge my colleagues to support it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Mr. President, I ask unanimous consent that the pending amendment be set aside.

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

AMENDMENT NO. 118 TO AMENDMENT NO. 100

Mr. CHAMBLISS. Mr. President, I call up amendment No. 118.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Georgia [Mr. CHAMBLISS] for himself, Mr. ISAKSON, Mr. BURR and Mrs. DOLE, proposes an amendment numbered 118.

Mr. CHAMBLISS. Mr. President, 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:

(Purpose: To provide minimum wage rates for agricultural workers)

At the appropriate place, insert the following new section:

SEC. ___. WAGES FOR AGRICULTURAL WORKERS.

Section (6)(a)(5) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(5)) is amended to read as follows:

''(5) if such employee is employed in agriculture, or is employed to provide agriculture labor or services pursuant to section 218 of the Immigration and Nationality Act (8 U.S.C. 1188), not less than the greater of—

''(A) the minimum wage rate in effect under paragraph (1) after December 31, 1977; or

''(B) the prevailing wage established by the Occupational Employment Statistics program, or other wage survey, conducted by the Bureau of Labor Statistics in the county of intended employment, for entry level workers who are employed in agriculture in the area of work to be performed.''.

Mr. CHAMBLISS. Mr. President, I am pleased to have the support of Senator BURR and Senator ISAKSON on this amendment.

I ask unanimous consent that Senator DOLE be added as a cosponsor of my amendment.

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

Mr. CHAMBLISS. Mr. President, this amendment is an attempt to remedy a wage issue that is a tremendous burden for some of our Nation's agricultural employers. There are about 1 million agricultural workers in the country today, and roughly half of them are illegal workers.

As we expand the Border Patrol's presence on the border and the efforts of our men and women on the Border Patrol become more successful, farmers and ranchers who have historically relied on an illegal workforce have started to feel the squeeze, and they should. A labor shortage has resulted in a number of areas. This labor shortage occurs because agriculture is a traditional gateway of illegal immigration into the United States.

Many illegal immigrants come to the United States, work for a while on a farm, and, as they integrate into our society, they find different jobs, such as those in hospitality or construction. Therefore, the illegal agricultural workforce has continuously relied upon new workers crossing the border illegally and starting out on the farm.

As a result of these events, a number of Senators and advocacy groups have argued for a greater urgency in immigration reform in the agricultural sector.

I have spoken with farmers and ranchers all across America advocating immigration reform, and I always ask them: Do you use the H–2A program? This is the legal temporary worker program in law today that allows for an unlimited number of temporary agricultural workers to come to the United States and work and then return to their home country and return again and again as needed.

The primary response to my question is, they don't use the existing program, that it is too costly, and it is too bureaucratic. There are several other issues they have with the H–2A program that I attempted to remedy in the context of the immigration debate last year, and I will continue to work on those efforts when the Senate takes up the issue of immigration reform this Congress.

However, the largest prohibitive cost of using the H–2A program is its mandated artificially inflated wages. If we are truly looking for ways to make sure our agricultural workforce is legal, then addressing this and obtaining legal agricultural workers is something that should be fixed on this legislation.

If the Senate passes this amendment, we will see an immediate increase in the number of legal workers on our Nation's farms and fewer crop losses resulting from the lack of labor. The high cost of the H–2A program increases every year, and it will increase

even more with the passage of the minimum wage legislation we are considering today.

Agricultural employers who utilize the legal program are mandated to pay the adverse effect wage rate to all their workers, in addition to providing free housing, paying all visa and consular fees, and paying for the transportation and meal costs of those workers traveling to their farms.

Historically, approval for an employer to use nonimmigrant temporary workers was predicated on the following conditions being met: First, no U.S. workers were available to fill the specific job, and, second, that wages for that occupation would not be depressed by the hiring of foreign workers.

The imposition of a prevailing wage requirement as determined by the U.S. Department of Labor approved surveys in each State for specific occupations generally filled by temporary nonimmigrant workers would ensure three things:

First, that available U.S. workers would not be discouraged from applying for a job because it paid lower than usual local wages; second, all workers, both foreign and domestic, would be paid a wage that was competitive in the local area, thus avoiding depressing wages for that occupation; and third, that the use of foreign workers would not be more financially attractive to employers than employing U.S. workers.

Prevailing wages are determined by the U.S. Department of Labor through its State partners, using a methodology that is designed to capture a fair wage that reflects the local standards peculiar to a particular occupation.

At the present time, prevailing wages are required for H–1B, H–2B, and permanent work-related visas. However, employers of H–2A workers, temporary nonimmigrant agricultural workers, are required to pay a different wage rate called the adverse effect wage rate. Unlike prevailing wages which are established for a local area for specific jobs and determined by the level of experience, skill, and education which those jobs require, the adverse effect wage rate is an average of all wages, including incentive pay, bonuses, and seniority, for all farm jobs in a multi-State region.

Additionally, the adverse effect wage rate is not determined by the U.S. Department of Labor, the agency charged with determining wages for all other industries and occupations. Rather, the U.S. Department of Labor has chosen to use a survey conducted by the U.S. Department of Agriculture. Officials in the U.S. Department of Agriculture's National Agricultural Statistics Service readily admit that the wage survey used for the adverse effect wage rate was never designed to set specific wages, only to describe them in general. Therefore, the National Agricultural Statistics Service's survey creates an artificial, multi-State wage floor, one that significantly increases annually, regardless of the economy, the agricultural market and competitive factors within a product line or local area.

For instance, while the minimum wage remained constant for entry-level jobs for the 10-year period starting in 1997 until today, the average adverse effect wage rate has increased 40 percent over that same period. As the National Council of Agricultural Employers noted in an alert to their membership:

> The increase in the Federal minimum wage is likely to result in a larger than normal increase in the adverse effect wage rate for several years after the new minimum wage becomes effective as the upward adjustment in the wage rates works its way through the agricultural industry.

This is because the adverse effect wage rate is set at the average field and livestock worker hourly earnings, and upward adjustment in wages at the lower end of the agricultural wage distribution resulting in the increase from the minimum wage will, of course, raise the average hourly earnings for agricultural workers, generally.

Furthermore, the lower wage jobs that disappear as a result of the increase in the minimum wage will no longer be part of the average, forcing the adverse effect wage rate up even higher. Increased wages in agriculture will only hasten the movement of agricultural production to foreign soils.

Maybe the reason we have upward of 500,000 illegal foreign workers in agriculture today is because of the prohibitively high cost of using the legal H–2A program or maybe it is because we don't pay Americans who work on our farms and ranches enough.

While we guarantee a minimum of the adverse effect wage rate to temporary foreign workers, U.S. workers in agriculture are guaranteed only a minimum wage. So in my home State of Georgia, a temporary H–2A worker today is guaranteed $8.37 an hour, while an American worker is guaranteed only $5.15 an hour.

My amendment is very simple, and it attempts to remedy the two possible causes of the lack of legal workers on our Nation's farms and ranches. This amendment changes the Fair Labor Standards Act to ensure that all farm workers, regardless of whether they are temporary foreign workers or U.S. citizens, be paid a prevailing wage. Adoption of this amendment will attract more legal workers to agricultural employment by allowing more farmers to access the Legal Temporary Worker Program and by guaranteeing U.S. workers higher wages on our Nation's farms.

Prevailing wages reflect geographic location, occupation, and skill level. The use of prevailing wages will improve competition within the United States without negatively affecting workers and will keep agricultural jobs at home.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 167 TO AMENDMENT NO. 118

(Purpose: To improve agricultural job opportunities, benefits, and security for aliens in the United States)

Mr. KENNEDY. Mr. President, on behalf of Senator FEINSTEIN, I call up amendment No. 167, a second-degree amendment to amendment No. 118.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

> The Senator from Massachusetts [Mr. KENNEDY], for Mrs. FEINSTEIN, for herself and Mr. CRAIG, proposes an amendment numbered 167 to amendment No. 118.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. KENNEDY. Mr. President, I ask unanimous consent that the time between 4:50 p.m. and 5:40 p.m. be equally divided and controlled by Senators KENNEDY and SESSIONS for debate with respect to the Sessions amendment No. 148, with no second-degree amendment in order prior to the vote at 5:40 p.m., and that the Senate proceed to vote in relation to the amendment.

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

Mr. KENNEDY. Mr. President, the time is divided. Does the Senator from Alabama want to make a brief opening comment; otherwise, I will speak.

Mr. SESSIONS. Mr. President, I would be pleased to make opening comments. I guess the time of 5:40 p.m. was selected by the leadership or something.

Mr. KENNEDY. Or something.

Mr. SESSIONS. One of my goals was to hurry up so we could vote at 5:15 p.m. Now they decided they wanted to vote at 5:40. It is not my fault, I say to my colleagues. I did reduce the time.

The PRESIDING OFFICER. Will the Senator call up his amendment.

AMENDMENT NO. 148 TO AMENDMENT NO. 100

Mr. SESSIONS. Mr. President, I ask unanimous consent that the pending amendment be set aside and that amendment No. 148 be called up.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The bill clerk read as follows:

> The Senator from Alabama [Mr. SESSIONS], for himself, Mr. INHOFE, and Mr. GRASSLEY, proposes an amendment numbered 148 to amendment No. 100.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To prohibit employers who unlawfully employ aliens from receiving government contracts)

At the appropriate place, insert the following:

SEC. ___. RESPONSIBLE GOVERNMENT CONTRACTOR REQUIREMENTS.

Section 274A(e) of the Immigration and Nationality Act (8 U.S.C. 1324a(e)) is amended

by adding at the end the following new paragraph:

''(10) PROHIBITION ON AWARD OF GOVERNMENT CONTRACTS, GRANTS, AND AGREEMENTS.—

''(A) EMPLOYERS WITH NO CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subparagraph (C), if an employer who does not hold a Federal contract, grant, or cooperative agreement is determined to have violated this section, the employer shall be debarred from the receipt of a Federal contract, grant, or cooperative agreement for a period of 7 years.

''(ii) PLACEMENT ON EXCLUDED LIST.—The Secretary of Homeland Security or the Attorney General shall advise the Administrator of General Services of the debarment of an employer under clause (i) and the Administrator of General Services shall list the employer on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs for a period of 7 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—The Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of a debarment under clause (i) if such waiver or limitation is necessary to national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternative action under this clause shall not be judicially reviewed.

''(B) EMPLOYERS WITH CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subclause (C), an employer who holds a Federal contract, grant, or cooperative agreement and is determined to have violated this section shall be debarred from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(ii) NOTICE TO AGENCIES.—Prior to debarring the employer under clause (i), the Secretary of Homeland Security, in cooperation with the Administrator of General Services, shall advise any agency or department holding a contract, grant, or cooperative agreement with the employer of the Government's intention to debar the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—After consideration of the views of any agency or department that holds a contract, grant, or cooperative agreement with the employer, the Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of the debarment under clause (i) if such waiver or limitation is necessary to the national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternate action under this clause shall not be judicially reviewed.

''(C) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition on an employer of a debarment from the receipt of a Federal contract, grant, or cooperative agreement under subparagraph (A) or (B), that penalty shall be waived if the employer establishes that the employer was voluntarily participating in the basic pilot program under section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) at the time of the violations of this section that resulted in the debarment.''.

Mr. SESSIONS. Mr. President, the whole purpose of the Minimum Wage Act is to increase the wages of working Americans, particularly low-skilled workers who are paid minimum wage-level salaries and who are having a difficult time. That is a noble goal because I don't think their salaries have gone up as much as we would like.

One of the reasons, as I discussed earlier and will discuss again before this debate concludes, that those salaries have lagged behind is because of a large influx of illegal immigrant labor. That is indisputable, and it has not been discussed much. People apparently don't want to talk about it. We are going to talk about it.

We, also, have with regard to Government employees and Government contractors, a significant loophole we ought to fix that involves national security, as well as competition for American workers, and that is the purpose of this amendment No. 148, which I note has been cosponsored by Senator GRASSLEY and Senator COBURN.

This amendment would focus only on contractors who do work for the Federal Government. Unfortunately, I have not been able to get an agreement to have a vote on raising the penalties for other businesses in America from $250 as a fine for hiring illegals as I would have on amendment No. 142. That has been objected to by the Democratic leadership. I think we ought to vote on that amendment. It is a bigger issue, but at this point, we will be able to proceed to a vote on amendment No. 148.

Employment verification is the responsibility of an employer when someone is hired. It exists in paper form and was mandated in 1986 as part of that 1986 amnesty, in which 3 million people were legalized. We promised not to allow this kind of problem to happen again, and we set up a system that was supposed to work to verify the citizenship of people or their legality when they came to work.

Employers under the 1986 act must identify work authorization documents from each new person they hire, fill out form I–9 with an attestation and retain the I–9s in case the Department of Homeland Security wishes to look at them. That is what they are required to do.

Unfortunately, anything that looks good they often accept and some of them argue they have to accept. They don't look behind these documents, and there is no real verification. Many are totally bogus and fraudulent. Thousands and tens of thousands of documents are submitted with Social Security numbers that are all zeros. I think it was 50,000 Social Security numbers in this country that were all zeros. How bogus is that?

So an alternative to the paper I–9 system that has not been working, an Electronic Employment Verification System, was created in a pilot. It is used voluntarily by about 13,000 employers throughout this country to verify work authorization when hiring new employees.

The amendment before us today would prohibit contractors for the Government that get caught hiring illegal aliens from obtaining a new Government contract for up to 7 years or 10 years, depending on whether they currently have a contract with the Government.

We voted for this concept in the immigration bill previously, but a waiver from this debarment from contract work—and that is a substantial penalty for some of these companies—would be available for national defense and national security purposes.

Contractors, in addition, would be protected from this debarment, this ban, if they are using the EEVS system, or the Basic Pilot Program to verify the legality of the employers. It is used by the Senate, it is used by the House, it is used by every Government agency, and it is used by 13,000 businesses throughout this country.

All one has to do, basically, is your administrative officer or appropriate staff person goes online and checks the Social Security number or documents of the employee to verify their legality, and if they come up legal, they are able to hire them. The same would be true for these contractors who do contract work for the Federal Government. If they don't do that and they hire people who are illegal, then they could suffer the consequences. It would require them to do that. I think it only makes good sense.

Most economists do not dispute the contention that illegal work by illegal workers lowers the overall wage rate for particular industries, especially unskilled workers. Since the minimum wage is intended to raise the wage levels of these mostly unskilled workers, it is appropriate for us to consider the wages of Americans if contractors can easily obtain illegal labor from illegal immigrants and there would be fewer Americans hired to these jobs, and it would depress the wages, I submit, in reality and in theory.

Mr. President, I ask that I be notified when 9 minutes is up.

Many scholars and policymakers, including the U.S. Chamber of Commerce, Department of Homeland Security, the Heritage Foundation, on either side of the debate have advocated for some form of advanced mandatory employment verification system as one of the main tools necessary to prevent

another surge of illegal immigration and to protect employers from liability, or being held accountable, for inadvertently hiring illegal workers. There have been a lot of problems with that, I will admit it. It is time for us to give clear direction to the employers and a clear system that will work. This amendment takes the first step. We encourage but not require the contractors to use an EEVS system, by providing them with protection from any liability if they use it.

If anyone should be following the system, any businesses should be, it ought to be businesses doing work for the U.S. taxpayers, spending money that belongs to the U.S. taxpayers.

Large numbers of illegal workers are being hired in America today. We know that. The vast majority of businesses carefully follow the law, but many of them, unfortunately, do not. Some are even contractors who are working on sensitive Government contracts.

Let me tell you, we have a problem. I will share some information about it. It impacts jobs, the economy, and our national security.

The Associated Press reported last Friday, January 19, that nearly 40 illegal immigrants hired by contractors working on 3 military bases in Georgia, Virginia, and Nevada, were arrested last week by the ICE Agency, the immigration enforcement group. Twenty-four of the illegal immigrant workers were arrested while trying to enter Fort Benning, GA, to do construction at the military base. According to the ICE, the illegal immigrants worked for different subcontractors.

My 9 minutes is up. I will try to finish in a couple of minutes, a very few minutes.

The PRESIDING OFFICER. The Senator has 14 minutes remaining.

Mr. SESSIONS. According to ICE, the illegal immigrants work for different subcontractors who are not facing any charges from the Government. Unfortunately, that is not a new problem. In October of 2005, seven illegal aliens were arrested for working at the U.S. Air Force base in Idaho. They were employed by a subcontractor.

Also, last October, 2006, three illegal workers were working at Fort Bragg and they were arrested.

In 2005 alone, ICE arrested 6 illegal aliens working at Homestead Air Reserve Base in Florida, 48 illegal aliens working at the Seymour Johnson Air Force Base in North Carolina, 9 illegal aliens performing contract work at a facility that refits Navy aircraft in North Carolina, 18 working for a San Diego company that performed maintenance on U.S. Navy vessels.

According to an Empire Journal article, a huge problem is that employers can participate in a voluntary program to verify employee work eligibility, but they suffer no penalty for failing to check the validity of the Social Security numbers.

The article concluded:

> A weak law allows the employer to see the document and if the document looks genuine to the employer, the employer cannot be held responsible for hiring the illegal immigrant.

It is astounding how widespread this problem is. In a report by ICE in 2005, a company contracted by the Navy to paint ships was found to employ 86 illegals who had security passes giving them access to the entire Navy base in San Diego.

In 2004, 41 suspected illegal aliens were apprehended while working for a Department of Defense contractor that was providing Boeing with anti-missile systems and radar—top security type equipment.

Also, in 2004, seven foreign nationals were arrested for working illegally at the Fort Polk Joint Readiness Training Center in Louisiana. They were ''role players'' in combat exercises to prepare soldiers for combat in Iraq.

In one alarming incident, the Nuclear Regulatory Commission was caught allowing illegal aliens to obtain bogus documentation by using fake Social Security numbers to work as contract painters in nuclear facilities.

Representative EDWARD MARKEY, a Democrat from Massachusetts, stated:

> Commission regulations are supposed to ensure that individuals who are able to access nuclear facilities are subject to appropriate background and security checks but they clearly did not work in this case.

This amendment would fix key weaknesses in the employer verification system, provide a defense to companies that follow the rules and act in good faith, and debar companies that violate the rule.

We will not tolerate that, with taxpayers' money on taxpayers' contracts.

We want to help people in this country get higher wages. I have talked about that for some time. We need to consider and take the advice, I believe, of Dr. Barry Chiswick, head of the Department of Economics at the University of Illinois in Chicago, when he testified before the Senate committee last spring. He said:

> The large increase in low-skilled immigration . . . has had the effect of decreasing the wages and employment opportunities of low-skilled workers who are currently residing in the United States.
>
> Over the past two decades . . . [t]he real earnings of low-skilled workers has either stagnated or decreased somewhat.

This is Dr. Chiswick. He goes on to say:

> We . . . need to . . . provide greater assistance to low-skilled Americans in their quest for better jobs and higher wages. [O]ne of the ways we can help them in this regard is by reducing the very substantial competition they are facing from this very large and uncontrolled low-skilled immigration that is the result of both our legal immigration system and the absence of enforcement of immigration law.

Professor Harry Holzer, Associate Dean and Professor of Public Policy at Georgetown, said this before the Judiciary Committee last spring. He believes American workers do want jobs currently held by illegal laborers and he believes that absent illegal immigrant competition, employers would raise wages and improve working conditions to attract American workers.

Absolutely that will happen. This is what the Associate Dean and Professor of Public Policy in Georgetown said:

> I believe that when immigrants are illegal, they do more to undercut the wages of native born workers because the playing field isn't level and the employers don't have to pay them market wages . . . [T]here are jobs in industries like construction I think are more appealing to native-born workers and many native-born low-income men might be interested in more of those jobs. . . . Absent the immigrants, the employer might need to raise those wages and improve those conditions of work to entice native-born workers into those jobs.

As we consider this, let's also consider the relevance of unfair competition to low-skilled workers. Let's let their wages go up in this time of unprecedented prosperity and GDP growth and profits. Let's let the workers' salaries go up. One way to do that is eliminate this competition from large numbers of illegal workers.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 24 minutes.

Mr. KENNEDY. Mr. President, I ask the Chair to let me know when there is 5 minutes remaining.

The PRESIDING OFFICER. The Chair will do so.

Mr. KENNEDY. Mr. President, it is now 10 after 5 on the fifth day that the Senate has been considering raising the minimum wage from $5.15 to $7.25 over a 2-year period. We have not, as we have heard in the course of this debate, raised it in the last 10 years. This is just going to restore the purchasing power of those on the lower rungs of the economic ladder to what it was 10 years ago. It won't even give them an increase, simply restore the purchasing power.

Five days we have been debating a rather simple concept that everyone in this institution knows and has voted on a number of times—whether it is over here in the Senate or in the House of Representatives. For 10 years, Republican leadership has refused to let us get a vote on increasing the minimum wage. Let's have no mistake about it—10 years, the Republican leadership has basically refused to let us get it, even though a majority of the Members in this body, a handful of those Republican Members, have favored an increase in the minimum wage. But we have been unable to get to the numbers sufficient to break the effective filibuster and deny us the opportunity to vote.

These individuals, individuals who have been receiving the minimum wage, and their families and their allies and their supporters and the workers of this country, the trade union movement, the AFL/CIO, the church

groups, those who represent the great faiths of this country and others, particularly Democrats and some conscientious Republicans, have said this is wrong and we will try to do something about it. They have, over the period of time, raised the initiatives in some States. In six different States where this issue was on the ballot, they indicated they wanted the increase in the minimum wage. States have raised the minimum wage. But we have still not had this institution, the Senate, go on record and say to working families in this country that they ought to get a raise.

Mr. President, $276 billion in tax breaks for corporations, $36 billion in tax breaks for small businesses, increase in productivity of 29 percent over the last 10 years, but do you think there is any increase in the minimum wage? No. Five days on the floor of the Senate we have considered immigration issues, as we have now. We have considered Social Security issues. We have considered health issues. We are considering education issues. We are considering additional kinds of tax breaks for wealthy corporations. But do we hear from the other side a willingness, as this side is willing at this moment, at 12 after 5 today, on Thursday? I speak for all of our Democratic Members and say we are prepared to vote now, now, in 10 minutes, 15 minutes on this issue.

But no, as we have been for the last five days—no, no, we have other amendments, Senator. We have other amendments to offer.

We have now had amendments that have been worth over $200 billion. We have had amendments on education of $35 billion. We have had health savings amendments that will benefit those of average income of $133,000 costing $8 billion. We have had those kinds of amendments and we are looking at the Kyl amendment at $3 billion, but we still cannot get $2.10 over 2 years.

What is the price, we ask the other side? What is the price you want from these working men and women? What cost? How much more do we have to give to the private sector and to business? How many billion dollars more are you asking, are you requiring? When does the greed stop, we ask the other side. That is the question and that is the issue, make no mistake about it. They have on the Republican side 70 more amendments—70 more amendments. We have none. We are prepared to vote now. Seventy more amendments. Oh, yes. We want an increase in the minimum wage, we want this, we want that, but silence over there, or let's have some other kinds of amendments that have virtually nothing to do with this. Do you have such disdain for hard-working Americans that you want to pile all your amendments on this? Why don't you just hold your amendments for other pieces of legislation? Why this volume of amendments on just the issue to try to raise the minimum wage? What is it about it that drives you Republicans crazy? What is it? Something. Something. Are you going to require us to have a cloture vote next week? I can see it already: Amendments that have already been filed that are going to be related in case we do get cloture to delay this even further.

What is the price workers have to pay to get an increase? What is it about working men and women that you find so offensive that you won't permit even a vote, denying the Senate of the United States the opportunity to express ourselves? We don't want to hear any more from that side for the rest of this session about permitting or not permitting votes in here when you are denying on the most simple concept: an increase in the minimum wage. We don't want to hear any more about that. This is filibuster by delay and amendments. I have been around here long enough to know it when I see it and smell it. That is what it looks like, that is what it is, make no mistake about it. Make no mistake about it. And it just puzzles me. It really does.

I don't know why it is so offensive to the other side. It certainly isn't the economic issues. We haven't heard those debated. We brought up the various charts about what has happened in States which have raised the minimum wage and how they have done better economically than States that have not raised it. We have shown where small businesses have done better in States where they have raised the minimum wage. We have also shown what has happened when we have an increase in the minimum wage.

We show the increased poverty. There is a long story in the New York Times today:

Childhood Poverty Is Found To Portend High Adult Costs. Children who grow up poor cost the economy $500 billion a year because they are less productive, earn less money, commit more crimes, have more health-related expenses, according to a study released on Wednesday.

The study goes on. Here it is in the newspaper today, just what we have been talking about—the United States with the highest poverty rate for children of any industrial nation in the world.

What has happened? The British raise their minimum wage, and they get two million children out of poverty. The Irish go to $10.80 an hour and reduce the poverty for children by 40 percent. You raise the minimum wage, and you get children out of poverty. Oh, no, no. ''Child Poverty Is Found To Portend High Adult Costs.'' What more information do we have to provide to the other side? What more do we have to do? What more do we have to do?

Well, hopefully the American people are going to understand about who is delaying, who is opposing, who is using every kind of parliamentary tactic known to every possible Parliamentarian to delay action on the increase in the minimum wage. It lies right at the feet of the Republican leadership—right at the feet of the Republican leadership. Make no mistake about it. Make no mistake about it. An amendment here, an amendment there, an amendment on Social Security, an amendment on immigration, and the chortling and the laughing as they go on about their business. Well, for those millions of Americans who are headed home tonight, after having worked long and hard, to face their children and hoping that at least, after the House of Representatives voted, with 80 Republicans who voted for an increase in the minimum wage, certainly the Senate of the United States isn't going to fail us, what do we tell them after 5 days? And $200 billion dollars more in tax cuts here, $35 billion more in tax cuts there, $8 billion more in tax cuts for HSAs. How many more billions of dollars do we have to give you, Mr. Republican? How many more dollars do we have to give you to get an increase in the minimum wage? It is shocking. It is disgraceful. But hopefully working families across this country are going to see it for what it is.

We have an amendment that I will just say a word about at this time, but before I do, how much time do I have remaining?

The PRESIDING OFFICER (Mr. WHITEHOUSE). The Senator has 12 minutes 40 seconds remaining.

Mr. KENNEDY. I would ask that the Chair tell me when I have 3 minutes.

IRAQ WAR

I want to take the time—since I have been listening patiently here, our colleagues are going to listen to me read a rather dramatic article in the New York Times today, page A–10:

In the battle for Baghdad, Haifa Street has changed hands so often that it has taken on the feel of a no man's land, the deadly space between opposing trenches. On Wednesday, as American and Iraqi troops poured in, the street showed why it is such a sensitive gauge of an urban conflict marked by front lines that melt into confusion, enemies with no clear identity and allies who disappear or do not show up at all.

In a miniature version of the troop increase that the United States hopes will secure the city, American soldiers and armored vehicles raced onto Haifa Street before dawn to dislodge Sunni insurgents and Shiite militias who have been battling for a stretch of ragged slums and mostly abandoned high rises. But as the sun rose, many of the Iraqi Army units who were supposed to do the actual searches of the buildings did not arrive on time, forcing the Americans to start the job on their own.

When the Iraqi units finally did show up, it was with the air of a class outing, cheering and laughing as the Americans blew locks off doors with shotguns. As the morning wore on and the troops came under fire from all directions, another apparent flaw in this strategy became clear as empty apartments became lairs for gunmen who flitted from window to window and killed at least one American soldier, with a shot to the head.

Whether the gunfire was coming from Sunni or Shiite insurgents or militia fighters or some of the Iraqi soldiers who had disappeared into the Gotham-like cityscape, no one could say.

''Who the hell is shooting at us?'' shouted Sgt. First Class Marc Biletski, whose platoon was jammed into a small room off an

alley that was being swept by a sniper's bullets. ''Who's shooting at us? Do we know who they are?''

Just before the platoon tossed smoke bombs and sprinted through the alley to a more secure position, Sergeant Biletski had a moment to reflect on this spot, which the United States has now fought to regain from a mysterious enemy at least three times in the past two years.

''This place is a failure,'' Sergeant Biletski said. ''Every time we come here, we have to come back.''

He paused, then said, ''Well, maybe not a total failure,'' since American troops have smashed opposition on Haifa Street each time they have come in.

With that, Sergeant Biletski ran through the billowing yellow smoke and took up a new position.

The Haifa Street operation, involving Bradley Fighting Vehicles as well as the highly mobile Stryker vehicles, is likely to cause plenty of reflection by the commanders in charge of the Baghdad buildup of more than 20,000 troops. Just how those extra troops will be used is not yet known, but it is likely to mirror at least broadly the Haifa Street strategy of working with Iraqi forces to take on unruly groups from both sides of the Sunni-Shiite sectarian divide.

The commander of the operation, Lt. Col. Avanulas Smiley of the Third Stryker Brigade Combat Team, Second Infantry Division, said his forces were not interested in whether opposition came from bullets fired by Sunnis or by Shiites. He conceded that the cost of letting the Iraqi forces learn on the job was to add to the risk involved in the operation.

''This was an Iraqi-led effort and with that come challenges and risks,'' Colonel Smiley said. ''It can be organized chaos.''

The American units in the operation began moving up Haifa Street from the south by 2 a.m. on Wednesday. A platoon of B Company in the Stryker Brigade secured the roof of a high rise, where an Eminen poster was stuck on the wall of what appeared to be an Iraqi teenager's room on the top floor. But in a pattern that would be repeated again and again in a series of buildings, there was no one in the apartment.

Many of the Iraqi units that showed up late never seemed to take the task seriously, searching haphazardly, breaking dishes and rifling through personal CD collections in the apartments. Eventually the Americans realized that the Iraqis were searching no more than half of the apartments; at one point the Iraqis completely disappeared, leaving the American unit working with them flabbergasted.

''Where did they go?'' yelled Sgt. Jeri A. Gillett. Another soldier suggested, ''I say we just let them go and we do this ourselves.''

Then the gunfire began. It would come from high rises across the street, from behind trash piles and sandbags in alleys and from so many other directions that the soldiers began to worry that the Iraqi soldiers were firing at them. Mortars started dropping from across the Tigris River, to the east, in the direction of a Shiite slum.

The only thing that was clear was that no one knew who the enemy was. ''The thing is, we wear uniforms—they don't,'' said Specialist Terry Wilson.

At one point the Americans were forced to jog alongside the Strykers on Haifa Street, sheltering themselves as best they could from the gunfire. The Americans finally found the Iraqis and ended up accompanying them into an extremely dangerous and exposed warren of low-slung hovels behind the high rises as gunfire rained down.

American officers tried to persuade the Iraqi soldiers to leave the slum area for better cover, but the Iraqis refused to risk crossing a lane that was being raked by machine-gun fire. ''It's their show,'' said Lt. David Stroud, adding that the Americans have orders to defer to the Iraqis in cases like this.

In this surreal setting, about 20 American soldiers were forced at one point to pull themselves one by one up a canted tin roof by a dangling rubber hose and then shimmy along a ledge to another hut. The soldiers were stunned when a small child suddenly walked out of a darkened doorway and an old man started wheezing and crying somewhere inside.

Ultimately the group made it back to the high rises and escaped the sniper in the alley by throwing out the smoke bombs and sprinting to safety. Even though two Iraqis were struck by gunfire, many of the rest could not stop shouting and guffawing with amusement as they ran through the smoke.

One Iraqi soldier in the alley pointed his rifle at an American reporter and pulled the trigger. There was only a click: the weapon had no ammunition. The soldier laughed at his joke.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Massachusetts has 5 minutes 50 seconds remaining.

Mr. KENNEDY. Mr. President, this report in the New York Times is the reason our people are becoming angrier by the day as the war rages on. They expect Congress to be an effective restraint on the President and his misuse of the war power. Opposition to the escalation of the Iraq war is becoming louder. How much clearer does the opposition have to be before the President finally listens and responds to the voices of the American people, the generals, and a bipartisan majority of Congress?

General Abizaid doesn't support this escalation. He told the Senate Armed Services Committee:

> More American forces prevent the Iraqis from doing more, from taking more responsibility for their own future.

GEN James Conway, Commandant of the Marine Corps, doesn't support it. He said:

> We do not believe just adding numbers for the sake of adding numbers—just thickening the mix—is necessarily the way to go.

Secretary Powell said that he is not ''persuaded that another surge of troops in Baghdad for the purpose of suppressing this communitarian violence, this civil war, will work.''

GEN Barry McCaffrey, former Vice Chief of Staff of the U.S. Army, thinks it won't work. He said:

> Putting another 20,000 to 30,000 troops, particularly in urban combat in a city of 7 million Arabs of Baghdad, is a fool's errand. It is sticking your finger in the water. When you pull your finger out, its presence will not have made a difference.

General Hoar, former head of CENTCOM, told the Senate Foreign Relations Committee last week:

> The addition of 21,000 troops is too little and too late. This is still not enough to quell the violence, and without major changes in the command and control of forces within Baghdad, the current set-up for shared control is unsatisfactory.

Passage of the bipartisan resolution approved yesterday by the Foreign Relations Committee is an important statement about the need for a different course in Iraq, and I will support it. But we cannot stop there, especially if the President continues to unilaterally impose his failing policy on an America that has already rejected it. Congress has a constitutional duty to stop the President from sending more of our sons and daughters into this civil war. That is why I have introduced legislation that would require the President to get the authority he needs from Congress before moving forward with a further escalation in Iraq, and I intend to seek a vote on it.

This is a debate about what is best for our troops and our national security. Our forces have served with great valor. They have done everything they have been asked to do. They have served in Iraq for longer than 4 years, longer than World War II. They have done everything they have been asked to do. They have won every battle they have been in, and they have served with great courage and great valor. We owe them. We owe their bravery, their courage, their dedication, and their commitment to the United States of America a better and fairer policy that will bring them safely home.

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. KENNEDY. Mr. President, on the matter directly before the Senate, the Sessions amendment, the amendment bars employers from receiving Government contracts if they have violated the immigration laws that prohibit the hiring of illegal workers. There is no judicial review, but the Attorney General can waive the prohibition or limit the scope if it is necessary to the national defense or in the interests of national security. An exemption from the penalty is provided to employers participating in the basic pilot program, the current employer verification system.

This amendment bars employers from receiving Government contracts if they violate the immigration laws that prohibit the hiring of illegal workers. I am surprised that is not already the law. We certainly should bar them from receiving lucrative Government contracts and, therefore, I will support this amendment.

I do have concerns, however, about continuing to pass piecemeal enforcement-only measures without enacting a comprehensive reform program, and I would express reservations about others.

We will have the opportunity in the Senate Judiciary Committee, of which I happen to be the chairman of the immigration subcommittee at this time, to consider the immigration bill. We welcome the full opportunity to debate and discuss those issues in the subcommittee, the full committee, and in the Senate. I will support this amendment and withhold the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Alabama.

Mr. SESSIONS. How much time remains on this side?

The PRESIDING OFFICER. The Senator has 7 minutes 15 seconds.

Mr. SESSIONS. Mr. President, we want higher wages for American workers. This is important. I would like to see them receive $15, $20, $30 an hour, not $7 an hour. I would like to create economic forces to work so the average worker can benefit from that without some sort of Government wage control. I have voted for minimum wage increases.

We are going to move this bill forward, as I understand it, with a package of relief provisions for small businesses, and it will be passed. But we are not through yet with some relevant, important amendments. Is that what my colleagues object to? They certainly did not object to it when the Republicans were moving bills through the Senate last year or the year before. Senator KENNEDY can file a stack of amendments 2 feet thick if he desires. There is nothing wrong with offering some amendments, and we will move forward.

I will say a couple of things about it. We had amendments in the Senate almost every year in recent years—3, 4, 5 years—that would have raised the minimum wage and would have provided relief for small business. But the Democratic leadership, to make a political point, preferred not to have that and blocked that provision, voting only for their pure increase of the minimum wage.

So we are at this standoff that I think is particularly silly in light of the fact now that the bill we are about to pass, and I suggest will pass, is going to have the same small business relief provisions in it that could have been passed last time, last year, or before.

I don't appreciate the suggestion that we are here to protect corrupt, greedy, business people. My amendment targets greedy contractors, contractors who go out with Federal taxpayer money, hire people here illegally instead of hiring Americans to do work for the U.S. taxpayers. Let's crack down on them. I am glad the Senator supports that. However, I am disappointed that his leadership opposed a far more significant amendment that would have raised the minuscule $250 fine on big, greedy businesses that hire illegal workers. Why would they object to that when, in hiring those numbers by the tens or hundreds of thousands, we pull down the wages of American citizens? Why would we do that? Who is greedy now? What is wrong with creating a lawful system? Why don't we take care of our American workers?

Just in the last week there was an article on the front page of the Wall Street Journal about a chicken plant in Georgia. They raided that plant and nearly three-fourths of the workers disappeared. Some were arrested for being there illegally. The company went out and ran ads in the paper to say they were having new wage increases at the chicken plant. They were paying more than $1 an hour more. They sent buses to nearby towns to see if people wanted free rides to work. They provided dormitories for those who wanted to stay in the dormitory. They went through unemployment agencies in Georgia. They have already hired 200 workers, mostly African-American citizens, for those jobs. Another 200 applications were pending. Don't tell me that if we have a lawful system of immigration it won't improve significantly the wages of American workers.

I suggest my colleague from Massachusetts introduce himself to Professor Borjas at Harvard who has written a book on it. He says it has brought down the wages of low-income workers by as much as 8 percent, which is $100 per month, or $1,200 per year.

I submit these amendments are not irrelevant to our discussion. I note that small businesses do not all get rich. I met the nicest young man who opened a restaurant in Mobile, AL. He was working 90-hour weeks for months. He didn't know whether he was going to make it. He was not making a minimum wage, not in the weeks he started his business. He turned it around. Now he works 70-hour weeks and his business seems to be doing well. I hope he makes a lot of money. But he has some legitimate concerns for those small businesses to help him be successful. If he failed, a lot of people would not have had jobs.

We are coming to the conclusion of the time in which we will vote. This is a good amendment. We ought not have corporations or businesses getting Government contracts and going out and hiring people who are illegal to make an extra buck. It is not right. We have a system in place that should be in place for every business in America. It is a system that we in the Senate follow, the House of Representatives follows, and every Government agency in America follows. But you can hire somebody; you go online and you verify their employment legality. It works very well. If the employer does that, they will not be subject to penalty under this act.

We need to take some real steps in that regard. I believe we can do so. We will need to do more of it if we want to protect our workers. One way not to protect the salaries of workers would be to pass the bill that was before the Senate that came out of the Senate Judiciary Committee last year, the Kennedy-McCain bill, that would have added as many as five times the number of people into this country legally as currently are allowed. As it finally left the Senate, it would have increased by three times the number of people legally in this country. That would have a devastating impact on low-income workers in America. We cannot assimilate that many people that rapidly.

When we talk about comprehensive reform, let's talk about that. Let's see if we can't do it. Let's do it in a way that protects the livelihoods of the least in our Government.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask unanimous consent following the vote with respect to Sessions amendment No. 148, the Senate resume consideration of Kyl amendment No. 205; there be 10 minutes equally divided between Senator KYL and Senator BAUCUS prior to a vote in relation to the amendment, with no second-degree amendment in order prior to the vote.

Mr. ALLARD. Mr. President, reserving the right to object, I have an amendment I have been waiting for some time to try and bring up. I have a commitment from 6 o'clock to about 6:45.

My inquiry is, do the managers of this amendment plan on being around here later this evening so I can have an opportunity to offer that amendment or can I have an opportunity Friday when we come in to bring up my amendment?

Mr. KENNEDY. It is my understanding we are going to be on this bill as far as the eye can see. That is part of my problem on it.

Is the Senator's amendment at the desk?

Mr. ALLARD. It is at the desk. I am willing to do it tomorrow morning if I could just get some time set aside.

Mr. KENNEDY. I have this request at this particular time. We would be glad to look at the amendment. I am not familiar with the amendment right now. There are a number of others who have asked to be heard. I have been here all day, as well. We are trying to process these amendments. We have other amendments, but we will do the best we can. I plan on being around tomorrow. I don't know if we will be on this bill. We are having the debate on General Patraeus tomorrow. I plan to be here Monday. I plan to be here Tuesday.

Mr. ALLARD. As long as I have an opportunity to bring up my amendment, I would like that opportunity at some point.

Mr. KENNEDY. The Senator can call it up after the vote. There is no problem. Whether we will dispose of it is a different issue.

Mr. ALLARD. With the hope that we could at least get it in the queue?

Mr. KENNEDY. Certainly.

Mr. ALLARD. That would be fine.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Massachusetts?

Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the hour has arrived and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The legislative clerk called the roll.

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

Mr. LOTT. The following Senators were necessarily absent: the Senator from Oklahoma (Mr. COBURN), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. THOMAS).

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

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—94

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

NOT VOTING—6

Coburn	Johnson	Stevens
Inouye	Schumer	Thomas

The amendment (No. 148) was agreed to.

AMENDMENT NO. 205

The PRESIDING OFFICER. There are now 10 minutes equally divided prior to a vote in relation to the Kyl amendment No. 205. Who yields time?

The Senator from Arizona.

Mr. KYL. Mr. President, in 10 minutes we will have a vote on an amendment which I offered earlier that merely extends the small business Tax Code provisions that came out of the Finance Committee, which were adopted unanimously, from March 31 of next year through December 31. Everybody recognized that if we could afford to do it, we wanted to extend them as long as we could, but the funds were there simply to extend it through March 31. No small business can plan on that short of a timeframe. So I think everybody would agree it is good policy.

In the committee, we agreed it was important to extend these benefits. These are primarily the writeoff periods for small business leasehold improvements, restaurants, and so on. Restaurants are about 60 percent of the people who will be receiving the benefits of the minimum wage increase and, therefore, these tax benefits clearly are important to them.

It is totally paid for. I hope my colleagues will be willing to extend these provisions from March 31 of next year through December 31 of next year.

I reserve the remainder of my time and yield to Senator GRASSLEY.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I am committed to the core package that we have a bipartisan agreement for, but within the committee we have had an understanding that if there is an add-on and if it is revenue neutral, they would be considered. So we are improving this package, the small business portions of it that nobody has any dispute ought to be done. There is some dispute over the offset. I wish to concentrate on that offset. It is fully offset. It comes from a proposal that comes from the Joint Committee on Taxation, not from the Republican side or the Democratic side but a nonpartisan side, that there is an inequity in provisions for payment. For instance, if you work for Principal Financial in Des Moines and they pay for your college, it is going to be taxed, but if you work for a university and you send your kids to college, it is tax free. So Joint Tax sees that as an inequity. We use that as a good offset. It is a good offset. I believe Senator KYL has worked hard to develop an amendment that will make the small business depreciation much better and more meaningful. I hope Members will support Senator KYL.

The PRESIDING OFFICER. Who yields time?

The Senator from Montana.

Mr. BAUCUS. Mr. President, I have the highest regard for the Senator from Arizona, as well as my very good friend from Iowa, Senator GRASSLEY. They neglected to tell you about the pay-for. First of all, this amendment is moving in the right direction to extend the leasehold improvement. However, in the committee, we tried to get a balanced package that also extends provisions for WOTC and other provisions to get it balanced. This amendment addresses one side of the equation. It is not balanced because it doesn't extend for the other side of the equation, which is the work opportunity tax credit. The primary problem I have with this amendment is the pay-for.

Essentially this amendment, offered by the Senator from Arizona, prevents, to a large degree, parents trying to get a good education for their kids. These are parents who work for various educational institutions. It could be kindergarten, high school. It could be a college. Under current law, a lot of people—janitors, cafeteria workers—take a cut in pay to work for institutions, knowing they will get a break in their tuition. This amendment takes that away. This amendment takes away a tax break for that person who has been working 8, 10, 15 years at an institution, knowing that his or her child, who may be a junior or sophomore in college, is there to get a good education. This amendment takes that incentive away. It cuts people off midstream. Again, these are not the children of professors. They tend to be the children of people who work, the plumbers who work at college universities, and so forth.

This applies to all private education. It could be parochial, nonparochial. We all know examples of parents who sacrifice to get their kids through school. This amendment takes away that break that those parents are now getting.

It is not a good thing. Earlier today, we were talking about ways to expand tax credits and incentives for people so they can get an education. This amendment takes away incentives for people to get a good education. It is the wrong amendment. The pay-for is not correct. We should, therefore, not agree to the amendment. At the appropriate time, I will move to table.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, please understand that one of the things my friend from Montana said is not correct. We are not taking away the $5,000 benefit that exists for everybody who provides for tuition to be tax free. That remains. We are not touching that. All we are saying is that it ought to be the same for the son or daughter of a college professor as the son or daughter of the manager of the pizza shop. The only one who gets the tuition tax break that is tax free is the son or daughter of the college professor. But if you work for a small business and your boss decides to send your child to school, pay the tuition for that child, you could still get that tuition, but you have to pay the tax consequences of that; that is a taxable benefit. There should be no differentiation between working for a small business or a big business, for that matter, or being the son or daughter of a college professor.

That is what the bipartisan Joint Tax Committee said. This is totally unfair. It is part of the closing of the tax gap because of the unfairness between one small group of our society and everybody else. All this does is equalize the tax treatment of the employer providing the tuition free for the student. That pays for what everyone recognizes is a very important extension of the small business provisions of the Finance Committee from March 31 of next year through December 31 of next year.

I urge Members to vote against the motion to table the amendment.

Mr. KENNEDY. Mr. President, this is not an omnibus tax bill, it is long overdue legislation to increase the minimum wage. It is not an opportunity for Members to present their tax cut

wish list. It is Congress' opportunity to finally right the wrong of denying millions of hard working minimum wage workers a raise for 10 years.

Since the minimum wage was last increased 10 years ago, Congress has passed $276 billion dollars in corporate tax breaks. In addition, Congress has cut taxes for individuals by more than a trillion dollars, with most of the benefits going to the wealthiest taxpayers.

Unfortunately, for some of our Republican colleagues, there never are enough tax breaks for the wealthy. They have filed more than twenty five amendments proposing new or expanded tax cuts. Many of them would cost billions of dollars.

The Republicans are attempting to hold the minimum wage increase hostage to their insatiable desire for more and larger tax cuts. It is a shameless strategy.

The Kyl amendment seeks to extend the period of time when businesses can receive accelerated depreciation for leasehold restaurant and retail space improvements. The original amendment contained no offset. It would have cost $3 billion dollars.

After being told by Democratic leaders that we would oppose any tax breaks that weren't paid for, Senator KYL changed his amendment to include an offset.

The problem is that the tax benefit he proposes to eliminate is much more worthy than the tax break he is seeking to create. He is proposing to eliminate a long-standing tax provision that allows employees of educational institutions to receive free tuition for their children. He wants to tax that free tuition. This would be a huge tax increase for hundreds of thousands of families with very modest incomes. They are teachers, food service workers, and maintenance personnel at colleges and schools across America. Many of them have worked for years in jobs with lower wages than they could have earned elsewhere in order to receive these educational opportunities for their children. Right now more than 150,000 students are attending college because of these benefits.

More than one-fifth of all graduate students in our country receive employer benefits from the schools they attend, including tuition reduction. Senator KYL's amendment would make it more difficult for these students to remain in school as well.

To change existing law and suddenly make that free tuition taxable will mean that many of these people can not afford to take advantage of the free tuition. That would be grossly unfair. It would be eliminating a very legitimate pro-education tax benefit to fund yet another business tax break for the same wealthy interests that have already received so much.

At a time when our Nation's competitiveness and the global economy depends on our ability to continue producing high skilled workers, making it more difficult for students to obtain an education just doesn't make sense.

Senator KYL's amendment would have an ironic result. It would mean that thousands of men and women, who toil at the most difficult jobs at our nation's colleges, will have no hope of seeing their children walk through those college gates themselves.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Montana has 1 minute 49 seconds. The Senator from Arizona has 4 seconds.

Mr. KYL. I yield back the remainder of my time.

Mr. BAUCUS. I will be brief.

The argument by the Senator from Arizona is not apt. It is a false analogy. Why? Because we are talking in the main about parents who currently are working, who are currently relying upon the current tax provisions. We are not talking about those who may or may not be considering going to that institution. We are talking about those currently working there. This will be taken away from them. Some of these people are working hard. They are taking a big cut in pay to work at an educational institution so their kids get educated. We are saying: take it away. You have been working there.

We are leaving that family high and dry. I think it is the wrong thing to do.

There is a proper time to deal with these provisions. This is not the time. It is a bad amendment anyway. Let's figure out ways to give benefits for kids to go to school, not to take them away.

I yield back my time, move to table the amendment, 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 bill clerk called the roll.

Mr. LOTT. The following Senators were necessarily absent: the Senator from Colorado (Mr. ALLARD), the Senator from Oklahoma (Mr. COBURN), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. THOMAS).

Mr. DURBIN. I announce that the Senator from California (Mrs. BOXER), The Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. JOHNSON), and the Senator from New York (Mr. SCHUMER) are necessarily absent.

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

The result was announced—yeas 50, nays 42, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—50

Akaka	Bingaman	Carper
Alexander	Brown	Casey
Baucus	Byrd	Clinton
Bayh	Cantwell	Collins
Biden	Cardin	Conrad
Dodd	Leahy	Reed
Dorgan	Levin	Reid
Durbin	Lieberman	Rockefeller
Feingold	Lincoln	Salazar
Feinstein	McCaskill	Sanders
Harkin	Menendez	Snowe
Kennedy	Mikulski	Stabenow
Kerry	Murray	Tester
Klobuchar	Nelson (FL)	Webb
Kohl	Nelson (NE)	Whitehouse
Landrieu	Obama	Wyden
Lautenberg	Pryor	

NAYS—42

Bennett	Domenici	Martinez
Bond	Ensign	McCain
Brownback	Enzi	McConnell
Bunning	Graham	Murkowski
Burr	Grassley	Roberts
Chambliss	Gregg	Sessions
Cochran	Hagel	Shelby
Coleman	Hatch	Smith
Corker	Hutchison	Specter
Cornyn	Inhofe	Sununu
Craig	Isakson	Thune
Crapo	Kyl	Vitter
DeMint	Lott	Voinovich
Dole	Lugar	Warner

NOT VOTING—8

Allard	Inouye	Stevens
Boxer	Johnson	Thomas
Coburn	Schumer	

The motion was agreed to.

Mr. BAUCUS. I move to reconsider the vote.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENT NO. 169 TO AMENDMENT NO. 100

Mr. ENZI. Mr. President, I ask unanimous consent that the pending amendment be set aside, and I call up amendment No. 169.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. ENZI], for Mr. ALLARD, proposes an amendment numbered 169 to amendment No. 100.

Mr. ENZI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To prevent identity theft by allowing the sharing of social security data among government agencies for immigration enforcement purposes)

At the end, add the following new section:

SEC. ___. SHARING OF SOCIAL SECURITY DATA FOR IMMIGRATION ENFORCEMENT PURPOSES.

(a) SOCIAL SECURITY ACCOUNT NUMBERS.—Section 264(f) of the Immigration and Nationality Act (8 U.S.C. 1304(f)) is amended to read as follows:

''(f) Notwithstanding any other provision of law (including section 6103 of the Internal Revenue Code of 1986), the Secretary of Homeland Security, the Secretary of Labor, and the Attorney General are authorized to require any individual to provide his or her own social security account number for purposes of inclusion in any record of the individual maintained by either such Secretary or the Attorney General, or of inclusion in any application, document, or form provided under or required by the immigration laws.''.

(b) EXCHANGE OF INFORMATION.—Section 290(c) of the Immigration and Nationality Act (8 U.S.C. 1360(c)) is amended by striking

paragraph (2) and inserting the following new paragraphs:

''(2)(A) Notwithstanding any other provision of law (including section 6103 of the Internal Revenue Code of 1986) if earnings are reported on or after January 1, 1997, to the Social Security Administration on a social security account number issued to an alien not authorized to work in the United States, the Commissioner of Social Security shall provide the Secretary of Homeland Security with information regarding the name, date of birth, and address of the alien, the name and address of the person reporting the earnings, and the amount of the earnings.

''(B) The information described in subparagraph (A) shall be provided in an electronic form agreed upon by the Commissioner and the Secretary.

''(3)(A) Notwithstanding any other provision of law (including section 6103 of the Internal Revenue Code of 1986), if a social security account number was used with multiple names, the Commissioner of Social Security shall provide the Secretary of Homeland Security with information regarding the name, date of birth, and address of each individual who used that social security account number, and the name and address of the person reporting the earnings for an individual who used that social security account number.

''(B) The information described in subparagraph (A) shall be provided in an electronic form agreed upon by the Commissioner and the Secretary for the sole purpose of enforcing the immigration laws.

''(C) The Secretary, in consultation with the Commissioner, may limit or modify the requirements of this paragraph, as appropriate, to identify the cases posing the highest possibility of fraudulent use of social security account numbers related to violation of the immigration laws.

''(4)(A) Notwithstanding any other provision of law (including section 6103 of the Internal Revenue Code of 1986), if more than one person reports earnings for an individual during a single tax year, the Commissioner of Social Security shall provide the Secretary of Homeland Security information regarding the name, date of birth, and address of the individual, and the name and address of the each person reporting earnings for that individual.

''(B) The information described in subparagraph (A) shall be provided in an electronic form agreed upon by the Commissioner and the Secretary for the sole purpose of enforcing the immigration laws.

''(C) The Secretary, in consultation with the Commissioner, may limit or modify the requirements of this paragraph, as appropriate, to identify the cases posing the highest possibility of fraudulent use of social security account numbers related to violation of the immigration laws.

''(5)(A) The Commissioner of Social Security shall perform, at the request to the Secretary of Homeland Security, any search or manipulation of records held by the Commissioner if the Secretary certifies that the purpose of the search or manipulation is to obtain information that is likely to assist in identifying individuals (and their employers) who are using false names or social security numbers, who are sharing a single valid name and social security number among multiple individuals, who are using the social security number of a person who is deceased, too young to work, or not authorized to work, or who are otherwise engaged in a violation of the immigration laws. The Commissioner shall provide the results of such search or manipulation to the Secretary, notwithstanding any other provision law (including section 6103 of the Internal Revenue Code of 1986).

''(B) The Secretary shall transfer to the Commissioner the funds necessary to cover the costs directly incurred by the Commissioner in carrying out each search or manipulation requested by the Secretary under subparagraph (A).''.

(c) FALSE CLAIMS OF CITIZENSHIP BY NATIONALS OF THE UNITED STATES.—Section 212(a)(6)(C)(ii)(I) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(ii)(I)) is amended by inserting ''or national'' after ''citizen''.

Mr. ALLARD. Mr. President, I have introduced a couple of amendments. The reason I have done so is because I think we need to take this opportunity to address more than just minimum wage.

My good friend from Massachusetts talked a lot about the working men and women of this country, but minimum wage does not address all the working men and women in this country. We need to broaden this legislation so we talk about those who are in business for themselves, the small businesspeople. Many times the working men and women of this country, when they start their business, which I have had a wonderful opportunity to do, have to save their money because they have to count on not making much money their first 2 or 3 years, if they make any at all. Then, after 3 years, maybe, if you do a good job and hit the market right, your business will survive. However, a lot of small businesspeople fail. So we need to understand, when we talk about the working American men and women of this country, we need to make sure we have legislation that is all inclusive. We need to keep all of them in mind when we work on this particular legislation. That is why so many of us believe this legislation needs to deal with more than just minimum wage. It needs to deal with some regulatory and tax relief for small businesspeople because they are working men and women in this country, also.

I also rise today to ask the Members of the Senate to support my amendment, No. 169 to the pending minimum wage bill. It cuts at the heart of a rampant problem in this country; that is, identity theft. A resolution of this problem has the potential to help small business. On Monday, a bipartisan group of Senators and I met with Secretary Chertoff on this issue. Secretary Chertoff explained that, under current law, Government agencies are prevented from sharing information with one another that, if shared, could expose cases of identity theft.

My amendment tears down the wall that prevents the sharing of existing information among Government agencies. It permits the Commissioner of Social Security to share information with the Secretary of Homeland Security, where such information is likely to assist in discovering identity theft, Social Security number misuse or violations of immigration law. This is going to help small businesses such as construction businesses, farmers, ranchers, drywall businesses, horticulture and landscape companies and many more.

Specifically, this amendment requires the Commissioner to inform the Secretary of Homeland Security, upon discovery of a Social Security account number being used with multiple names, or where an individual has more than one person reporting earnings for him or her during a single tax year. It seems logical that we would already be doing this, but we are not.

In the meantime, identity theft is plaguing innocent victims all across the country. We were reminded of the pervasiveness of this problem by the recent raids by Immigration and Customs Enforcement of six Swift and Company meat-packing plants across the country on December 12, 2006. In total, agents apprehended 1,282 illegal alien workers on administrative immigration violations. Of these, 65 have also been charged with criminal violations related to identity theft or other violations.

Unfortunately, for the victims—that is the victims of identity theft—by the time the identity theft is discovered, the damage has already been done. Colorado is ranked fifth in the Nation for identity theft, and the citizens of my State of Colorado are no stranger to identity theft.

For instance, an 84-year-old Grand Junction woman was deemed ineligible for Federal housing assistance because her Social Security number was being used at a variety of jobs in Denver, making her income too high to qualify because all these individuals had been using her I.D. number and it was coming in to Social Security, and when they checked on her income, it was recorded much higher than what she was receiving. If this had been discovered earlier, before she had applied for her housing grants, there would have been fewer victims.

Another example is a 10-year-old child in Douglas County who had his identity stolen. His Social Security number was being used at 17 different jobs. Now, if this had been discovered earlier, again, we would have had fewer victims.

Others get stuck with big tax bills for wages they never earned. Clearly, theft is an issue that affects people of all ages and walks of life, particularly those working for minimum wage who may struggle to pay the cost of getting their identity back after it has been stolen. Again, if these cases could have been discovered earlier, then there would have been fewer victims.

Yet when the Social Security Administration has reason to believe that a Social Security number is being used fraudulently, they are prevented from sharing it with the Department of Homeland Security. Withholding this information effectively enables thieves to continue to perpetrate the crime of identity theft against innocent victims.

Pilot programs such as what was being used at Swift and Company are managed through the Department of Homeland Security. What they say to

the employer is: We will help you verify that the employee's social security number is legitimate and it matches the name provided. However, Secretary Chertoff explained the limitations of the program. He said, if two people are using the same Social Security number at the same time, he can't get the information to recognize it. So when a number comes in to his agency when he is working with these pilot programs, all he can assure is that the name goes with the Social Security number. But he can't get the information out of the Social Security Administration as to whether two people are using the same number.

In some cases, as in the child I mentioned, the same social security number is being used in as many as 17 different jobs at once. We have had thousands of cases in Colorado where this has happened, where the victim didn't realize that somebody else was using their Social Security number until they were contacted by the Internal Revenue Service and told that they weren't reporting all their income, and they discovered that somebody else was using it at their place of employment.

So by simply sharing this information, cases of identity theft could be discovered much sooner. Victims of identity theft deserve to have this information acted on, and my amendment enables this.

We have a choice. We can side with the victims or side with the thieves. I urge my colleagues to take the side of the victims and enact this commonsense reform.

Mr. President, I ask unanimous consent to insert for the RECORD an article in the Rocky Mountain News entitled ''Owens Wants Action on ID Theft.''

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

[From the Rocky Mountain News, July 6, 2006]

OWENS WANTS ACTION ON ID THEFT

(By David Montero)

Gov. Bill Owens called upon the legislature Wednesday to require employers to be more diligent when verifying the validity of Social Security numbers of those they hire.

On the eve of the legislature's special session to address illegal immigration, Owens rattled off a list of identity-theft transgressions in Colorado and said the current $50 fine levied against businesses who submit false Social Security numbers isn't enough of a deterrent.

''We're going to seek additional penalty from the legislature so that we can actually make this more than a cost of doing business,'' he said.

It costs the state more than $50 to levy the fine and prosecute the businesses submitting invalid Social Security numbers, he said.

Standing next to Rick Grice, executive director of the Colorado Department of Labor and Employment, Owens said that the numbers related to identity theft in the state are startling.

According to Grice's statistics, one Social Security number alone was reported by 57 different employers. Another Social Security number was found to be on the rolls of 50 different businesses.

During the first quarter of 2006, 368 Social Security numbers were filed more than six times by 2,828 employers, according to data combed over by Grice's department. Some numbers were obviously phony.

''The false numbers jumped off the pages of the reports by showing such numbers as 333–33–3333 and 444–4—well, you get the picture,'' Grice said.

Grice said he didn't know what kind of fine would be useful as a deterrent to employers submitting false Social Security numbers to the Labor Department, but that he suspects any new penalty would begin with a warning to the employer to check all workers' identification.

According to data provided by the governor's office, Colorado ranked fifth in the nation in identity-theft cases per 100,000 people.

Owens provided examples of identity theft victims—including an 84-year-old woman in Grand Junction who was deemed ineligible for federal housing assistance because her Social Security number was being used in Denver at a variety of jobs, making her income too high to qualify for the housing.

He also said a 10-year-old boy in Douglas County had his Social Security number used at 17 different jobs.

Owens, who recently signed legislation criminalizing identity theft and authorizing the formation of the Identity Theft Commission, suggested that employers use a federal basic pilot program run by the Social Security Administration and the Immigration and Naturalization Service, saying it is a ''good first step,'' despite some flaws in the system.

Donnah Moody, vice president of government affairs at the Colorado Association of Commerce and Industry, said that the pilot program—designed for employers to verify the legality of Social Security numbers—isn't ready yet.

Mr. ENZI. I yield the floor.

VOTE EXPLANATION

Ms. CANTWELL. Mr. President, I was unfortunately delayed from voting on the DeMint amendment No. 158—rollcall vote No. 25. For the record, I would have voted no on the motion to waive the Budget Act.

The PRESIDING OFFICER. The Senator from Illinois.

MORNING BUSINESS

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

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

REMARKS OF THE VICE PRESIDENT

Mr. DURBIN. Mr. President, there was an interview between Wolf Blitzer and the President of the United States that was aired this morning on the news. Some of the statements that were made by the Vice President are very difficult to understand. When he was asked about Iraq, Vice President CHENEY said:

Bottom line is that we've had enormous successes and we will continue to have enormous successes.

It is interesting that the Vice President would make this statement barely a week after the President of the United States announced that we are facing a slow failure in Iraq. The President sees a slow failure; the Vice President sees enormous successes.

This is not the first time the Vice President has made statements which defy reality. We can all recall the statements made by him and many others in the administration suggesting the presence of weapons of mass destruction, nuclear weapons, suggesting a connection somehow between Saddam Hussein and the tragedy of 9/11. It turns out that in each and every instance the Vice President was wrong.

We can also remember that in June of 2005 when we were facing one of the bloodiest, deadliest periods in Iraq, Vice President CHENEY said:

The level of activity that we see today from a military standpoint, I think, will clearly decline. I think they're in their last throes, if you will, of the insurgency.

Another quote from the Vice President which was not in touch with the reality of the war in Iraq.

We have had that from the beginning. Whether it was the Vice President's suggestion—this comes from March 16, 2003:

Now, I think things have gotten so bad inside Iraq, from the standpoint of the Iraqi people, my belief is we will, in fact, be greeted as liberators.

I will concede the Vice President later admitted he was wrong in making that statement.

The point I am making is this: If the current Secretary of Defense concedes to our Armed Services Committee that we are not winning this war, if the Baker-Hamilton bipartisan study group comes forward and says the situation is grave and deteriorating, if the President says our continued course of action is a slow failure, one has to wonder where the Vice President is receiving his information.

Earlier this morning, I said that he was delusional when it came to this issue. To be delusional is to be out of touch with reality. And I believe the Vice President has been out of touch with reality when he makes comments such as that.

At the least, the American people expect an honest answer about the situation in Iraq. I think what the President has said about a slow failure is an honest appraisal. I think what the Secretary of Defense, Mr. Gates, said about not winning this war is an honest appraisal. I think the findings of the Baker-Hamilton bipartisan study group that the situation is grave and deteriorating is an honest appraisal of reality.

This much I will say: The real success in Iraq, if we can point to it, is the fact that our brave men and women in uniform have done such a remarkable job. They have faced extraordinary responsibilities and assignments. They came to Iraq, invaded it, deposed that dictator, found him in a hole in the ground and brought him to trial, and

gave the Iraqi people a chance for free elections and a chance to write their own Constitution. Those successes which did occur were the result of great determination by our troops in uniform and many brave Iraqis who stepped forward and risked their lives to move their nation forward.

But we all know the situation today. As of this morning, we have lost 3,057 American soldiers. We know that over 23,000 have returned from Iraq with injuries, almost 7,000 with serious injuries—amputations, blindness, serious burns, traumatic brain injury. Those are the realities of what we face.

We also know that the situation on the ground in Iraq is very difficult for most people to understand. When the Prime Minister of Iraq, Mr. Maliki, says to the President: We don't need additional troops, and the President says we are sending them anyway, when the generals in the field say that if America continues to send troops, the Iraqis won't accept the responsibility of defending their country and the administration says we are going to send troops anyway, I think that is evidence that this administration's policy is not connected to the reality of what is on the ground in Iraq. And certainly for the Vice President to characterize that sad and tragic situation in Iraq today as an enormous success is not in touch with the reality of what our soldiers face and our country faces.

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

The PRESIDING OFFICER (Mrs. LINCOLN). Without objection, it is so ordered.

TRIBUTE TO SENATOR GEORGE A. SMATHERS

Mr. NELSON of Florida. Madam President, on Monday I have the great privilege of delivering the eulogy at the funeral for Senator George Smathers in whose office I had the privilege, as a college student, of interning. As I greet each of our interns in our Senate offices as they rotate, I always tell them the story of being an intern, how it had a profound influence on my life because that summer, interning for Senator Smathers, I met his son Bruce. Bruce and I then became college roommates. After law school and the military, Bruce introduced me to my wife, and I returned the favor and introduced Bruce to his wife. And his son, little Bruce, is my godson. So over the years, I have had the privilege of having my life intersecting with the Smathers family, so much so that when I came to the Senate, I requested that I have the desk of George Smathers.

It is with that background that, indeed, it is a great honor for me that the family has asked me to deliver the eulogy. It will be a great privilege for me, next Monday, to recall the great life and times of this great American and great Floridian. I will just mention a couple of things in his career. I will elaborate at greater length and will introduce that eulogy into the RECORD of the Senate after I have given it.

I wish to mention that was a Senate which had giants with whom all of us in my generation grew up—Symington of Missouri and Johnson of Texas and Dirksen of Illinois and Mansfield of Montana and, from my State, Smathers and Holland.

Johnson really relied on Smathers—so much so that when there was a vacancy as the assistant majority leader, he asked Smathers to fill in temporarily. And when Senator Johnson, the majority leader, ended up having his heart attack and was out of work for 7 months, George Smathers stood in as the acting majority leader. Upon Senator Johnson's return, he asked Senator Smathers to be his permanent assistant majority leader. LBJ was not someone who was accustomed to having someone tell him no, but his friend from Florida told him that he should not do it.

I will just mention one other fact. George Smathers, as a young Congressman, met Fidel Castro in 1948. Fidel Castro told him that he was going to take over Cuba. That was 11 years before Castro ousted the hated dictator Batista. Smathers was always leery of Fidel Castro, and he often warned people, before Castro took over and, in fact, after Castro was in. When so many in the world thought he got rid of the hated dictator Batista, Smathers said: Watch out, he is going to consolidate power and he is going to become a problem. He was prophetic. That is exactly what happened.

That was the kind of leadership we had. It is the passing of an era. America has lost one of her great leaders, and Florida has lost one of its great sons. It is my privilege to bring these remarks to the Senate.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

IRAQ WAR RESOLUTIONS

Mr. NELSON of Florida. Mr. President, for a week now we have had this speculation, the rumors, and then finally the deliberations in front of the Senate Foreign Relations Committee of a resolution disapproving the President's increase of the forces by 21,000 in Iraq. A resolution was passed out on a vote of something like 12 to 9 yesterday. It was bipartisan in the passing, but it was basically a partisan vote. Save for one member of the minority on the Senate Foreign Relations Committee, all of the minority voted against the resolution. But almost to a person, all of the members of the Senate Foreign Relations Committee, both sides of the aisle, had expressed their dissatisfaction, individually in their statements in front of the committee, with the President's intention to increase the number of troops, which is already underway, as we know, as we have been reading the commentary in the press.

So we have that resolution. Then we have a resolution introduced by Senator WARNER. This Senator from Florida looks at these two resolutions, and they are almost identical. So this Senator is one of several Senators who has cosponsored both resolutions. This Senator is one of several Senators who has been trying to bring the two together to be folded into one, since it basically, in substance, is the same thing in both of them. Yet for one reason or another, that has not been accomplished.

Therefore, next week, we expect both of those resolutions to come in front of the Senate. At this moment, it looks as if it will be the Senate Foreign Relations Committee product that will then be amendable and I suppose with a substitute amendment. Then we go through all the amendatory process. Now, that may be the way the Senate will work its will, but it is not necessarily the way it could be done the easiest, if we could have great minds come together in a bipartisan way on two resolutions that virtually say the same thing.

I bring this up simply to say we get so wound around the axle and so worked up over the particular number of troops when, in fact, looking at the underlying conditions in the Middle East and in Iraq, where there is so much at stake for our country: The oil and gas in that region, the east-west trade routes that go through the area, all of the international capital investment that is in that region of the world, and all of the capital that is produced that flows out of that part of the world—all of that instability in the region, brought about as a result of instability in Iraq, is going to have a major global impact.

The former commander, the former combatant commander of the U.S. Central Command, General Tony Zinni, a now retired 4-star Marine general who served as the head of Central Command back under the Clinton administration, has written extensively on this, and he points out that there is a complexity we have unleashed by going into Iraq that is not only the Sunni-Shiite conflict but also the Arab-Persian conflict. General Zinni, in his upfront, blunt-talking way says:

There are three options in Iraq: Fix it, contain it, or leave it.

And he doesn't feel, and this Senator doesn't feel, that we can take the third option of picking up and leaving it because of the enormous consequences. And if we can't fix it, we have to contain it, but then you are going to have to own that containment and have a containment strategy executed by the United States because the region can't do it for itself. And containment, according to General Zinni, is very messy and is probably much tougher in the long run.

So perhaps as we discuss next week these two resolutions over the issue of 21,000 troops, let's remember that in the long run, for us to be successful in stabilizing Iraq, we have to look to additional issues that have to be solved, such as the economics there, the diplomacy, the security—a lot of what the Iraq Study Commission has come forward with in their plan. And let's also understand that as we talk about what we want to do to stabilize Iraq in getting the Iraqi security forces able to provide their own security, that getting them provided with guns and other equipment isn't going to provide the security that you need because, the Iraqi security forces need civil affairs and psychological operations and counterintelligence and intelligence forces. They are going to have to have civil affairs moving in behind their military operations in order to paint buildings and create infrastructure so there will be something positive left behind.

Remember, the doctrine under Secretary Rumsfeld was ''clear, hold, and build.'' The problem was, they cleared an area, but they never held it. They never got around to the point of building. General Petraeus said yesterday in our committee we were going to go in and clear, hold, and then we have to be able to build. Whether we talk about 21,000 troops or not, you cannot build in the midst of sectarian violence of Shia, Sunnis, and the overall Arab-Persian conflict. Until we address these issues, at the end of the day, Iraq is not going to be stabilized. In a destabilized society, a priority has to be in rebuilding institutions in social, economic, and political areas.

One of the things the United States may consider increasing its emphasis on, since we have so many agencies of government there all doing their own thing, is an interagency coordinating mechanism to help bring everything together so, indeed, ''clear, hold, and build'' has an opportunity to be executed and then, hopefully, an opportunity to succeed.

I wanted to offer some additional ideas, a lot of which have been inspired by General Zinni, someone who understands how to operate in that part of the world as we debate next week the resolutions over whether we would indicate our approval of the President's plan. Maybe when we debate that, we can debate the deficiencies of not only what has been done in the past but what we have to do in the future in order to give that country an opportunity to stabilize.

I hope it is not too late. I must say, this Senator feels at times it is too late, particularly with these almost 1,500 years of sectarian violence that occurred after the death of Mohammed in the 600s A.D., that it was the rebellion started by his son-in-law that ultimately led to the Shiite sect which was born out of rebellion and wanting to get revenge. We have seen that play out over centuries and centuries. Again, we are seeing it play out now in Iraq. But we must be optimists and we must try, for the stakes are exceptionally high.

COMMITTEE ON THE JUDICIARY RULES OF PROCEDURE

Mr. LEAHY. Mr. President, today the Judiciary Committee held its first business meeting of the year. I can now report to the Senate that we have organized our subcommittees, including our creation of a new subcommittee on Human Rights, named our subcommittee chairs and ranking members, adopted our committee rules and adopted our funding resolution. I thank our ranking member, Senator SPECTER, and all members of the committee for their cooperation.

We were delayed a few weeks by the failure of the Senate to pass organizing resolutions on January 4, when this session first began. The Republican caucus had meetings over several days after we were in session before finally agreeing on January 12 to S. Res. 27 and S. Res. 28, the resolutions assigning Members to Senate committees.

The Judiciary Committee has traditionally met on Thursday. Regrettably, the delay in Senate organization meant that I could not notice or convene a meeting of the committee the morning of January 11, as I had hoped. We devoted the intervening Thursday to our oversight hearing with the Attorney General. January 18 was the date the Attorney General selected as most convenient for him, and we accommodated him in that scheduling.

Today, I can report to the Senate, in accordance with Senate Rule 26.3, that the Judiciary Committee has, again, designated Thursday mornings as our regular meeting days for the transaction of business. The Judiciary Committee has also reported the authorization resolution required by Senate Rule 26.9. In addition, the Judiciary Committee adopted its rules. In accordance with Senate Rule 26.2, I ask that a copy of the rules of the Senate Judiciary Committee be printed in the RECORD.

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

RULES OF PROCEDURE

UNITED STATES SENATE COMMITTEE ON THE JUDICIARY

I. MEETINGS OF THE COMMITTEE

1. Meetings of the Committee may be called by the Chairman as he may deem necessary on three days' notice of the date, time, place and subject matter of the meeting, or in the alternative with the consent of the Ranking Minority Member, or pursuant to the provision of the Standing Rules of the Senate, as amended.

2. Unless a different date and time are set by the Chairman pursuant to (1) of this section, Committee meetings shall be held beginning at 9:30 a.m. on Thursdays the Senate is in session, which shall be the regular meeting day for the transaction of business.

3. At the request of any Member, or by action of the Chairman, a bill, matter, or nomination on the agenda of the Committee may be held over until the next meeting of the Committee or for one week, whichever occurs later.

II. HEARINGS OF THE COMMITTEE

1. The Committee shall provide a public announcement of the date, time, place and subject matter of any hearing to be conducted by the Committee or any Subcommittee at least seven calendar days prior to the commencement of that hearing, unless the Chairman with the consent of the Ranking Minority Member determines that good cause exists to begin such hearing at an earlier date. Witnesses shall provide a written statement of their testimony and curriculum vitae to the Committee at least 24 hours preceding the hearing in as many copies as the Chairman of the Committee or Subcommittee prescribes.

2. In the event 14 calendar days' notice of a hearing has been made, witnesses appearing before the Committee, including any witness representing a Government agency, must file with the Committee at least 48 hours preceding appearance written statements of their testimony and curriculum vitae in as many copies as the Chairman of the Committee or Subcommittee prescribes.

3. In the event a witness fails timely to file the written statement in accordance with this rule, the Chairman may permit the witness to testify, or deny the witness the privilege of testifying before the Committee, or permit the witness to testify in response to questions from Senators without the benefit of giving an opening statement.

III. QUORUMS

1. Six Members of the Committee, actually present, shall constitute a quorum for the purpose of discussing business. Eight Members of the Committee, including at least two Members of the minority, shall constitute a quorum for the purpose of transacting business. No bill, matter, or nomination shall be ordered reported from the Committee, however, unless a majority of the Committee is actually present at the time such action is taken and a majority of those present support the action taken.

2. For the purpose of taking sworn testimony, a quorum of the Committee and each Subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

IV. BRINGING A MATTER TO A VOTE

The Chairman shall entertain a non-debatable motion to bring a matter before the Committee to a vote. If there is objection to bringing the matter to a vote without further debate, a roll call vote of the Committee shall be taken, and debate shall be terminated if the motion to bring the matter to a vote without further debate passes with ten votes in the affirmative, one of which must be cast by the minority.

V. AMENDMENTS

1. Provided at least seven calendar days' notice of the agenda is given, and the text of the proposed bill or resolution has been made available at least seven calendar days in advance, it shall not be in order for the Committee to consider any amendment in the first degree proposed to any measure under consideration by the Committee unless such

amendment has been delivered to the office of the Committee and circulated via e-mail to each of the offices by at least 5:00 PM the day prior to the scheduled start of the meeting.

2. It shall be in order, without prior notice, for a Member to offer a motion to strike a single section of any bill, resolution, or amendment under consideration.

3. The time limit imposed on the filing of amendments shall apply to no more than three bills identified by the Chairman and included on the Committee's legislative agenda.

4. This section of the rule may be waived by agreement of the Chairman and the Ranking Minority Member.

VI. PROXY VOTING

When a recorded vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, Members who are unable to attend the meeting may submit their votes by proxy, in writing or by telephone, or through personal instructions. A proxy must be specific with respect to the matters it addresses.

VII. SUBCOMMITTEES

1. Any Member of the Committee may sit with any Subcommittee during its hearings or any other meeting, but shall not have the authority to vote on any matter before the Subcommittee unless a Member of such Subcommittee.

2. Subcommittees shall be considered de novo whenever there is a change in the Subcommittee chairmanship and seniority on the particular Subcommittee shall not necessarily apply.

3. Except for matters retained at the full Committee, matters shall be referred to the appropriate Subcommittee or Subcommittees by the Chairman, except as agreed by a majority vote of the Committee or by the agreement of the Chairman and the Ranking Minority Member.

4. Provided all Members of the Subcommittee consent, a bill or other matter may be polled out of the Subcommittee. In order to be polled out of a Subcommittee, a majority of the Members of the Subcommittee who vote must vote in favor of reporting the bill or matter to the Committee.

VIII. ATTENDANCE RULES

1. Official attendance at all Committee business meetings of the Committee shall be kept by the Committee Clerk. Official attendance at all Subcommittee business meetings shall be kept by the Subcommittee Clerk.

2. Official attendance at all hearings shall be kept, provided that Senators are notified by the Committee Chairman and Ranking Minority Member, in the case of Committee hearings, and by the Subcommittee Chairman and Ranking Minority Member, in the case of Subcommittee hearings, 48 hours in advance of the hearing that attendance will be taken; otherwise, no attendance will be taken. Attendance at all hearings is encouraged.

HONORING OUR ARMED FORCES

Mr. HAGEL. Mr. President, I rise to express my sympathy over the loss of U.S. Army 1LT Jacob Fritz of Nebraska. Lieutenant Fritz died from wounds sustained in an ambush in Karbala, Iraq, on January 20. He was 25 years old.

Lieutenant Fritz was raised on his family's farm near Verdon, NE. From a young age, Lieutenant Fritz knew he wanted to be a leader. After graduating from Dawson-Verdon High School in 2000, he followed through on this goal. I had the honor of nominating Lieutenant Fritz to the U.S. Military Academy at West Point and he graduated from the Academy in 2005. His brother, Daniel Fritz, 22, followed in his footsteps and is currently in his third year at West Point.

Lieutenant Fritz was leading a unit of more than 30 soldiers in Iraq since October. Lieutenant Fritz described his mission as a liaison between Iraqi police and the U.S. Army. He said the work was challenging but rewarding. Thousands of brave Americans like Lieutenant Fritz are currently serving in Iraq. We are proud of Lieutenant Fritz's service to our country.

In addition to his brother, Lieutenant Fritz is survived by his parents Lyle and Noala and his younger brother Ethan.

I ask my colleagues to join me and all Americans in honoring 1LT Jacob Fritz.

ETHICS REFORM

Mr. LEVIN. Mr. President, I rise today to speak on the lobbying and ethics reform bill that the Senate has passed.

In the early 1990s, I along with several colleagues, including Senator William Cohen, embarked on a journey to enact meaningful lobbying and ethics reform. While we had been assured by colleagues that this was a monumental and perhaps impossible undertaking, we nonetheless forged ahead. Decade after decade, Congress had tried to close loopholes that had existed for almost 50 years, which kept lobbying activities in the dark.

In 1995, we finally succeeded in passing the Lobbying Disclosure Act. Our bill, for the first time, opened up the world of lobbying, and the billions spent in it, to the light of day. That act required paid professional lobbyists to register and disclose whom they represent, how much they are paid, and the issues on which they are lobbying.

As much as we knew that the Lobbying Disclosure Act was a real step forward, we knew that like all procedural reforms, it too would eventually need updating. Inevitably, lawyers and lobbyists would find loopholes and create new methods to dance around the law's intent.

We have seen this dance prominently over the past few years. From superlobbyist Jack Abramoff's attempts to peddle influence, to Congressman Duke Cunningham's abuse of the appropriations process, it is obvious that the time to close these loopholes has come.

The bill that the Senate just passed brings much needed reforms, many of which I sought in the original Lobbying Disclosure Act over a decade ago. It goes after not only the real problems that have arisen over the past few years, but as the perception of corruption that is sometimes the effect of too little disclosure and rules which are too weak.

One of the most important reforms in S. 1 is a strict curb on gifts by lobbyists to Members of Congress. These are perks that have no place in Government. The new rules in this bill will eliminate these gifts.

I am also pleased at the final outcome of the strong earmark reform provisions in this bill. Too many earmarks are added in the dead of night or buried in conference reports so dense that the average American has no idea where their tax dollars are going. The language can also be ambiguous to the point where we don't even know who is the intended beneficiary. This bill will require full and open disclosure of earmarks, which I hope will help to ensure the quality of the projects which are funded.

Strong travel restrictions are also an essential component of this bill. The new rules will ensure that Members traveling on corporate jets would have to reimburse at the charter rate, not as is now the case merely at the level of a first class commercial ticket.

While I applaud passage of these strong reforms, I believe we needed to go even further. One of the most important provisions in this bill is one that I worked on with Senator LIEBERMAN, which would have finally closed the major loophole that exists under current law that allows lobbyists to conceal millions of dollars worth of expenditures spent in stimulating ''grassroots'' lobbying efforts, or what has been described as ''astroturf'' lobbying.

Ten years ago, when we enacted the Lobbying Disclosure Act, it required paid lobbyists to disclose the amounts that they spend to try to influence Congress and the executive branch. However, under the LDA, lobbyists are not required to disclose how much they spend in efforts to persuade others to help them make their case. In the mid-1990s, the Wall Street Journal estimated that major lobbying firms spent almost half a billion dollars every year for this purpose. The amounts have undoubtedly grown substantially since then. Yet these amounts still go undisclosed on the lobbying disclosure forms filed by those firms. The disclosure provision in S. 1 was intended to close this loophole and require paid lobbyists to disclose all of their expenditures, instead of just some of them.

This provision would have had no impact at all on citizens who contact their Government, regardless whether they decide to make those contacts on their own initiative or at the suggestion of others. It would have had no impact on religious organizations, unions, universities or other employers who suggest that their own members or employees contact the Government. It was aimed at paid lobbyists who spend large sums of money to persuade others to contact the Government in support of a lobbying campaign that they are conducting on behalf of a client. These paid lobbyists would have been required to disclose how much they are

spending on such efforts. This disclosure, like lobbying disclosure in general, would have helped inform the public of pressures being brought to bear on their representatives by paid interests.

Even though identical language was passed by Congress last year when we considered a lobbying reform bill, it was stripped from the final version of this legislation. I nonetheless look forward to examining this issue in the future and hope to work with Chairman LIEBERMAN in the Homeland Security and Government Affairs Committee this year to look for solutions to this loophole.

I was pleased, however, that a provision I authored last year to require reporting by foreign lobbyists was included in the final passed bill. Foreign lobbyists file their disclosures under the Foreign Agents Registry Act. The forms are difficult to find and almost as hard to understand. My provision will require a publicly accessible, electronic database containing FARA disclosures in the same format that will be in place for registrants under the Lobbying Disclosure Act.

A number of scandals over the past few years have shown us that ethics and lobbying reform are vital. While this bill was not perfect, I believe it will go a long way to clean up corruption in Washington. This bipartisan effort in the Senate proves that we are up to the task of addressing corruption and perceived corruption in Congress. I am hopeful that the House will soon consider its own lobbying reform legislation and that we will have strong provisions signed into law.

But signing this legislation into law cannot be the end of our efforts. The 12 years since the passage of the Lobbying Disclosure Act have shown the lengths to which some will go to find loopholes in the law to circumvent the reforms and undermine the safeguards that we have enacted. We must remain vigilant to protect the integrity of the legislative process in the coming years and be prepared, if necessary, to revisit the issue with future legislation.

COMBATING GUN VIOLENCE

Mr. LEVIN. Mr. President, one effort that must not be overlooked in our fight to combat gun violence, is the work of local law enforcement agencies. Detroit's Joshua Project is but one example of the successful work law enforcement agencies are doing all across the country. The Joshua Project began in 2004 as a collaborative effort between multiple law enforcement agencies, to curb gun violence in Detroit's Southwestern 3rd Precinct.

The Joshua Project, modeled after programs in several other cities including Boston, Minneapolis, and Indianapolis, institutes a zero tolerance policy when a gang member commits any type of gun violence. Any gang member's use of a gun results in strict and sustained law enforcement attention for everyone in the gang. The project also seeks to deter gun violence by increased monitoring of probationers and parolees through the use of unscheduled home visits and mandatory call-in meetings. So far over 2,000 former offenders have been called in and nearly 3,000 home checks have been conducted. These measures give law enforcement officials the opportunity to proactively intervene in a high-risk offender's life before another crime is committed.

The implementation of the program relies on an innovative partnership between the Detroit Police Department, the Attorney General's Office and Michigan Department of Corrections, along with the assistance of the State courts. Community involvement also plays a critical role in offering both ideas and solutions within the Joshua Project. Community organizations provide assistance, support and counseling to offenders.

Within the first 17 months after the Joshua Project was implemented, shootings in Detroit's 3rd precinct decreased almost 33 percent and gun related homicides dropped nearly 40 percent. As a result of this success, Detroit Mayor Kwame Kilpatrick, Attorney General Mike Cox, and Governor Jennifer Granholm announced this past summer that the Joshua Project would be expanded to Detroit's 2nd precinct.

Mayor Kilpatrick said of this expansion:

> We are most successful in our fight against crime when we maximize the strengths of our law enforcement partners throughout the country and state. Our partnership with the Attorney General has reduced gun violence and has saved lives in southwest Detroit. By expanding this program, we hope to build upon our current successes and make the neighborhoods of the second precinct as safe, if not safer, than we have in the third precinct.

I would like to take this opportunity to thank all State and local law enforcement officials for their continued service and vital contributions in ensuring the safety of our communities. I am hopeful the 110th Congress will support their efforts by taking up and passing sensible gun safety legislation.

TRIBUTE TO WILLIAM ''BILL'' WOOLF

Ms. MURKOWSKI. Mr. President, I rise today to bid farewell to one of the longest tenured members of my Senate staff, Mr. William ''Bill'' Woolf. Bill will retire from U.S. Senate employment at the end of January, after 20 years of exceptional service to the citizens of this country and to the residents of the State of Alaska.

Bill was born in Washington State and studied at Washington State University and the University of Alaska in Juneau. Growing up in the country, he developed an early and lasting love of the outdoors—boating, fishing, and hunting—even before moving to the Last Frontier in 1974.

He has served as my legislative assistant for fisheries, science, and transportation issues since I entered the Senate in 2002. Prior to that, he worked for the ''other Senator Murkowski'' for 15 years. While I love to catch and eat Alaska' salmon, halibut, crab, and pollock, Bill truly knows not only the biology but also the economic intricacies of both sport and commercial fishing and game management issues. Over the years, he has become an expert in wildlife and fishery biology and management, dedicating himself to protecting and expanding fish and game stocks not just in Alaska but nationwide.

Bill moves easily among scientists, government officials, fishermen, and business. He has gained a reputation as a dedicated and knowledgeable advocate for sound, scientific fishery and wildlife management and quality resource development.

He has worked tirelessly to help perfect and protect the regional fishery management process, encompassed in the Magnuson-Stevens Fisheries Conservation and Management Act. Despite never serving with a member of the Commerce Committee, Bill has been influential in many of the fisheries laws passed by this body, dealing with subjects as diverse as reflagging of foreign processing ships, banning the use of large-scale driftnets on the high seas, improving safety and quality inspection techniques for fish products, allowing fishermen greater control over secondary market pricing, providing for country of origin seafood labeling, and encouraging action to allow ''organic'' labeling.

He also worked with the State Department and others to implement international agreements on fisheries in the central Bering Sea and the Sea of Okhotsk, protection of salmon in the North Pacific, successful negotiations with Canada of the Pacific Salmon Treaty, and many others. He is particularly proud of having drafted, presented, and worked with the staff of U.N. Ambassador Madeleine Albright to achieve U.N. General Assembly approval for the very first international resolution to control bycatch and waste in fisheries worldwide.

Bill, however, has not focused solely on fisheries. Over the years, his range of issues has cut across many lines, involved many disciplines, and a wide range of science, transportation, and other issues for the Alaska congressional delegation. Among his accomplishments were writing the first comprehensive law to control wastewater discharges from cruise ships in Alaska, advising the U.S. Arctic Research Commission, representing Alaska's interests in staff negotiations on the Water Resources Development Act, and working long hours and weekends to ensure that the Highway Reauthorization passed by the 109th Congress would help bring Alaska's road system into the 21st century. He also helped organize and staffed a Senate Coast Guard Caucus for several years.

After the 2005 hurricanes devastated the gulf coast, he was the key influence

behind the successful formation of the Alaska Fishing Industry Relief Mission. This nonprofit corporation moved important equipment all the way from Alaska to Louisiana and Mississippi—including both a 60-ton capacity boat lift and a 30-ton per day ice making machine, both were critically needed to get the gulf coast fishing industry back in play. The formation of the caucus and mission are a lasting testament to Bill's good judgment, hard work, and dedication to intelligently build this Nation's ports and harbors infrastructure and to care for those who depend on them.

I also want to mention that Bill started his career as a broadcaster, general manager, news director, correspondent and producer for radio and television stations in Alaska, Washington, and Oregon. He also served a stint as a Senate press secretary and communications' director for the chairman of the Intelligence Committee during the first Persian Gulf war. He understands how important it is for Congress to communicate its policies to the citizens of America and fully explain why we take the actions that we do.

While I am sorry to lose one of my staff leaders, I am happy that he will be able to more fully enjoy some of his other interests: woodworking, motorcycling, fishing, hunting, his collection of Alaskan and Asian art, and his beloved German shepherd dogs.

I will miss Bill's hard work, vast knowledge, good humor, and sound judgment. It has been a pleasure to have him on my staff. I wish him and his wife Karen the very best and know that Alaskans will benefit for decades to come from his efforts to protect and enhance this Nation natural and biological resources and the environment.

ADDITIONAL STATEMENTS

ACCOMPLISHMENTS OF TADD FUJIKAWA

• Mr. AKAKA. Mr. President, I wish to give praise and congratulations to Tadd Fujikawa, a 16-year-old sophomore from Moanalua High School, who on Friday, January 12, made golf history for the State of Hawaii. By shooting a 4-under-par 66 during the second round of the Sony Open at the Waialae Country Club, Tadd became the youngest player in 50 years to make the cut at a PGA tour event.

Tadd demonstrated amazing skill and focus on the course. Despite standing just five feet, one inch tall, his 285-yard drives and accurate iron play propelled him up the tournament leaderboard. In the end, he tied for 20th place, besting some of the world's premier golfers.

Tadd's drive and competitive spirit may be a result of his early struggles as a premature baby. At birth, Tadd weighed less than two pounds and was given a 50 percent chance of survival. He didn't just survive, he flourished. Last year, at age 15, he became one of the youngest players ever to compete in golf's national championship, the U.S. Open. Also impressive are Tadd's exploits in the sport of judo, where he has won four junior national titles.

I offer my most sincere congratulations, to Tadd Fujikawa, for his exceptional performance in the Sony Open. May he take away from this experience the confidence to do great things, as he has already shown the potential to achieve them. I wish Tadd the best in all that he chooses to undertake in the future.•

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–445. A communication from the Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled ''Limitations on Withdrawals of Equity Capital'' (RIN3038–AC27) received on January 24, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–446. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a six-month periodic report on the national emergency with respect to Cote d'Ivoire that was declared in Executive Order 13396 of February 7, 2006; to the Committee on Banking, Housing, and Urban Affairs.

EC–447. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a six-month periodic report on the national emergency with respect to Liberia that was declared in Executive Order 13348 of July 22, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC–448. A communication from the Under Secretary and Director, United States Patent and Trademark Office, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Changes to Facilitate Electronic Filing of Patent Correspondence'' (RIN0651–AB92) received on January 24, 2007; to the Committee on Commerce, Science, and Transportation.

EC–449. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Application of Section 357(c)(1) to Reorganizations'' (Rev. Rul. 2007–8) received on January 23, 2007; to the Committee on Finance.

EC–450. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Section 1397E—Allocation of National Limitation for Qualified Zone Academy Bonds for Years 2006 and 2007'' (Rev. Proc. 2007–18) received on January 23, 2007; to the Committee on Finance.

EC–451. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Applicable Federal Rates—February 2007'' (Rev. Rul. 2007–9) received on January 23, 2007; to the Committee on Finance.

EC–452. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''CPI Adjustment for Section 1274A for 2007'' (Rev. Rul. 2007–4) received on January 23, 2007; to the Committee on Finance.

EC–453. A communication from the Regulations Coordinator, Health Resources and Services Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Healthy Tomorrows Partnership for Children Program'' (RIN0906–AA70) received on January 24, 2007; to the Committee on Health, Education, Labor, and Pensions.

EC–454. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–629 , ''Protection from Discriminatory Eviction for Victims of Domestic Violence Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–455. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–628, ''Jury Trial Improvements Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–456. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–627, ''Commercial Exception Clarification Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–457. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–630, ''Mandatory Juvenile Public Safety Notification Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–458. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–631, ''Criminal Record Sealing Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–459. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–632, ''Inclusionary Zoning Implementation Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–460. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–634, ''Closing of Public Alleys in Squares 798, 799, and 824 (S.O. 04–12081) and Dedication and Designation of 2nd Place, S.E., 3rd Place, S.E., L Street, S.E., (S.O. 04–12080), Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–461. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–626, ''Property Interest Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–462. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–622, ''Longtime Resident Business Definition Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–463. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–625, ''Placement of Students with Disabilities in Nonpublic Schools Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–464. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–633, ''Interest on Rental Security Deposits Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–465. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–624, ''Public Charter School Assets and Facilities Preservation Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–466. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–623, ''Rate of Pay for the Position of Inspector General for the Office of the Inspector General Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–467. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–620, ''Developmental Disabilities Services Management Reform Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–468. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–618, ''Homeland Security, Risk Reduction, and Preparedness Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–469. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–619, ''Medical Malpractice Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–470. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–638, ''Closing of Portions of a Public Alley System on the West Side of Square 701, S.O. 06–3392, Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–471. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–635, ''Workforce Housing Production Program Approval Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–472. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–621, ''Childhood Lead Screening Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–473. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–641, ''Walter E. Washington Convention Center Designation Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–474. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–644, ''Special Purpose Financial Captive Authorization Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–475. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–640, ''Closing of a Public Alley in Square 739, the Closure of Streets, the Opening and Widening of Streets, and the Dedication of Land for Street Purposes (S.O. 06–221), Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–476. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–639, ''Closing of Portions of a Public Alley System in Square 700, S.O. 06–3582, Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–477. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–636, ''Department of Motor Vehicles Service and Safety Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–478. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–649, ''Film DC Economic Incentive Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–479. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–645, ''Captive Insurance Company Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–480. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–652, ''Anti-Deficiency Act Revision Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–481. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–651, ''Domestic Partnerships Joint Filing Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–482. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–653, ''Second Technical Amendments Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–483. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–655, ''Shelter Monitoring and Emergency Assistance Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–484. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–654, ''Mayor and Council Compensation Adjustment and Compensation Advisory Commission Establishment Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–485. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–646, ''National Capital Revitalization Corporation Asset Transfer Clarification Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–486. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–643, ''Rebuttable Presumption to Detain Robbery and Handgun Violation Suspects Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–487. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–642, ''Use of Closed Circuit Television to Combat Crime Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–488. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–650, ''Closing of a Public Alley in Square 375, S.O. 06–656, Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–489. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–648, ''Closing of a Portion of a Public Alley in Square 85, S.O. 06–8859, Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–490. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–647, ''Community Access to Health Care Amendment Act of 2006'' received on January 24, 2007; to the Committee on Homeland Security and Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 21. A resolution recognizing the uncommon valor of Wesley Autrey of New York, New York.

S. Res. 24. A resolution designating January 2007 as ''National Stalking Awareness Month''.

S. Res. 29. A resolution expressing the sense of the Senate regarding Martin Luther King, Jr. Day and the many lessons still to be learned from Dr. King's example of nonviolence, courage, compassion, dignity, and public service.

By Mr. DORGAN, from the Committee on Indian Affairs, without amendment:

S. Res. 40. An original resolution authorizing expenditures by the Senate Committee on Indian Affairs.

By Mr. LEAHY, from the Committee on the Judiciary, without amendment:

S. Res. 42. An original resolution authorizing expenditures by the Committee on the Judiciary.

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. WYDEN:

S. 387. A bill to prohibit the sale by the Department of Defense of parts for F–14 fighter aircraft; to the Committee on Armed Services.

By Mr. THUNE (for himself, Mr. NELSON of Nebraska, Mr. SUNUNU, Mr. INHOFE, Mr. COBURN, Mr. BURR, Mr. MARTINEZ, Mr. CRAPO, Mr. BAUCUS,

Mr. CORNYN, Mrs. DOLE, Mr. CRAIG, and Mr. LOTT):

S. 388. A bill to amend title 18, United States Code, to provide a national standard in accordance with which nonresidents of a State may carry concealed firearms in the State; to the Committee on the Judiciary .

By Mr. DOMENICI (for himself, Mr. KYL, Mrs. HUTCHISON, and Mr. CORNYN):

S. 389. A bill to increase the number of Federal judgeships, in accordance with recommendations by the Judicial Conference, in districts that have an extraordinarily high immigration caseload; to the Committee on the Judiciary.

By Mr. BENNETT (for himself and Mr. HATCH):

S. 390. A bill to direct the exchange of certain land in Grand, San Juan, and Uintah Counties, Utah, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MENENDEZ (for himself and Mr. LAUTENBERG):

S. 391. A bill to amend the Outer Continental Shelf Lands Act to permanently prohibit the conduct of offshore drilling on the outer Continental Shelf in the Mid-Atlantic and North Atlantic planning areas; to the Committee on Energy and Natural Resources.

By Mr. BIDEN:

S. 392. A bill to ensure payment of United States assessments for United Nations peacekeeping operations for the 2005 through 2008 time period; to the Committee on Foreign Relations.

By Mr. HARKIN:

S. 393. A bill to transfer unspent funds for grants by the Office of Community Oriented Policing Services, the Office of Justice Programs, and the Office on Violence Against Women to the Edward Byrne Memorial Justice Assistance Grant Program; to the Committee on the Judiciary.

By Mr. AKAKA (for himself, Mr. STEVENS, Mr. LEVIN, Ms. COLLINS, Mr. LAUTENBERG, Mr. KERRY, Mrs. BOXER, Mrs. FEINSTEIN, and Mr. MENENDEZ):

S. 394. A bill to amend the Humane Methods of Livestock Slaughter Act of 1958 to ensure the humane slaughter of nonambulatory livestock, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SCHUMER:

S. 395. A bill to require States and Indian tribes to designate specific highway routes over which hazardous materials may be transported; to the Committee on Commerce, Science, and Transportation.

By Mr. DORGAN (for himself, Mr. LEVIN, and Mr. FEINGOLD):

S. 396. A bill to amend the Internal Revenue Code of 1986 to treat controlled foreign corporations in tax havens as domestic corporations; to the Committee on Finance.

By Mr. MARTINEZ (for himself, Mr. COBURN, Mr. COLEMAN, Mr. CORNYN, Mr. INHOFE, and Mr. SESSIONS):

S. 397. A bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance, and for other purposes; to the Committee on Finance.

By Mr. DORGAN (for himself, Mr. MCCAIN, Mr. INOUYE, Mr. THOMAS, and Mr. DOMENICI):

S. 398. A bill to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes; to the Committee on Indian Affairs.

By Mr. BUNNING (for himself and Ms. MIKULSKI):

S. 399. A bill to amend title XIX of the Social Security Act to include podiatrists as physicians for purposes of covering physicians services under the Medicaid program; to the Committee on Finance.

By Mr. SUNUNU (for himself, Mr. GREGG, and Mrs. CLINTON):

S. 400. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to ensure that dependent students who take a medically necessary leave of absence do not lose health insurance coverage, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ROCKEFELLER (for himself, Ms. SNOWE, Mr. KENNEDY, Ms. COLLINS, Mr. MENENDEZ, Mr. REED, Ms. MIKULSKI, Mr. DURBIN, Mr. OBAMA, Mr. FEINGOLD, Mr. KERRY, Mr. LAUTENBERG, Mr. WHITEHOUSE, Mr. HARKIN, Mr. CARDIN, Ms. KLOBUCHAR, Mrs. MCCASKILL, and Mr. KOHL):

S. 401. A bill to amend title XXI of the Social Security Act to eliminate funding shortfalls for the State Children's Health Insurance Program (SCHIP) for fiscal year 2007; to the Committee on Finance.

By Mrs. LINCOLN (for herself, Mr. SMITH, Mr. LOTT, Mr. CORNYN, Mr. PRYOR, Mrs. HUTCHISON, Mrs. MURRAY, Mrs. DOLE, Ms. CANTWELL, Mr. BURR, Mr. SHELBY, Mr. COCHRAN, Mr. VITTER, and Ms. LANDRIEU):

S. 402. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for qualified timber gains; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. DORGAN:

S. Res. 40. An original resolution authorizing expenditures by the Senate Committee on Indian Affairs; from the Committee on Indian Affairs; to the Committee on Rules and Administration.

By Mr. BROWN:

S. Res. 41. A resolution honoring the life and recognizing the accomplishments of Tom Mooney, president of the Ohio Federation of Teachers; to the Committee on the Judiciary.

By Mr. LEAHY:

S. Res. 42. An original resolution authorizing expenditures by the Committee on the Judiciary; from the Committee on the Judiciary; to the Committee on Rules and Administration.

By Mr. SPECTER (for himself and Mr. CASEY):

S. Res. 43. A resolution honoring the important contribution to the Nation of the Academy of Music in Philadelphia, Pennsylvania, on its 150th Anniversary; considered and agreed to.

By Mr. HAGEL (for himself and Mr. NELSON of Nebraska):

S. Res. 44. A resolution commending the University of Nebraska-Lincoln women's volleyball team for winning the National Collegiate Athletic Association Division I Women's Volleyball Championship; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 122

At the request of Mr. BAUCUS, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 122, a bill to amend the Trade Act of 1974 to extend benefits to service sector workers and firms, enhance certain trade adjustment assistance authorities, and for other purposes.

S. 214

At the request of Mrs. FEINSTEIN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 214, a bill to amend chapter 35 of title 28, United States Code, to preserve the independence of United States attorneys.

S. 259

At the request of Mr. AKAKA, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 259, a bill to authorize the establishment of the Henry Kuualoha Giugni Kupuna Memorial Archives at the University of Hawaii.

S. 343

At the request of Mr. VOINOVICH, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 343, a bill to extend the District of Columbia College Access Act of 1999.

S. 358

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

S. 360

At the request of Mr. BINGAMAN, the names of the Senator from Vermont (Mr. SANDERS) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 360, a bill to amend the Internal Revenue Code of 1986 to expand expenses which qualify for the Hope Scholarship Credit and to make the Hope Scholarship Credit and the Lifetime Learning Credit refundable.

S. 380

At the request of Mr. WYDEN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 380, a bill to reauthorize the Secure Rural Schools and Community Self-Determination Act of 2000, and for other purposes.

S. CON. RES. 2

At the request of Mr. BIDEN, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from Missouri (Mrs. MCCASKILL) were added as cosponsors of S. Con. Res. 2, a concurrent resolution expressing the bipartisan resolution on Iraq.

S. RES. 29

At the request of Mr. KYL, his name was added as a cosponsor of S. Res. 29, a resolution expressing the sense of the Senate regarding Martin Luther King, Jr. Day and the many lessons still to be learned from Dr. King's example of nonviolence, courage, compassion, dignity, and public service.

At the request of Ms. STABENOW, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. Res. 29, supra.

AMENDMENT NO. 117

At the request of Mr. CHAMBLISS, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of amendment No. 117 intended to be proposed to H.R. 2, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

AMENDMENT NO. 118

At the request of Mr. CHAMBLISS, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of amendment No. 118 proposed to H.R. 2, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WYDEN:

S. 387. A bill to prohibit the sale by the Department of Defense of parts for F–14 fighter aircraft; to the Committee on Armed Services.

Mr. WYDEN. Mr. President, I rise today to bring to light an important issue which threatens our national security and begs the attention of Congress. The legislation I propose today seeks to end the Iranian government's acquisition of sensitive military equipment by blocking the Pentagon's sale of F–14 fighter jet parts.

It is the sensitive job of the Department of Defense to demilitarize and auction off surplus military equipment. However, recent investigations and reports have uncovered a frightening trend regarding the sale of F–14 ''Tomcat'' aircraft parts. U.S. customs agents have discovered F–14 parts being illegally shipped to Iran by brokers who bought F–14 surplus equipment from Department of Defense auctions.

Other than the United States, Iran is the only Nation to fly the F–14. The U.S. allowed Iran to buy 79 F–14s before its revolution in 1979. Fortunately, most of Iran's F–14s are currently grounded for lack of parts.

We know that Iran is pursuing a nuclear weapons capability. We know that the Department of State has identified Iran as the most active state sponsor of terrorism. We know that the sale of spare parts for F–14s could make it more difficult to confront the nuclear weapons capability of Iran. And yet F–14 parts are still being sold by the DoD.

Iran's F–14s, especially with the parts to get more of them airborne, greatly strengthen its ground war potential, harming our national and global security. Our country should be doing everything possible to deny the brutal regime in Tehran access to spare parts for their F–14 fleet.

The Department of Defense will tell you that it is already taking action to control the sale of F–14 parts. A few times a year they change the restriction on the sale of F–14 parts. But history has shown us that these rules are not enough. The Department has been caught still selling F–14 parts, even when its rules forbid it. It has sold F–14 parts to companies that have turned out to be fronts for the Iranians. More recently, the DoD sold sensitive technology, including classified F–14 parts to undercover GAO investigators.

My intention with this bill is to make it crystal clear to the Department of Defense that it may not sell any F–14 parts to anyone for any reason. There should be no chance for the parts to make their way to the Iranians.

Additionally, my bill would prohibit the export of any F–14 parts that have already been sold. This prevents the parts from ending up in Iran through even the most roundabout route.

I am not trying to reform the entire military surplus sales process. I am confident that the Armed Services Committee will continue its investigations and propose some much needed changes. My bill would simply fix a very specific, but very important, problem: the sale of F–14 components that end up in the hands of Iran.

I urge the members of the Senate to support this bill.

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

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

S. 387

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 ''Stop Arming Iran Act''.

SEC. 2. PROHIBITION ON SALE BY DEPARTMENT OF DEFENSE OF PARTS FOR F–14 FIGHTER AIRCRAFT.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of Defense is responsible for demilitarizing and auctioning off sensitive surplus United States military equipment.

(2) F–14 ''Tomcat'' fighter aircraft have recently been retired, and their parts are being made available by auction in large quantities.

(3) Iran is the only country, besides the United States, flying F–14 fighter aircraft and is purchasing surplus parts for such aircraft from brokers.

(4) The Government Accountability Office has, as a result of undercover investigative work, declared the acquisition of the surplus United States military equipment, including parts for F–14 fighter aircraft, to be disturbingly effortless.

(5) Upon the seizure of such sensitive surplus military equipment being sold to Iran, United States customs agents have discovered these same items, having been resold by the Department of Defense, being brokered illegally to Iran again.

(6) Iran is pursuing a nuclear weapons capability, and the Department of State has identified Iran as the most active state sponsor of terrorism.

(7) Iran continues to provide funding, safe haven, training, and weapons to known terrorist groups, including Hizballah, HAMAS, the Palestine Islamic Jihad, and the Popular Front for the Liberation of Palestine.

(8) The sale of spare parts for F–14 fighter aircraft could make it more difficult to confront the nuclear weapons capability of Iran and would strengthen the ground war capability of Iran. To prevent these threats to regional and global security, the sale of spare parts for F–14 fighter aircraft should be prohibited.

(b) PROHIBITION ON SALE BY DEPARTMENT OF DEFENSE.—

(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraph (2), the Department of Defense may not sell (whether directly or indirectly) any parts for F–14 fighter aircraft, whether through the Defense Reutilization and Marketing Service or through another agency or element of the Department.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to the sale of parts for F–14 fighter aircraft to a museum or similar organization located in the United States that is involved in the preservation of F–14 fighter aircraft for historical purposes.

(c) PROHIBITION ON EXPORT LICENSE.—No license for the export of parts for F–14 fighter aircraft to a non-United States person or entity may be issued by the United States Government.

By Mr. DOMENICI (for himself, Mr. KYL, Mrs. HUTCHISON, and Mr. CORNYN):

S. 389. A bill to increase the number of Federal judgeships, in accordance with recommendations by the Judicial Conference, in districts that have an extraordinarily high immigration caseload; to the Committee on the Judiciary.

Mr. DOMENICIl. Mr. President, I rise today to introduce legislation that authorizes the Federal judgeships recommended by the 2005 Judicial Conference for our U.S. District Courts that are overloaded with immigration cases.

It is imperative to equip our Federal agencies with the assets they need to secure our borders and enforce our immigration laws, including courts which must adjudicate criminal immigration cases that appear on their dockets. This includes our U.S. District Courts, which must try repeat immigration law violators who are charged with a felony in U.S. District Court.

The legislation I am introducing today creates eleven new Federal judgeships recommended by the Judicial Conference for the four U.S. Districts in which more than 50 percent of their criminal cases are immigration cases. Each of these Districts shares a border Mexico.

In fiscal year 2004, the Western District of Texas had 5,599 criminal case filings, 3,688 of those cases, or 65 percent, dealt with immigration. The District Court of Arizona had 4,007 criminal filings, of which 2,404 cases, that's 59 percent, were immigration filings. The Southern District of California had 2,206 immigration filings, 64 percent of the 3,400 total criminal filings. Lastly, the District of New Mexico had 2,497 criminal filings, 60 percent, or 1,502 cases, were immigration cases.

Based on these caseloads, we should already be giving these Districts new judgeships. But to increase border security and immigration enforcement efforts, as we have over the past few years, without equipping these courts

to handle the even larger immigration caseloads that they are expected to face would amount to willful negligence.

The New Mexico District Chief Judge, Martha Vazquez, wrote me a letter in May of 2006 about the situation her District faces. Judge Vazquez wrote: ''As it is, the burden on Article III Judges in this District is considerable. This District ranks first among all districts in criminal filings per judgeship: 405 criminal filings compared to the national average of 87. As in all federal districts along the southwest border, the majority of cases filed in this District relate to immigration offenses under United States Code, Title 8 and drug offenses arising under Title 21. Immigration and drug cases account for eighty-five percent of the caseload in the District of New Mexico. . . . In fiscal year 1997, there were 240 immigration felony filings in the District of New Mexico. By fiscal year 2005, the number of immigration felony filings increased to 1,826, which is an increase of 661 percent.''

The Albuquerque Tribune has also documented the burden on our Southwest border District Courts. An April 17, 2006 article entitled ''Judges See Ripple Effect of Policy on Immigration,'' stated: ''U.S. District Chief Judge Martha Vazquez of Santa Fe oversees a court that faces a rising caseload from illegal border crossings and related crime. And help from Washington is by no means certain. . . . From Sept. 30, 1999 to Sept. 30, 2004 (the end of the fiscal year), the caseload in the New Mexico federal district court increased 57.5 percent, from 2,804 to 4,416. In the 2004 fiscal year alone, 2,126 felony cases were heard, almost half of all cases in the entire 10th Circuit, which includes Colorado, Kansas, Oklahoma, Utah and Wyoming. Most typical immigration cases go before an immigration judge, and the subjects are deported. But people deported once and caught crossing illegally again can be charged with a felony. And that brings the defendant into federal district court. Those are the cases driving up New Mexico's caseload . . . Some days as many as 90 defendants crowd the courtroom in Las Cruces. . . . The same problems are afflicting federal border courts in Arizona, California, and Texas.''

Similar problems were documented in the May 23, 2006 Reuters article ''Bush Border Patrol Plan to Pressure Courts'' which said: ''President George W. Bush's plan to send thousands of National Guard troops to the U.S.-Mexico border could spark a surge in immigration cases and U.S. courts are ill prepared to handle them. . . . Even without the stepped-up security at the border, federal courts in southern California, Arizona, New Mexico and Texas have been overburdened. Carelli [a spokesman for U.S. federal courts] said those five judicial districts, out of 94 nationwide, account for 34 percent of all criminal cases moving through U.S. courts. . . . Most immigrants caught crossing illegally are ordered out of the country without prosecution. But that still leaves a growing pile of cases involving illegals who are being prosecuted after being caught multiple times or those accused of other crimes. Nationwide, each U.S. judge handles an average of 87 cases a year. But along the southern border, even before Bush's plan moves forward, the average is around 300 per judge, Carelli said.''

Lastly, I recently heard first-hand about this problem from a Federal judge in New Mexico. He told me that he travels almost 200 miles to hear cases in Southern New Mexico. Many of the situations he sees involve mass arraignments because there are so many defendants in the system. He is not alone in this arrangement; other Federal judges drive almost 300 miles to hear cases in the Southern part of my home State. This is a dire situation that must be addressed.

The United States Congress must address the overwhelming immigration caseload our southwestern border U.S. District Courts face. The bill I am introducing today does that by authorizing the nine permanent and two temporary judgeships recommended by the 2005 Judicial Conference for the four U.S. Districts in which the immigration caseloads total more than 50 percent of those Districts' total criminal caseload.

I ask unanimous consent that-the text of the bill be printed in the RECORD.

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

S. 389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL DISTRICT COURT JUDGESHIPS.

The President shall appoint, by and with the advice and consent of the Senate, such additional district court judges as are necessary to carry out the 2005 recommendations of the Judicial Conference for district courts in which the criminal immigration filings represented more than 50 percent of all criminal filings for the 12-month period ending September 30, 2004.

By Mr. BENNETT (for himself and Mr. HATCH):

S. 390. A bill to direct the exchange of certain land in Grand, San Juan, and Uintah Counties, Utah, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. BENNETT. Mr. President, I am pleased to be able to reintroduce the Utah Recreational Land Exchange Act of 2007, together with my colleague Senator HATCH. This legislation will ensure the protection of critical lands along the Colorado River corridor in southeastern Utah and will help provide important funding for Utah's school children.

In Utah, we treasure our children's education. A key component of our education system is the 3.5 million acres of school trust lands scattered throughout the State. Upon Utah's admission to the Union in 1896, these lands were dedicated to support public education. Revenue from the trust lands, whether from grazing, forestry, surface leasing, or mineral development, is placed in the State School Fund. This fund is a permanent, income-producing endowment created by Congress to fund Utah's public education. Unfortunately, the majority of these lands are surrounded by public lands, making responsible management very difficult. It is critical to both the State of Utah and the Bureau of Land Management that we consolidate their respective lands to ensure that both public agencies are permitted to fulfill their mandates.

The legislation we are introducing today is yet another chapter in our State's long history of consolidating these State lands for the financial well-being of our education system. These efforts allow the Federal land management agencies to consolidate public lands in environmentally-sensitive areas that can then be reasonably managed. We see this exchange as a win-win solution for the State of Utah and its school children, as well as the Department of the Interior, the caretaker of our public lands.

In 1998, Congress passed the first major Utah school trust land exchange which consolidated hundreds of thousands of acres. Again in 2000, Congress enacted an exchange consolidating another 100,000 acres. I was proud to play a role in those efforts, and the bill we are introducing today is yet another step in the long journey toward fulfilling the promise Congress made to Utah's school children in 1896.

Utah's School and Institutional Trust Lands Administration manages some of the most spectacular lands in America, located along the Colorado River in southeastern Utah. This legislation will ensure that places like Westwater Canyon of the Colorado River, the world famous Kokopelli and Slickrock biking trails, some of the largest natural rock arches in the United States, wilderness study areas, and viewsheds for Arches National Park will be traded into Federal ownership and for the benefit of future generations. At the same time, the school children of Utah will receive mineral and development lands that are not environmentally-sensitive, and where responsible development makes sense. This will be an equal value exchange, with approximately 40,000 acres exchanged on both sides, giving taxpayers and the school children of Utah a fair deal. Moreover, the legislation establishes a common-sense valuation process for resources that are often either overlooked or overvalued because of their highly-speculative nature.

This legislation represents a truly collaborative process that has included local governments, the State, the recreation and environmental communities, and other interested parties. We

also worked closely with the Department of the Interior on proper valuation in the appraisal of the lands. In a hearing held before the Senate Energy and Natural Resources Committee on May 24, 2006, the Department of the Interior expressed their support for the bill and said that this land exchange will resolve management issues, improve public access, and facilitate greater resource protection. We look forward to working with the appropriate committees toward a successful resolution of this proposed exchange during this Congress.

I ask my colleagues to support our effort to fund the education of our children in Utah and to protect some of this nation's truly great land. I urge support of the Utah Recreational Land Exchange Act of 2007.

By Mr. BIDEN:

S. 392. A bill to ensure payment of United States assessments for United Nations peacekeeping operations for the 2005 through 2008 time period; to the Committee on Foreign Relations.

Mr. BIDEN. Mr. President, today I introduce legislation to ensure that the United States does not fall further into debt at the United Nations, and to pay the debt that we have accrued since January 1, 2006.

For over a year, we have not been paying our full contribution to the U.N. for its peacekeeping operations—for missions in places like Lebanon, Haiti, the Democratic Republic of Congo, and Kosovo—that advance our national interests and spread the burden of keeping the peace among other nations. We are approximately $80 million in debt, and the number grows every month as new bills come in for peacekeeping operations.

Here is why.

In 1994, Congress passed a law limiting U.S. payments for U.N. peacekeeping at 25 percent after fiscal year 1995. The United Nations continued to bill the United States at 31 percent. As a result, a debt accrued—that is, the gap between the 25 percent allowed under U.S. law, and the 31 percent we were charged by the U.N.

In 1999, when Congress approved the ''Helms-Biden'' law, it authorized the repayment of U.S. arrears to the U.N. conditioned on certain reforms in the U.N. system. One of those reforms was a negotiated reduction of the U.S. peacekeeping rate down to 25 percent. Through negotiations in 2000, U.S. Ambassador Holbrooke succeeded in reducing the U.S. assessments for peacekeeping to just over 27 percent.

In 2001, Congress amended the Helms-Biden law to allow the arrears payments to be provided to the U.N., even though Ambassador Holbrooke had not reached the target of 25 percent. But the original 1994 law limiting our payments to 25 percent was never repealed.

In the past few years, Congress has amended the 1994 law on a temporary basis by raising the 25 percent limitation to conform it to the rate negotiated by Ambassador Holbrooke, but the most recent temporary change in law expired on December 31, 2005.

Therefore, the law today is this: the United States may not pay more than 25 percent for peacekeeping, even though the United Nations assesses the United States at a higher rate.

Mr. President this is a problem. At a time when our government continues to seek important reforms at the United Nations, it is a mistake for us to continue to fall short on our dues. Rather than encourage reform, it may give other countries an excuse to avoid it. How can we, in good faith, fail to pay our bills while at the same time push the U.N. to get its financial house in order?

More important, U.N. peacekeeping operations advance America's national security. If the U.N. didn't do them, we might have to do so. The U.N. 'blue helmets' are literally on the front lines in conflicts that are the worst of the worst: protecting civilians, monitoring cease-fires, clearing mine fields, and disarming combatants. Right now, the United States continues to seek support at the U.N. for a robust mission in Darfur. We have voted time and again in the Security Council, and rightfully so, to support these critical missions.

Through U.N. peacekeeping, the U.S. contributes to international peace and stability where we have critical foreign policy interests, while sharing the human, political and financial costs with other nations. We should not shortchange these operations.

By Mr. HARKIN:

S. 393. A bill to transfer unspent funds for grants by the Office of Community Oriented Policing Services, the Office of Justice Programs, and the Office on Violence Against Women to the Edward Byrne Memorial Justice Assistance Grant Program; to the Committee on the Judiciary.

Mr. HARKIN. Mr. President, I rise today to introduce legislation to restore critical funding to one of our Nation's most effective drug enforcement tools, the Edward Byrne Memorial Justice Assistance Grant Program. My bill, the Emergency Local Law Enforcement Byrne Assistance Act of 2007, will bring a desperately needed infusion of cash into this critical local law enforcement assistance program.

The Byrne grant program provides funding for local drug task forces all over the country. These local drug task forces are critical to creating regional cooperation and to fighting the manufacture, distribution, and use of methamphetamine.

A survey by the Iowa Office of Drug Control Policy found that in fiscal year 2004 Byrne JAG dollars funded 4,316 police officers and prosecutors working on 764 drug enforcement task forces. The study also found that Byrne JAG funding led to 221,000 arrests in 45 states, the seizure of 5.5 million grams of methamphetamine, and the breakup of almost 9,000 methamphetamine labs.

Yet the program has suffered draconian cuts over the past 4 years. Between 2003 and 2006 the President and the Attorney General have refused to provide a single dollar for Byrne local law enforcement funding. As a result, funding for the Byrne program has been slashed by almost 60 percent from $1 billion dollars in 2003 to just $416 million in 2006.

I hear on a weekly basis from Sheriffs and other law enforcement officials in Iowa how hard these cuts are hitting them. Over the past year, Iowa has had to absorb a 42 percent cut in Byrne funding. That translates to less law enforcement officers and less regional cooperation in finding and stopping that meth that continues to flood the State of Iowa. I recently heard from Story County Sheriff Paul Fitzgerald that his agency alone will lose two drug task force agents this year, a statistic that is being repeated in almost every county across my State.

The anecdotal evidence from Iowa law enforcement is clearly reflected at the national level. The Federal Bureau of Investigation Uniform Crime Reports recently found that violent crime in the United States increased 2.5 percent in 2005, and an additional 3.7 percent in the first half of 2006, the largest increase in 15 years! The increase was much more severe in the meth plagued Midwest with violent crime up 5.7 percent in 2005.

You don't need a side by side chart to understand the connection between drastic reductions in federal funding for local law enforcement and rising crime rates!

At the same time, a recent report by the Department of Justice Inspector General found that the Department of Justice has not been doing a particularly effective job of administering the grants within its jurisdiction. The Inspector General found that just over $170 million expired grant funding is sitting at DOJ. Some of this funding is for grants that expired as long as five years ago!

My bill simply takes this unused money and puts it into the Byrne grant program. Specifically, the legislation transfers all balances on COPS and Office of Justice Program grants that have been expired for more than 90 days and all Office of Violence Against Women grants that have been expired for more than 2 years, to the Byrne JAG program for fiscal year 2007. These expired grant funds are currently sitting in DOJ coffers and cannot legally be used by the grantee, and the funds would ultimately revert to the treasury. My bill instead puts the money to good use in offsetting some of the most drastic consequences of cuts to the Byrne program.

While reallocating these amounts to Byrne JAG will make only a dent in the massive budget cuts of recent years, the Emergency Local Law Enforcement Byrne Assistance Act of 2007 is an important first step and sends an immediate message to line officers

overwhelmed by the unstoppable flow of meth into our States that we are going to help.

I am hopeful that in this new Congress the President and the Congress will more adequately fund crucial law enforcement programs like Byrne JAG. In the meantime, I urge my colleagues to join me in demonstrating a commitment to local law enforcement and to our continuing fight against methamphetamine by coming together to quickly pass the Emergency Local Law Enforcement Byrne Assistance Act of 2007.

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

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

S. 393

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 ''Emergency Local Law Enforcement Byrne Assistance Act of 2007''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) A report by the Inspector General of the Department of Justice documents that the Office of Justice Programs, the Office of Community Oriented Policing Services, and the Office on Violence Against Women of the Department of Justice have failed to close out and deobligate over $160,000,000 in expired grant funds and that these funds have not been redirected to other programs or returned to the Treasury.

(2) Between fiscal year 2003 and fiscal year 2006, funding for the formula grant program of the Edward Byrne Memorial Justice Assistance Grant Program under subpart 1 of part E of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750 et seq.) has been reduced by over 50 percent, from $900,000,000 to $416,000,000.

(3) According to the Federal Bureau of Investigation Uniform Crime Reports, violent crime in the United States increased 2.5 percent in 2005, and an additional 3.7 percent in the first half of 2006. In the Midwest, which continues to struggle with a methamphetamine epidemic, violent crime increased 5.7 percent between 2004 and 2005.

SEC. 3. UNSPENT GRANTS.

(a) IN GENERAL.—All amounts described in subsection (b) shall be transferred for use for grants under the formula grant program of the Edward Byrne Memorial Justice Assistance Grant Program under subpart 1 of part E of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750 et seq.), to remain available until expended.

(b) AMOUNTS COVERED.—The amounts described in this subsection are any unexpended amounts for—

(1) any covered grant administered by the Office of Community Oriented Policing Services;

(2) any covered grant administered by the Office of Justice Programs; and

(3) any covered grant administered by the Office on Violence Against Women for which the grant expired not less than 2 years before the date of enactment of this Act.

(c) DEFINITION.—In this section, the term ''covered grant'' means a grant—

(1) that has expired but has not been closed out; or

(2)(A) that has expired and been closed out; and

(B) the remaining funds of which have not been deobligated.

By Mr. AKAKA (for himself, Mr. STEVENS, Mr. LEVIN, Ms. COLLINS, Mr. LAUTENBERG, Mr. KERRY, Mrs. BOXER, Mrs. FEINSTEIN, and Mr. MENENDEZ):

S. 394. A bill to amend the Humane Methods of Livestock Slaughter Act of 1958 to ensure the humane slaughter of nonambulatory livestock, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. AKAKA. Mr. President, I rise today, along with my colleagues, Senators TED STEVENS, R–AK, CARL LEVIN, D–MI, SUSAN COLLINS, R–ME, FRANK LAUTENBERG, D–NJ, JOHN KERRY, D–MA, BARBARA BOXER, D–CA, DIANNE FEINSTEIN, D–CA, and ROBERT MENENDEZ, D–NJ to introduce the Downed Animal and Food Safety Protection Act of 2007, legislation intended to protect people from the unnecessary spread of disease. This bill, which has bipartisan support, would prohibit the use of nonambulatory animals for human consumption.

Nonambulatory animals, also known as downed animals, are livestock such as cattle, sheep, swine, goats, horses, mules, or other equines that are too sick to stand or walk unassisted. Many of these animals are dying from infectious diseases and present a significant pathway for the spread of disease.

The safety of our Nation's food supply is of the utmost importance. With the presence of bovine spongiform encephalopathy, BSE, also known as mad-cow disease, and other strains of transmissible spongiform encephalopathies, TSE, which are related animal diseases found not only in nearby countries but also in the United States, it is important that we take all measures necessary to ensure that our food is safe.

Currently, before slaughter, the United States Department of Agriculture's, USDA, Food Safety Inspection Service, FSIS, diverts downer livestock only if they exhibit clinical signs associated with BSE. Routinely, BSE is not correctly distinguished from many other diseases and conditions that show similar symptoms. The antemortem inspection that is currently used in the United States is very similar to the inspection process in Europe, which has proved to be inadequate for detecting BSE. Consequently, if BSE were present in a U.S. downed animal, it could currently be offered for slaughter. If the animal showed no clinical signs of the disease, the animal would then pass an ante-mortem inspection, making the diseased animal available for human consumption. The BSE agent could then cross-contaminate the normally safe muscle tissue during slaughter and processing. The disposal of downer livestock would ensure that the BSE agent would not be recycled to contaminate otherwise safe meat.

There are other TSE diseases already known to us such as scrapie that affects sheep and goats, chronic wasting disease in deer and elk, and classic Creutzfeldt-Jakob Disease in humans, all of which are present in the United States. Because our knowledge of such diseases is limited, the inclusion of horses, mules, swine, and other equine in this act are a necessary precaution. This precautionary measure is needed in order to ensure that the human population is not affected by diseased livestock. The Food and Drug Administration, FDA, has already created regulations that prevent imports of all live cattle and other ruminants and certain ruminant products from countries where BSE is known to exist. In 1997, the FDA placed a prohibition on the use of all mammalian protein, with a few exceptions, in animal feed given to cattle and other ruminants. These regulations are a good start in protecting us from the possible spread of BSE, however, they do not go far enough, because they still allow the processing of downer cattle.

According to a study performed by the Harvard School of the Public Health in conjunction with the USDA and surveillance data from European countries, downer cattle are at high risk for BSE. According to the Harvard Study, the removal of nonambulatory cattle from the population intended for slaughter would reduce the probability of spreading BSE by 82 percent. The USDA and the FDA have acknowledged that downed animals serve as a potential pathway for the spread of BSE. While both have entertained the idea of prohibiting the rendering of downed cattle, they have taken no formal action. It is imperative that we, Congress, ensure that downer livestock does not enter our food chain, and the best way to accomplish this task is to codify the prohibition of downer livestock from entering our food supply.

The Downed Animal Protection Act fills a gap in the current USDA and FDA regulations. The bill calls for the humane euthanization of nonambulatory livestock, both for interstate and foreign commerce. The euthanization of nonambulatory livestock would remove this high risk population from the portion of livestock reserved for our consumption. Due to the presence of other TSE diseases found throughout other species of livestock, all animals that fit under the definition of livestock will be included in this bill.

The benefits of my bill are numerous, for both the public and the industry. On the face of it, the bill will prevent needless suffering by humanely euthanizing nonambulatory animals. The removal of downed animals from our products will insure that they are safer and of better quality. The reduction in the likelihood of disease would result in safer working conditions for persons handling livestock. This added protection against disease would help the flow of livestock and livestock products in interstate and foreign commerce, making commerce in livestock more easily attainable.

Some individuals fear that this bill would place an excessive financial burden on the livestock industry. I want to remind my colleagues that one single downed cow in Canada diagnosed with BSE in 2003 shut down the world's third largest beef exporter. It is estimated that the Canadian beef industry lost more than $1 billion when more than 30 countries banned Canadian cattle and beef upon the discovery of BSE. As the Canadian cattle industry continues to recover from its economic loss, it is prudent for the United States to be proactive in preventing BSE and other animal diseases from entering our food chain.

Today, the USDA has increased its efforts to test approximately ten percent of downed cattle per year for BSE. However, it is my understanding that the USDA is looking to revisit this issue. I do not believe that now is the time to lower our defenses. We must protect our livestock industry and human health from diseases such as BSE. This bill reduces the threat of passing diseases from downed livestock to our food supply. It ensures downed animals will not be used for human consumption. It also requires higher standards for food safety and protects the human population from diseases and the livestock industry from economic distress.

American consumers should be able to rely on the Federal Government to ensure that meat and meat by-products are safe for human consumption. I urge my colleagues to support this important bill. I ask unanimous consent that the text of the measure be printed in the RECORD.

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

S. 394

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 ''Downed Animal and Food Safety Protection Act of 2007''.

SEC. 2. FINDING AND DECLARATION OF POLICY.

(a) FINDING.—Congress finds that the humane euthanization of nonambulatory livestock in interstate and foreign commerce—

(1) prevents needless suffering;

(2) results in safer and better working conditions for persons handling livestock;

(3) brings about improvement of products and reduces the likelihood of the spread of diseases that have a great and deleterious impact on interstate and foreign commerce in livestock; and

(4) produces other benefits for producers, processors, and consumers that tend to expedite an orderly flow of livestock and livestock products in interstate foreign commerce.

(b) DECLARATION OF POLICY.—It is the policy of the United States that all nonambulatory livestock in interstate and foreign commerce shall be immediately and humanely euthanized when such livestock become nonambulatory.

SEC. 3. UNLAWFUL SLAUGHTER PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.

(a) IN GENERAL.—Public Law 85–765 (commonly known as the ''Humane Methods of Slaughter Act of 1958'') (7 U.S.C. 1901 et seq.) is amended by inserting after section 2 (7 U.S.C. 1902) the following:

''SEC. 3. NONAMBULATORY LIVESTOCK.

''(a) DEFINITIONS.—In this section:

''(1) COVERED ENTITY.—The term 'covered entity' means—

''(A) a stockyard;

''(B) a market agency;

''(C) a dealer;

''(D) a packer;

''(E) a slaughter facility; or

''(F) an establishment.

''(2) ESTABLISHMENT.—The term 'establishment' means an establishment that is covered by the Federal Meat Inspection Act (21 U.S.C. 601 et seq.).

''(3) HUMANELY EUTHANIZE.—The term 'humanely euthanize' means to immediately render an animal unconscious by mechanical, chemical, or other means, with this state remaining until the death of the animal.

''(4) NONAMBULATORY LIVESTOCK.—The term 'nonambulatory livestock' means any cattle, sheep, swine, goats, or horses, mules, or other equines, that will not stand and walk unassisted.

''(5) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

''(b) HUMANE TREATMENT, HANDLING, AND DISPOSITION.—The Secretary shall promulgate regulations to provide for the humane treatment, handling, and disposition of all nonambulatory livestock by covered entities, including a requirement that nonambulatory livestock be humanely euthanized.

''(c) HUMANE EUTHANASIA.—

''(1) IN GENERAL.—Subject to paragraph (2), when an animal becomes nonambulatory, a covered entity shall immediately humanely euthanize the nonambulatory livestock.

''(2) DISEASE TESTING.—Paragraph (1) shall not limit the ability of the Secretary to test nonambulatory livestock for a disease, such as Bovine Spongiform Encephalopathy.

''(d) MOVEMENT.—

''(1) IN GENERAL.—A covered entity shall not move nonambulatory livestock while the nonambulatory livestock are conscious.

''(2) UNCONSCIOUSNESS.—In the case of any nonambulatory livestock that are moved, the covered entity shall ensure that the nonambulatory livestock remain unconscious until death.

''(e) INSPECTIONS.—

''(1) IN GENERAL.—It shall be unlawful for an inspector at an establishment to pass through inspection any nonambulatory livestock or carcass (including parts of a carcass) of nonambulatory livestock.

''(2) LABELING.—An inspector or other employee of an establishment shall label, mark, stamp, or tag as 'inspected and condemned' any material described in paragraph (1).''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by subsection (a) takes effect on the date that is 1 year after the date of enactment of this Act.

(2) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to implement the amendment made by subsection (a).

By Mr. DORGAN (for himself, Mr. LEVIN, and Mr. FEINGOLD):

S. 396. A bill to amend the Internal Revenue Code of 1986 to treat controlled foreign corporations in tax havens as domestic corporations; to the Committee on Finance.

Mr. DORGAN. Mr. President, today I'm joined by Senators CARL LEVIN of Michigan and RUSSELL FEINGOLD of Wisconsin in re-introducing legislation that we believe will help the Internal Revenue Service (IRS) combat offshore tax haven abuses and ensure that U.S. multinational companies pay the U.S. taxes that they rightfully owe.

Every year, tens of millions of taxpayers work through piles of complicated IRS instructions and complex forms to prepare and file their tax returns to fulfill their taxpaying responsibility. Some tax experts have estimated that taxpayers spend over $100 billion and more than 6 billion hours trying to comply with their Federal tax obligation.

That's why every American has a right to be angry when they hear repeated press accounts of corporate taxpayers that are shirking their tax obligations by actively shifting their profits to foreign tax havens or using other inappropriate tax avoidance techniques. The bill that we are re-introducing today is a simple and straightforward way to try to tackle the offshore tax haven problem. It is virtually identical to our bill in the 109th Congress, S. 779, but we have granted potentially impacted companies an extra year to comply with its provisions.

We have known for many years that some very profitable U.S. multinational businesses are using offshore tax havens to avoid paying their fair share of U.S. taxes. But in the face of these reports, the Congress and the administration have shown little interest in stopping this hemorrhaging of tax revenues. In fact, a growing body of evidence suggests that the tax haven problem is getting much worse and may be costing the U.S. Treasury tens of billions of dollars every year.

Although the Congress did pass legislation a few years ago, which I supported, that addresses a narrow problem of a couple dozen corporate expatriates that reincorporated overseas, that legislation did nothing to deal with the problem of U.S. companies that are setting up tax haven subsidiaries offshore to avoid their taxpaying responsibilities in this country.

Around the time of the debate on corporate inversions, a New York Times article got it right when it suggested that ''instead of moving headquarters offshore, many companies are simply placing patents on drugs, ownership of corporate logos, techniques for manufacturing processes and other intangible assets in tax havens . . . The companies then charge their subsidiaries in higher-tax locales, including the U.S., for the use of these intellectual properties. This allows the companies to take profits in these havens and pay far less in taxes.''

How pervasive is the tax haven subsidiary problem? A couple of years ago, the Government Accountability Office (GAO), the investigative arm of Congress, issued a report that Senator LEVIN and I requested that gives some insight to the potential magnitude of this tax avoidance activity.

The GAO found that 59 out of the 100 largest publicly-traded Federal contractors in 2001—with tens of billions of dollars of Federal contracts in 2001—had established hundreds of subsidiaries located in offshore tax havens. According to the GAO, Exxon-Mobil Corporation, the 21st largest publicly traded Federal contractor in 2001, has some 11 tax-haven subsidiaries in the Bahamas. The same report revealed that the Halliburton Company has 17 tax-haven subsidiaries, including 13 in the Cayman Islands, a country that has never imposed a corporate income tax, as well as 2 in Liechtenstein and 2 in Panama. And the now infamous Enron Corporation had 1,300 different foreign entities, including some 441 located in the Cayman Islands.

But the poster child for offshore tax haven abuses, in my opinion, is a five-story building located in the Cayman Islands that thousands of companies call home. According to a very good investigative report published by David Evans with Bloomberg News in the summer of 2004, there is a building named the Ugland House in Grand Cayman that is used as the address of 12,748 companies.

In fact, nearly half of the money U.S. companies earned overseas is accounted for in tax havens like the Cayman Islands. A former Joint Committee on Taxation economist released a study that looked at the amount of profits that U.S. companies are shifting to offshore tax havens. He found that U.S. multinational companies had moved hundreds of billions of dollars in profits to tax havens for years 1999–2002, the latest years for which IRS data was available.

The legislation we are re-introducing today would help put a stop to these tax avoidance schemes. Specifically, our legislation denies tax benefits, namely tax deferral, to U.S. multinational companies that set up controlled foreign corporations in tax haven countries. This tracks the same general approach in legislation passed by the Congress and enacted into law that was designed to curb the problem of corporate inversions. Our bill builds upon the good work of Senators BAUCUS and GRASSLEY and other members of the Senate Finance Committee by extending similar tax policy changes to cover the case of U.S. companies and their tax haven subsidiaries.

Specifically, our legislation would treat U.S. controlled foreign subsidiaries that are set up in tax haven countries—but are not engaged in a real and active business—as domestic companies for U.S. tax purposes. In other words, we would simply treat these companies as if they never left the United States, which is essentially the case in these tax avoidance motivated transactions. The bill's list of specific tax haven countries subjected to the new rule is based upon the previous work by the Organization for Economic Cooperation and Development. However, our legislation does give the Secretary of the Treasury the ability to add or remove a foreign country from this list in appropriate cases. We also give businesses plenty of time, two additional years through December 31, 2008, to restructure their tax haven operations if they so choose.

As mentioned, our legislation effectively ends the deferral tax benefit for U.S. companies that shift income to offshore inactive tax haven subsidiaries. This means, for example, that any efforts by a U.S. company to move profits to the subsidiary through transfer pricing schemes will not work because the income earned by the subsidiary would still be immediately taxable by the United States. Likewise, any efforts to move otherwise active income earned by a U.S. company in a high-tax foreign country to a tax haven would cause the income to be immediately taxable by the United States. Under this bill, companies that try to move intangible assets—and the income they produce—to tax havens would be unsuccessful because that income would still be immediately taxable by the United States. The Joint Tax Committee says our legislation that will help close this tax shelter game will prevent these companies from draining some $15 billion in revenues from the U.S. Treasury over the next decade.

Let me be very clear about one thing. This legislation will not adversely impact U.S. companies with controlled foreign subsidiaries that are located in tax havens and doing legitimate and substantial business. The legislation expressly exempts a U.S.-controlled foreign subsidiary from its tax rule changes when all of its income is derived from the active conduct of a trade or business within a listed tax haven country.

In 2002, then-IRS Commissioner Charles Rossotti told Congress that ''nothing undermines confidence in the tax system more than the impression that the average honest taxpayer has to pay his or her taxes while more wealthy or unscrupulous taxpayers are allowed to get away with not paying.'' He is absolutely right. It's grossly unfair to ask our Main Street businesses to operate at a competitive disadvantage to large multinational businesses simply because our tax authorities are unable to grapple with the growing offshore tax avoidance problem. It is also outrageous that tens of millions of working families who pay their taxes on time every year are shouldering the tax burden of large profitable U.S. multinational companies that use tax haven subsidiaries.

In conclusion, it is my hope that the White House and Congress in a new spirit of bipartisanship will help in our effort to get this needed tax law change enacted into law. I urge my colleagues to support this effort by cosponsoring this legislation.

By Mr. DORGAN (for himself, Mr. MCCAIN, Mr. INOUYE, Mr. THOMAS, and Mr. DOMENICI):

S. 398. A bill to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes; to the Committee on Indian Affairs.

Mr. DORGAN. Mr. President, today I am pleased to introduce with Senator MCCAIN and other senators the Indian Child Protection and Family, Violence Prevention Act Amendments of 2007. The bill we introduce today is virtually identical to legislation which the Senate adopted last year to amend and reauthorize the Indian Child Protection and Family Violence Prevention Act of 1990. The primary goals of that Act were to reduce the incidence of child abuse, and mandate the reporting and tracking of child abuse in Indian Country.

The Indian Child Protection and Family Violence Prevention Act Amendments would authorize a study to identify impediments to the reduction of child abuse in Indian Country, as well as require data collection and annual reporting to Congress concerning child abuse in Indian Country; provide additional safeguards for the privacy of information about a child by local law enforcement and child protective services; provide for more involvement by the FBI and the Attorney General in documenting incidents of child abuse on Indian reservations; and authorize the Indian Health Service to use telemedicine in connection with examinations of abused Indian children. The bill would also authorize background investigations for employees and volunteers who work with Indian children, amend the Major Crimes Act to criminalize acts of child abuse and neglect in Indian Country, and authorize several treatment programs for Indian children who have been victimized.

I particularly appreciate that this reauthorization legislation addresses a related issue about which I have deep concern—the epidemic of youth suicide in many reservation communities. Indian Country has higher rates of youth suicide, as well as of child abuse, than other American population groups. Often, children who attempt suicide have been abused by a family or community member. This bill would authorize professionals trained in behavioral health, including suicide prevention and treatment, to be included on the staff of regional Indian Child Resource and Family Services Centers authorized under the Act.

I am hopeful that the Senate will act quickly this session to authorize the additional protections for Native American children that would be provided by the Indian Child Protection and Family Violence Prevention Act Amendments of 2007. I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 398

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 ''Indian Child Protection and Family Violence Prevention Act Amendments of 2007''.

SEC. 2. FINDINGS AND PURPOSE.

Section 402 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(ii) by inserting after subparagraph (D) the following:

''(E) the Federal Government and certain State governments are responsible for investigating and prosecuting certain felony crimes, including child abuse, in Indian country, pursuant to chapter 53 of title 18, United States Code;''; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking ''two'' and inserting ''the'';

(ii) in subparagraph (A), by striking ''and'' at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(iv) by adding at the end the following:

''(C) identify and remove any impediment to the immediate investigation of incidents of child abuse in Indian country.''; and

(2) in subsection (b)—

(A) by striking paragraph (3) and inserting the following:

''(3) provide for a background investigation for any employee or volunteer who has access to children;''; and

(B) in paragraph (6), by striking ''Area Office'' and inserting ''Regional Office''.

SEC. 3. DEFINITIONS.

Section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202) is amended—

(1) by redesignating paragraphs (6) through (18) as paragraphs (7) through (19), respectively;

(2) by inserting after paragraph (5) the following:

''(6) 'final conviction' means the final judgment on a verdict or finding of guilty, a plea of guilty, or a plea of nolo contendere, but does not include a final judgment that has been expunged by pardon, reversed, set aside, or otherwise rendered void;'';

(3) in paragraph (13) (as redesignated by paragraph (1)), by striking ''that agency'' and all that follows through ''Indian tribe'' and inserting ''the Federal, State, or tribal agency'';

(4) in paragraph (14) (as redesignated by paragraph (1)), by inserting ''(including a tribal law enforcement agency operating pursuant to a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.))'' after ''State law enforcement agency'';

(5) in paragraph (18) (as redesignated by paragraph (1)), by striking ''and'' at the end;

(6) in paragraph (19) (as redesignated by paragraph (1)), by striking the period at the end and inserting ''; and''; and

(7) by adding at the end the following:

''(20) 'telemedicine' means a telecommunications link to an end user through the use of eligible equipment that electronically links health professionals or patients and health professionals at separate sites in order to exchange health care information in audio, video, graphic, or other format for the purpose of providing improved health care diagnosis and treatment.''.

SEC. 4. REPORTING PROCEDURES.

Section 404 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3203) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by striking ''(1) Within'' and inserting the following:

''(1) IN GENERAL.—Not later than''; and

(B) in paragraph (2)—

(i) by striking ''(2)(A) Any'' and inserting the following:

''(2) INVESTIGATION OF REPORTS.—

''(A) IN GENERAL.—Any'';

(ii) in subparagraph (B)—

(I) by striking ''(B) Upon'' and inserting the following:

''(B) FINAL WRITTEN REPORT.—On''; and

(II) by inserting ''including any Federal, State, or tribal final conviction, and provide to the Federal Bureau of Investigation a copy of the report'' before the period at the end; and

(iii) by adding at the end the following:

''(C) MAINTENANCE OF FINAL REPORTS.—The Federal Bureau of Investigation shall maintain a record of each written report submitted under this subsection or subsection (b) in a manner in which the report is accessible to—

''(i) a local law enforcement agency that requires the information to carry out an official duty; and

''(ii) any agency requesting the information under section 408.

''(D) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Director of the Federal Bureau of Investigation, in coordination with the Secretary and the Attorney General, shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Natural Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

''(E) COLLECTION OF DATA.—Not less frequently than once each year, the Secretary, in consultation with the Secretary of Health and Human Services, the Attorney General, the Director of the Federal Bureau of Investigation, and any Indian tribe, shall—

''(i) collect any information concerning child abuse in Indian country (including reports under subsection (b)), including information relating to, during the preceding calendar year—

''(I) the number of criminal and civil child abuse allegations and investigations in Indian country;

''(II) the number of child abuse prosecutions referred, declined, or deferred in Indian country;

''(III) the number of child victims who are the subject of reports of child abuse in Indian country;

''(IV) sentencing patterns of individuals convicted of child abuse in Indian country; and

''(V) rates of recidivism with respect to child abuse in Indian country; and

''(ii) to the maximum extent practicable, reduce the duplication of information collection under clause (i).''; and

(2) by adding at the end the following:

''(e) CONFIDENTIALITY OF CHILDREN.—No local law enforcement agency or local child protective services agency shall disclose the name of, or information concerning, the child to anyone other than—

''(1) a person who, by reason of the participation of the person in the treatment of the child or the investigation or adjudication of the allegation, needs to know the information in the performance of the duties of the individual; or

''(2) an officer of any other Federal, State, or tribal agency that requires the information to carry out the duties of the officer under section 406.

''(f) REPORT.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Natural Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.''.

SEC. 5. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

Section 405 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3204) is amended to read as follows:

''SEC. 405. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

''(a) STUDY.—The Secretary, in consultation with the Attorney General and the Service, shall conduct a study under which the Secretary shall identify any impediment to the reduction of child abuse in Indian country and on Indian reservations.

''(b) INCLUSIONS.—The study under subsection (a) shall include a description of—

''(1) any impediment, or recent progress made with respect to removing impediments, to reporting child abuse in Indian country;

''(2) any impediment, or recent progress made with respect to removing impediments, to Federal, State, and tribal investigations and prosecutions of allegations of child abuse in Indian country; and

''(3) any impediment, or recent progress made with respect to removing impediments, to the treatment of child abuse in Indian country.

''(c) REPORT.—Not later than 18 months after the date of enactment of the Indian Child Protection and Family Violence Prevention Act Amendments of 2007, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate, and the Committees on Natural Resources and the Judiciary of the House of Representatives, a report describing—

''(1) the findings of the study under this section; and

''(2) recommendations for legislative actions, if any, to reduce instances of child abuse in Indian country.''.

SEC. 6. CONFIDENTIALITY.

Section 406 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3205) is amended to read as follows:

''SEC. 406. CONFIDENTIALITY.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any Federal, State, or tribal government agency that treats or investigates incidents of child abuse may provide information and records to an officer of any other Federal, State, or tribal government agency that requires the information to carry out the duties of the officer, in accordance with section 552a of title 5, United States Code, section 361 of the Public Health Service Act (42 U.S.C. 264), the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.), and other applicable Federal law.

''(b) TREATMENT OF INDIAN TRIBES.—For purposes of this section, an Indian tribal government shall be considered to be an entity of the Federal Government.''.

SEC. 7. WAIVER OF PARENTAL CONSENT.

Section 407 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3206) is amended—

(1) in subsection (a), by inserting ''and forensic'' after ''psychological''; and

(2) by striking subsection (c) and inserting the following:

''(c) PROTECTION OF CHILD.—Any examination or interview of a child who may have been the subject of child abuse shall—

''(1) be conducted under such circumstances and using such safeguards as are necessary to minimize additional trauma to the child;

''(2) avoid, to the maximum extent practicable, subjecting the child to multiple interviewers during the examination and interview processes; and

''(3) as time permits, be conducted using advice from, or under the guidance of—

''(A) a local multidisciplinary team established under section 411; or

''(B) if a local multidisciplinary team is not established under section 411, a multidisciplinary team established under section 410.''.

SEC. 8. CHARACTER INVESTIGATIONS.

Section 408 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3207) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting '', including any voluntary positions,'' after ''authorized positions''; and

(ii) by striking the comma at the end and inserting a semicolon; and

(B) in paragraph (2)—

(i) by inserting ''(including in a volunteer capacity)'' after ''considered for employment''; and

(ii) by striking '', and'' and inserting ''; and'';

(2) in subsection (b), by striking ''guilty to'' and all that follows and inserting the following: ''guilty to, any felony offense under Federal, State, or tribal law, or 2 or more misdemeanor offenses under Federal, State, or tribal law, involving—

''(1) a crime of violence;

''(2) sexual assault;

''(3) child abuse;

''(4) molestation;

''(5) child sexual exploitation;

''(6) sexual contact;

''(7) child neglect;

''(8) prostitution; or

''(9) another offense against a child.''; and

(3) by adding at the end the following:

''(d) EFFECT ON CHILD PLACEMENT.—An Indian tribe that submits a written statement to the applicable State official documenting that the Indian tribe has conducted a background investigation under this section for the placement of an Indian child in a tribally-licensed or tribally-approved foster care or adoptive home, or for another out-of-home placement, shall be considered to have satisfied the background investigation requirements of any Federal or State law requiring such an investigation.''.

SEC. 9. INDIAN CHILD ABUSE TREATMENT GRANT PROGRAM.

Section 409 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3208) is amended by striking subsection (e) and inserting the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.''.

SEC. 10. INDIAN CHILD RESOURCE AND FAMILY SERVICES CENTERS.

Section 410 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3209) is amended—

(1) in subsection (a), by striking ''area office'' and inserting ''Regional Office'';

(2) in subsection (b), by striking ''The Secretary'' and all that follows through ''Human Services'' and inserting ''The Secretary, the Secretary of Health and Human Services, and the Attorney General'';

(3) in subsection (d)—

(A) in paragraph (4), by inserting '', State,'' after ''Federal''; and

(B) in paragraph (5), by striking ''agency office'' and inserting ''Regional Office'';

(4) in subsection (e)—

(A) in paragraph (2), by striking the comma at the end and inserting a semicolon;

(B) by striking paragraph (3) and inserting the following:

''(3) adolescent mental and behavioral health (including suicide prevention and treatment);'';

(C) in paragraph (4), by striking the period at the end and inserting ''and sexual assault;''; and

(D) by adding at the end the following:

''(5) criminal prosecution; and

''(6) medicine.'';

(5) in subsection (f)—

(A) in the first sentence, by striking ''The Secretary'' and all that follows through ''Human Services'' and inserting the following:

''(1) ESTABLISHMENT.—The Secretary, in consultation with the Service and the Attorney General'';

(B) in the second sentence—

(i) by striking ''Each'' and inserting the following

''(2) MEMBERSHIP.—Each''; and

(ii) by striking ''shall consist of 7 members'' and inserting ''shall be'';

(C) in the third sentence, by striking ''Members'' and inserting the following:

''(3) COMPENSATION.—Members''; and

(D) in the fourth sentence, by striking ''The advisory'' and inserting the following:

''(4) DUTIES.—Each advisory'';

(6) in subsection (g)—

(A) by striking ''(g)'' and all that follows through ''Indian Child Resource'' and inserting the following:

''(g) APPLICATION OF INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT TO CENTERS.—

''(1) IN GENERAL.—Indian Child Resource'';

(B) in the first sentence, by striking ''Act'' and inserting ''and Education Assistance Act (25 U.S.C. 450 et seq.)'';

(C) by striking the second sentence and inserting the following:

''(2) CERTAIN REGIONAL OFFICES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), if a Center is located in a Regional Office of the Bureau that serves more than 1 Indian tribe, an application to enter into a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) to operate the Center shall contain a consent form signed by an official of each Indian tribe to be served under the grant, contract, or compact.

''(B) ALASKA REGION.—Notwithstanding subparagraph (A), for Centers located in the Alaska Region, an application to enter into a grant, contract, or compact described in that subparagraph shall contain a consent form signed by an official of each Indian tribe or tribal consortium that is a member of a grant, contract, or compact relating to an Indian child protection and family violence prevention program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).''; and

(D) in the third sentence, by striking ''This section'' and inserting the following:

''(3) EFFECT OF SECTION.—This section''; and

(7) by striking subsection (h) and inserting the following:

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.''.

SEC. 11. USE OF TELEMEDICINE.

The Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201 et seq.) is amended by adding at the end the following:

''SEC. 412. USE OF TELEMEDICINE.

''(a) DEFINITION OF MEDICAL OR BEHAVIORAL HEALTH PROFESSIONAL.—In this section, the term 'medical or behavioral health professional' means an employee or volunteer of an organization that provides a service as part of a comprehensive service program that combines—

''(1) substance abuse (including abuse of alcohol, drugs, inhalants, and tobacco) prevention and treatment; and

''(2) mental health treatment.

''(b) CONTRACTS AND AGREEMENTS.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private university or facility, including a medical university or facility, or any private medical or behavioral health professional, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

''(1) the diagnosis and treatment of child abuse; or

''(2) methods of training Service personnel in diagnosing and treating child abuse.

''(c) ADMINISTRATION.—In carrying out subsection (b), the Service shall, to the maximum extent practicable—

''(1) use existing telemedicine infrastructure; and

''(2) give priority to Service units and medical facilities operated pursuant to grants, contracts, or compacts under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) that are located in, or providing service to, remote areas of Indian country.

''(d) INFORMATION AND CONSULTATION.—On receipt of a request, for purposes of this section, the Service may provide to public and private universities and facilities, including medical universities and facilities, and medical or behavioral health professionals described in subsection (b) any information or consultation on the treatment of Indian children who have, or may have, been subject to abuse or neglect.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.''.

SEC. 12. CONFORMING AMENDMENTS.

(a) OFFENSES COMMITTED WITHIN INDIAN COUNTRY.—Section 1153(a) of title 18, United States Code, is amended by inserting ''felony child abuse, felony child neglect,'' after ''robbery,''.

(b) REPORTING OF CHILD ABUSE.—Section 1169 of title 18, United States Code, is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (B), by inserting ''or volunteering for'' after ''employed by'';

(B) in subparagraph (D)—

(i) by inserting ''or volunteer'' after ''child day care worker''; and

(ii) by striking ''worker in a group home'' and inserting ''worker or volunteer in a group home'';

(C) in subparagraph (E), by striking ''or psychological assistant,'' and inserting ''psychological or psychiatric assistant, or person employed in the mental or behavioral health profession;'';

(D) in subparagraph (F), by striking ''child'' and inserting ''individual'';

(E) by striking subparagraph (G), and inserting the following:

''(G) foster parent; or''; and

(F) in subparagraph (H), by striking ''law enforcement officer, probation officer'' and

inserting ''law enforcement personnel, probation officer, criminal prosecutor''; and

(2) in subsection (c), by striking paragraphs (3) and (4) and inserting the following:

''(3) 'local child protective services agency' has the meaning given the term in section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202); and

''(4) 'local law enforcement agency' has the meaning given the term in section 403 of that Act.''.

By Mr. BUNNING (for himself and Ms. MIKULSKI):

S. 399. A bill to amend title XIX of the Social Security Act to include podiatrists as physicians for purposes of covering physicians services under the Medicaid program; to the Committee on Finance.

Mr. BUNNING. Mr. President, I rise today to reintroduce an important bill that will ensure that Medicaid beneficiaries in all states have access to the services of top-quality podiatric physicians. Senator MIKULSKI from Maryland is joining me in the effort again this year, and I appreciate her dedication to this issue.

Having healthy feet and ankles are critical to keeping individuals mobile, productive and in good long-term health. This is particularly true for individuals with diabetes.

According to the Centers for Disease Control and Prevention, CDC, almost 21 million Americans have diabetes, which amounts to about 7 percent of the total population. Diabetes is the sixth leading cause of death in this country. In 2005, 1.5 million Americans were diagnosed with diabetes.

If not managed properly, diabetes can cause several severe health problems, including eye disease or blindness, kidney disease and heart disease. Too often, diabetes can lead to foot complications, including foot ulcers and even amputations. In fact, the CDC estimates that 82,000 people undergo an amputation of a leg, foot or toe each year because of complications with diabetes.

Proper care of the feet could prevent many of these amputations.

The bill we are introducing today recognizes the important role podiatrists can play identifying and correcting foot problems among diabetics. The bill amends Medicaid's definition of ''physicians'' to include podiatric physicians. This will ensure that Medicaid beneficiaries have access to foot care from those most qualified to provide it.

Under Medicaid, podiatry is considered an optional benefit. However, just because it is optional, doesn't mean that podiatric services are not needed, or that beneficiaries will not seek out other providers to perform these services. Instead, Medicaid beneficiaries will have to receive foot care from other providers who may not be as well trained as a podiatrist in treating lower extremities.

Also, it is important to note that podiatrists are considered physicians under the Medicare program, which allows seniors and disabled individuals to receive appropriate care.

I urge my colleagues to give careful consideration to this important bill. It will help many Medicaid beneficiaries across the country have access to podiatrists that they need.

Finally, I thank the Senator from Maryland for helping me reintroduce this legislation today. I hope that by working together we can see this important change made.

Ms. MIKULSKI. Mr. President, I rise to join Senator BUNNING to introduce this important bill to make sure that Medicaid patients have access to care provided by podiatrists.

This bill ensures that Medicaid patients across the country can get services provided by podiatrists. This is a simple, common sense bill. This legislation includes podiatric physicians in Medicaid's definition of physician. This means that the services of podiatrists will be covered by Medicaid, just like they are in Medicare. Podiatrists are considered physicians under Medicare. They should be under Medicaid. Medicaid covers necessary foot and ankle care services. Medicaid should allow podiatrists who are trained specifically in foot and ankle care to provide these services and be reimbursed for them.

The services of podiatrists are considered optional under Medicaid. Currently, most State Medicaid programs, including Maryland, recognize and reimburse podiatrists for providing foot and ankle care to their beneficiaries. However, during times of tight budget States may choose to cut back on these optional services. There are now 7 States where access to a podiatrist is limited or nearly impossible for someone who receives Medicaid. Even though podiatrist services are considered optional, Medicaid patients need foot and ankle care. If podiatrists do not provide the care, patients will see providers who may not be as well trained in the care of the lower extremities as podiatrists. I want to make sure the over 750,000 Medicaid patients in Maryland continue to have access to the services provided by over 400 podiatrists in Maryland.

Podiatrists receive special training on the foot, ankle, and lower leg. They play an important role in the recognition of systemic diseases like diabetes, and in the recognition and treatment of peripheral neuropathy, a frequent cause of diabetic foot wounds that can often lead to preventable lower extremity amputations. Nearly 21 million Americans are now living with diabetes, a 14 percent increase from the 18 million in 2003. Another 41 million have pre-diabetes, the condition that indicates an increased risk for developing both type 2 diabetes and cardiovascular disease. Both the CDC and the American Diabetes Association recommend that podiatric physicians be part of the care term for people with diabetes.

Ensuring Medicaid patient access to podiatrists will save Medicaid funds in the long term. According to the American Podiatric Medical Association, 75 percent of Americans will experience some type of foot health problem during their lives. Foot disease is the most common complication of diabetes leading to hospitalization. About 82,000 people have diabetes-related leg, foot, or toe amputations each year. Foot care programs with regular examinations and patient education could prevent up to 85 percent of these amputations. This alone could have saved $1.3 billion in savings for Medicare and $386 million in savings for Medicaid. Podiatrists are important providers of this care.

This bill will make sure that Medicaid patients across the country have access to care provided by podiatrists. It has the support of the American Podiatric Medical Association and gained broad bi-partisan support in both the House and Senate last Congress. 29 Senators co-sponsored S. 440, including nearly half the members of the Finance Committee. The House companion bill, HR 699 had 210 co-cosponsors, including 68 percent of the committee with primary jurisdiction, Energy and Commerce. I urge my colleagues to cosponsor this important legislation.

By Mr. SUNUNU (for himself, Mr. GREGG, and Mrs. CLINTON):

S. 400. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to ensure that dependent students who take a medically necessary leave of absence do not lose health insurance coverage, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. SUNUNU. Mr. President, I rise today on behalf of Senator GREGG and Senator CLINTON to introduce Michelle's Law. This bill mirrors the law the State of New Hampshire passed in June 2006. Michelle Morse was a 20-year-old resident of Manchester, NH, and a full-time student at Plymouth State University when diagnosed with colon cancer in December 2003. Michelle's doctors wanted her to take a medical leave of absence to undergo surgery and chemotherapy, but if she dropped out of school she would no longer be covered as a dependent under her mother's plan because she would no longer be enrolled as a full-time student. The family had the option to obtain COBRA coverage but the Morses estimated the increase in monthly premiums would have been too costly. Michelle's family decided she would remain in school full time, maintain coverage, and maintain her lifestyle as much as she could. So along with her homework and books, Michelle would attend class carrying a portable chemotherapy pump attached to her hip. She refused to let cancer and the aggressive chemotherapy treatment slow her down during the next 2 years, even while student teaching at Bakersville Elementary School in Manchester, and graduated from Plymouth State in

May 2005. However, Michelle bravely lost her battle with cancer in November 2005.

Michelle's predicament prompted her mother AnnMarie to take this woeful Catch-22 they experienced to the New Hampshire State Legislature. New Hampshire responded by passing Michelle's Law in June 2006, allowing full-time students covered under State-regulated health plans a 1-year medical leave of absence while maintaining their dependency status. The bill we introduce today affords the same medical leave of absence to full-time students covered under health plans governed by the Employee Retirement Income Security Act of 1974—ERISA. Michelle's Law would allow full-time students and their families to focus solely on treating an illness as opposed to concurrently being a full-time patient and full-time student. While this bill creates an additional mandate for ERISA plans, this provision would apply to less than 1 percent of all college-aged students. Yet without this modest change, the costs and hardships may be enormous. Also, this bill does not trespass on any state's right to govern and regulate its own health insurance business.

I thank AnnMarie Morse for her tireless efforts in making sure another student does not get caught between a medical leave of absence rock and a hard place of insurance regulations. I also thank Senators GREGG and CLINTON for joining me today and I hope my colleagues in the Senate join us with their support and pass Michelle's Law.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 40—AUTHORIZING EXPENDITURES BY THE SENATE COMMITTEE ON INDIAN AFFAIRS

Mr. DORGAN submitted the following resolution; from the Committee on Indian Affairs; which was referred to the Committee on Rules and Administration:

S. RES. 40

Resolved, That, in carrying out its powers, duties and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Indian Affairs is authorized from March 1, 2007, through September 30, 2007; October 1, 2007, through September 30, 2008; and October 1, 2008, through February 28, 2009, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period March 1, 2007, through September 30, 2007, under this resolution shall not exceed $ 1,183,262.00, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2007, through September 30, 2008, expenses of the committee under this resolution shall not exceed $ 2,071,712.00, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(c) For the period October 1, 2008, through February 28, 2009, expenses of the committee under this resolution shall not exceed $879,131.00, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 2009.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the committee, except that vouchers shall not be required (1) for the disbursement of the salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 2007, through September 30, 2007; October 1, 2007, through September 30, 2008; and October 1, 2008, through February 28, 2009, to be paid from the Appropriations account for ''Expenses of Inquiries and Investigations''.

SENATE RESOLUTION 41—HONORING AND THE LIFE AND RECOGNIZING THE ACCOMPLISHMENTS OF TOM MOONEY, PRESIDENT OF THE OHIO FEDERATION OF TEACHERS

Mr. BROWN submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 41

Whereas Tom Mooney graduated from Antioch College in Yellow Springs, Ohio, before becoming a high school government teacher in Cincinnati in 1974;

Whereas Mr. Mooney became a passionate advocate for teachers and public education;

Whereas Mr. Mooney served as the president of the Cincinnati Federation of Teachers, as the vice president of the American Federation of Teachers, and on the American Federation of Teachers's executive council;

Whereas during his 21 years as president of the Cincinnati Federation of Teachers, Mr. Mooney worked to establish a teacher evaluation system;

Whereas, in 2000, Mr. Mooney was elected to lead the Ohio Federation of Teachers;

Whereas Mr. Mooney led the Ohio Federation of Teachers, which represents more than 20,000 members, including public education employees, higher education faculty and support staff, and other public employees, for 6 years;

Whereas during his tenure as president of the Ohio Federation of Teachers, Mr. Mooney endeavored to strengthen the teaching profession and to improve the working environment for all school employees, while also encouraging parental involvement to ensure a high-quality public education for all children;

Whereas Mr. Mooney was a tireless advocate for Ohio's public education system and opposed efforts to privatize educational services for limited numbers of children because these attempts at privatization came at the expense of the vast majority of students who attend public schools in the State;

Whereas, on December 3, 2006, Ohio and the Nation felt a great loss with the sudden death of Mr. Mooney; and

Whereas Mr. Mooney will be remembered as a fearless union leader and for his true dedication to improving the quality of public education: Now, therefore, be it

Resolved, That the Senate honors the life and recognizes the achievements of Tom Mooney, who exemplified dedication to, and true advocacy for, children and public education, while also gaining a deserved reputation as an articulate and forceful labor union activist.

Mr. BROWN. Mr. President, I am honored to recognize the life and accomplishments of Tom Mooney, the former president of the Ohio Federation of Teachers. Tom graduated from Antioch College in Yellow Springs, OH, then devoted himself to ensuring a quality education for the children of Ohio.

In his distinguished tenure as an educator and administrator, Tom served in a number of capacities. He started in 1974 as a high school government teacher. Later Tom would serve as president of the Cincinnati Federation of Teachers, as vice president of the American Federation of Teachers and finally as the president of the Ohio Federation of Teachers, a post he held for six years until his passing.

Tom Mooney was a passionate advocate for teachers and public education. He worked tirelessly. He encouraged parental involvement in the education of their children and vehemently opposed efforts to privatize educational services, as he believed it would be detrimental to the vast majority of Ohio's public school students.

Tom exemplified dedication to—and true advocacy for—children and public education. I am honored to offer this resolution and pay tribute to a great Ohioan and a great American.

SENATE RESOLUTION 42—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

Mr. LEAHY submitted the following resolution; from the Committee on the Judiciary; which was referred to the Committee on Rules and Administration:

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 2007, through September 30, 2007; October 1, 2007, through September 30, 2008; and October 1, 2008, through February 28, 2009, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

Sec. 2(a). The expenses of the committee for the period of March 1, 2007, through September 30, 2007, under this resolution shall not exceed $5,220,177, of which amount (1) not to exceed $200,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (Under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) for the period October 1, 2007, through September 30, 2008, expenses of the committee under this resolution shall not exceed $9,150,340, of which amount (1) not to exceed $200,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 2020) of the Legislative Reorganization Act of 1946).

(c) For the period October 1, 2008, through February 28, 2009, expenses of the committee under this resolution shall not exceed $3,886,766, of which amount (1) not to exceed $200,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 2007, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 2007, through September 30, 2007, October 1, 2007 through September 30, 2008; and October 1, 2008 through February 28, 2009, to be paid from the Appropriations account for ''Expenses of Inquiries and Investigations.''

SENATE RESOLUTION 43—HONORING THE IMPORTANT CONTRIBUTION TO THE NATION OF THE ACADEMY OF MUSIC IN PHILADELPHIA, PENNSYLVANIA, ON ITS 150TH ANNIVERSARY

Mr. SPECTER (for himself and Mr. CASEY) submitted the following resolution; which was considered and agreed to: (The resolution will be printed in a future edition of the RECORD.)

SENATE RESOLUTION 44—COMMENDING THE UNIVERSITY OF NEBRASKA-LINCOLN WOMEN'S VOLLEYBALL TEAM FOR WINNING THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION DIVISION I WOMEN'S VOLLEYBALL CHAMPIONSHIP

Mr. HAGEL (for himself and Mr. NELSON of Nebraska) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 44

Whereas the University of Nebraska-Lincoln women's volleyball team (referred to in this preamble as the ''Huskers'') won the 2006 National Collegiate Athletic Association (NCAA) Division I Women's Volleyball National Championship at the Qwest Center in Omaha, Nebraska, on December 16, 2006;

Whereas Husker junior Sarah Pavan was chosen as the Nation's top collegiate female volleyball player, winning the 2006-07 Honda Sports Award for volleyball;

Whereas Sarah Pavan was named the ESPN Magazine Academic All-American of the Year, becoming the University of Nebraska's 234th Academic All-American and the university's 29th Academic All-American in volleyball;

Whereas the University of Nebraska leads the Nation in the number of players named Academic All-Americans;

Whereas the Huskers completed the 2006 season with a record of 33–1;

Whereas Husker head coach John Cook has led the team to 3 national championships;

Whereas the Huskers made their sixth appearance in the NCAA finals;

Whereas the 2006 Huskers are only the third team in the history of the NCAA to lead the American Volleyball Coaches Association poll for an entire season;

Whereas the entire Husker volleyball team should be commended for its determination, work ethic, attitude, and heart;

Whereas the University of Nebraska is building an impressive legacy of excellence in its volleyball program; and

Whereas the University of Nebraska volleyball players have brought great honor to themselves, their families, their university, and the State of Nebraska: Now, therefore, be it

Resolved, That the Senate—

(1) commends the University of Nebraska-Lincoln women's volleyball team for winning the 2006 National Collegiate Athletic Association Division I Women's Volleyball National Championship; and

(2) recognizes the achievements of the players, coaches, students, and staff whose hard work and dedication made winning the Championship possible.

AMENDMENTS SUBMITTED AND PROPOSED

SA 200. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table.

SA 201. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 202. Ms. COLLINS (for herself and Mr. WARNER) submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 203. Mr. GREGG (for himself, Mr. ENZI, Mr. SUNUNU , Mr. ISAKSON, and Mr. ALEXANDER) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 204. Ms. COLLINS (for herself and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 113 proposed by Mr. SMITH to the amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 205. Mr. KYL proposed an amendment to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 206. Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 207. Mr. BAUCUS proposed an amendment to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 208. Mr. NELSON, of Nebraska submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 200. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. ____. SENSE OF THE SENATE CONCERNING EXPANDING THE MIDDLE CLASS.

(a) FINDINGS.—The Senate finds that—

(1) the United States has the most unequal distribution of wealth and income of any major country in the industrialized world;

(2) over the next 4 calendar years, the cost of the 2001 and 2003 Federal tax cuts for the

top 1 percent of households will total nearly $350,000,000,000;

(3) if the Federal tax cuts enacted in 2001 and 2003 are made permanent, households with annual incomes of more than $1,000,000 comprising the top 3/10ths of 1 percent of the population would receive approximately $648,000,000,000 in tax cuts over the next decade;

(4) the wealthiest 400 Americans saw their combined net worth increase by $120,000,000,000 from 2004 to 2005 and do not need a tax break;

(5) households with incomes exceeding $1,000,000 received an average tax break of $118,000 in 2006, households in the middle-fifth of the income spectrum received tax cuts averaging $740, and the bottom fifth of households received tax cuts averaging $20;

(6) the increased costs of a college education, child care, health care, and housing are creating enormous burdens on the middle class and working families; and

(7) no veteran in this country should be forced onto a waiting list to receive health care from the Department of Veterans Affairs.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) Congress and the President should work together to roll-back all of the Federal tax breaks enacted since 2001 that go to households with annual incomes exceeding $1,000,000; and

(2) Congress and the President should work together to use the revenue gained from this action to increase investments for the needs of our veterans, affordable housing, health care, Pell Grants, child care, and Head Start.

SA 201. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place insert the following:

SEC. ___. SENSE OF THE SENATE CONCERNING POVERTY.

(a) FINDINGS.—The Senate finds that—

(1) the United States has the highest rate of poverty and the highest rate of childhood poverty among 17 major countries in the Organization for Economic Cooperation and Development including Germany, France, Italy, the United Kingdom, Canada, Australia, Austria, Belgium, Denmark, Finland, Ireland, the Netherlands, Norway, Spain, Sweden, and Switzerland;

(2) 36,950,000 Americans are living in poverty, an increase of 5,400,000 since 2000;

(3) 12,896,000 children in the United States under the age of 18 lived in poverty in 2005, and the number of children living in extreme poverty rose by 87,000 from 2004 through 2005;

(4) in 2005, an estimated 33 percent of the homeless population were children and an estimated 1,350,000 children will experience homelessness in a year;

(5) the number of uninsured Americans rose to 46,577,000 in 2005, 1,272,000 more than in the previous year, and the number of Americans without health insurance has risen for 4 consecutive years;

(6) the Department of Agriculture has found that, in 2005, 35,100,000 people lived in households experiencing food insecurity, meaning that they did not have adequate access to enough food to meet basic dietary needs to all times due to a lack of financial resources;

(7) households with children experience food insecurity at more than double the rate for households without children;

(8) The United States has the largest gap between the rich and the poor of any major industrialized country;

(9) the wealthiest 400 Americans saw their combined net worth increase by $120,000,000,000 from 2004 to 2005;

(10) the richest 400 Americans have a combined net worth of $1,250,000,000,000 equaling the annual income of over 45 percent of the entire world's population or 2,500,000,000 people;

(11) of the world's 793 billionaires, over 400 are Americans;

(12) in 1989, we only had 66 billionaires in this country; and

(13) on January 20, 2001, President Bush stated `In the quiet of American conscience, we know that deep, persistent poverty is unworthy of our nation''s promise. Where there is suffering, there is duty. Americans in need are not strangers, they are citizens, not problems, but priorities. And all of us are diminished when any are hopeless. And I can pledge our nation to a goal: When we see that wounded traveler on the road to Jericho, we will not pass to the other side.''.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the United States has a moral obligation to improve the lives of the 36,950,000 Americans living in poverty and the 15,928,000 of those who live in extreme poverty;

(2) the United States has a moral obligation to reduce the enormous gap between the rich and the poor; and

(3) the President should immediately present to Congress a comprehensive plan to eradicate child poverty and reduce the gap between the rich and the poor by 2017.

SA 202. Ms. COLLINS (for herself and Mr. WARNER) submitted an amendment intended to be proposed by her to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. _____. PERMANENT EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

Subparagraph (D) of section 62(a)(2) of the Internal Revenue Code of 1986 is amended by striking ''In the case of taxable years beginning during 2002, 2003, 2004, 2005, 2006, or 2007, the deductions'' and inserting ''The deductions''.

SA 203. Mr. GREGG (for himself, Mr. ENZI, Mr. SUNUNU, Mr. ISAKSON, and Mr. ALEXANDER) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place, insert the following:

SEC. ___. EMPLOYEE OPTION TIME.

(a) BIWEEKLY WORK PROGRAMS.—

(1) IN GENERAL.—The Fair Labor Standards Act of 1938 is amended by inserting after section 13 (29 U.S.C. 213) the following:

''SEC. 13A. BIWEEKLY WORK PROGRAMS.

''(a) VOLUNTARY PARTICIPATION.—

''(1) OPTION OF EMPLOYEE.—Except as provided in paragraph (2), no employee may be required to participate in a program described in this section. Participation in a program described in this section may not be a condition of employment.

''(2) COLLECTIVE BARGAINING AGREEMENT.—In a case in which a valid collective bargaining agreement exists between an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law, an employee may only be required to participate in such a program in accordance with the agreement.

''(b) BIWEEKLY WORK PROGRAMS.—

''(1) IN GENERAL.—Notwithstanding section 7, an employer may establish biweekly work programs that—

''(A) allow the use of a biweekly work schedule—

''(i) that consists of a basic work requirement of not more than 80 hours, over a 2-week period; and

''(ii) in which more than 40 hours of the work requirement may occur in a week of the period, except that no more than 10 hours may be shifted between the 2 weeks involved; and

''(B) provides that an employee participating in the program is compensated for overtime hours in accordance with paragraph (4).

''(2) CONDITIONS.—An employer may carry out a biweekly work program described in paragraph (1) for employees only pursuant to the following:

''(A) AGREEMENT.—The program may be carried out only in accordance with—

''(i) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the employees under applicable law; or

''(ii) in the case of an employee who is not represented by a labor organization described in clause (i), a written agreement arrived at between the employer and employee before the performance of the work involved if the agreement was entered into knowingly and voluntarily by such employee and was not a condition of employment.

''(B) STATEMENT OF VOLUNTARY PARTICIPATION.—The program shall apply to an employee described in subparagraph (A)(ii) if such employee has affirmed, in a written statement that is made, kept, and preserved in accordance with section 11(c), that the employee has voluntarily chosen to participate in the program.

''(C) MINIMUM SERVICE.—No employee may participate, or agree to participate, in the program unless the employee has been employed for at least 12 months by the employer, and for at least 1,250 hours of service with the employer during the previous 12-month period.

''(3) COMPENSATION FOR HOURS IN SCHEDULE.—Notwithstanding section 7, in the case of an employee participating in such a biweekly work program, the employee shall be compensated for each hour in such a biweekly work schedule at a rate not less than the regular rate at which the employee is employed.

''(4) OVERTIME COMPENSATION PROVISION.—An employee participating in such a biweekly work program shall be compensated for each overtime hour at a rate not less than one and one-half times the regular rate at which the employee is employed, in accordance with section 7(a)(1).

''(5) DISCONTINUANCE OF PROGRAM OR WITHDRAWAL.—

''(A) DISCONTINUANCE OF PROGRAM.—An employer that has established a biweekly work program under paragraph (1) may discontinue the program for employees described in paragraph (2)(A)(ii) after providing 30 days' written notice to the employees who are subject to an agreement described in paragraph (2)(A)(ii).

''(B) WITHDRAWAL.—An employee may withdraw an agreement described in paragraph (2)(A)(ii) at the end of any 2-week period described in paragraph (1)(A)(i), by submitting a written notice of withdrawal to the employer of the employee.

''(c) PROHIBITION OF COERCION.—

''(1) IN GENERAL.—An employer shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any employee for the purpose of interfering with the rights of the employee under this section to elect or not to elect to work a biweekly work schedule.

''(2) DEFINITION.—In paragraph (1), the term 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation) or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

''(d) DEFINITIONS.—In this section:

''(1) BASIC WORK REQUIREMENT.—The term 'basic work requirement' means the number of hours, excluding overtime hours, that an employee is required to work or is required to account for by leave or otherwise.

''(2) COLLECTIVE BARGAINING.—The term 'collective bargaining' means the performance of the mutual obligation of the representative of an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph shall not compel either party to agree to a proposal or to make a concession.

''(3) COLLECTIVE BARGAINING AGREEMENT.—The term 'collective bargaining agreement' means an agreement entered into as a result of collective bargaining.

''(4) EMPLOYEE.—The term 'employee' means an individual—

''(A) who is an employee (as defined in section 3);

''(B) who is not an employee of a public agency; and

''(C) to whom section 7(a) applies.

''(5) EMPLOYER.—The term 'employer' does not include a public agency.

''(6) OVERTIME HOURS.—The term 'overtime hours' when used with respect to biweekly work programs under subsection (b), means all hours worked in excess of the biweekly work schedule involved, in excess of the allotted 50 hours a week, or in excess of the allotted 80 hours in the 2-week period involved, that are requested in advance by an employer.

''(7) REGULAR RATE.—The term 'regular rate' has the meaning given the term in section 7(e).''.

(2) REMEDIES.—

(A) PROHIBITIONS.—Section 15(a)(3) of the Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)(3)) is amended—

(i) by inserting ''(A)'' after ''(3)'';

(ii) by adding ''or'' after the semicolon; and

(iii) by adding at the end the following:

''(B) to violate any of the provisions of section 13A;''.

(B) REMEDIES AND SANCTIONS.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(i) in subsection (c)—

(I) in the first sentence—

(aa) by inserting after ''7 of this Act'' the following: '', or of the appropriate legal or monetary equitable relief owing to any employee or employees under section 13A''; and

(bb) by striking ''wages or unpaid overtime compensation and'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and'';

(II) in the second sentence, by striking ''wages or overtime compensation and'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and''; and

(III) in the third sentence—

(aa) by inserting after ''first sentence of such subsection'' the following: '', or the second sentence of such subsection in the event of a violation of section 13A,''; and

(bb) by striking ''wages or unpaid overtime compensation under sections 6 and 7 or'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, or''; and

(ii) in subsection (e)—

(I) in the second sentence, by striking ''section 6 or 7'' and inserting ''section 6, 7, or 13A''; and

(II) in the fourth sentence, in paragraph (3), by striking ''15(a)(4) or'' and inserting ''15(a)(4), a violation of section 15(a)(3)(B), or''.

(3) NOTICE TO EMPLOYEES.—Not later than 30 days after the date of enactment of this section, the Secretary of Labor shall revise the materials the Secretary provides, under regulations contained in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) to employees so that the notice reflects the amendments made to the Act by this section.

(b) CONGRESSIONAL COVERAGE.—Section 203 of the Congressional Accountability Act of 1995 (2 U.S.C. 1313) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''and section 12(c)'' and inserting ''section 12(c), and section 13A''; and

(B) by striking paragraph (3);

(2) in subsection (b)—

(A) by striking ''The remedy'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), the remedy''; and

(B) by adding at the end the following:

''(2) BIWEEKLY WORK PROGRAMS AND FLEXIBLE CREDIT HOURS PROGRAMS.—The remedy for a violation of subsection (a) relating to the requirements of section 13A of the Fair Labor Standards Act of 1938 shall be such remedy as would be appropriate if awarded under sections 16 and 17 of such Act (29 U.S.C. 216, 217) for such a violation.''; and

(3) in subsection (c), by striking paragraph (4).

(c) TERMINATION.—The authority provided by this section and the amendments made by this section terminates 5 years after the date of enactment of this section.

SA 204. Ms. COLLINS (for herself and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 113 proposed by Mr. SMITH to the amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

On page 2 of the amendment, strike lines 1 through 7, and insert the following:

(b) EXPANSION OF ABOVE-THE-LINE DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—

(1) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain trade and business deductions of employees) is amended to read as follows:

''(D) CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—The deductions allowed by section 162 which consist of expenses, not in excess of $400, paid or incurred by an eligible educator—

''(i) by reason of the participation of the educator in professional development courses related to the curriculum and academic subjects in which the educator provides instruction or to the students for which the educator provides instruction, and

''(ii) in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2006.

SA 205. Mr. KYL proposed an amendment to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

On page 4, line 21, strike ''April 1, 2008'' and insert ''January 1, 2009''.

On page 6, lines 5 and 6, strike ''April 1, 2008'' and insert ''January 1, 2009''.

On page 99, after line 19, add the following:

SEC. _____. TERMINATION OF EXCLUSION FOR QUALIFIED TUITION REDUCTION.

(a) IN GENERAL.—Section 117(d) is amended by redesignating the last paragraph as paragraph (4) and by adding after paragraph (4) the following new paragraph:

''(5) TERMINATION.—This subsection shall not apply to taxable years beginning after December 31, 2006.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SA 206. Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place insert the following:

SEC. ___. SENSE OF THE SENATE REGARDING PERMANENT TAX INCENTIVES TO MAKE EDUCATION MORE AFFORDABLE AND MORE ACCESSIBLE FOR AMERICAN FAMILIES.

It is the sense of the Senate that Congress should make permanent the tax incentives to make education more affordable and more accessible for American families and eliminate wasteful spending, such as spending on unnecessary tax loopholes, in order to fully offset the cost of such incentives and avoid forcing taxpayers to pay substantially more interest to foreign creditors.

SA 207. Mr. BAUCUS proposed an amendment to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place insert the following:

SEC. ___. SENSE OF THE SENATE REGARDING REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.

It is the sense of the Senate that Congress should repeal the 1993 tax increase on Social

Security benefits and eliminate wasteful spending, such as spending on unnecessary tax loopholes, in order to fully offset the cost of such repeal and avoid forcing taxpayers to pay substantially more interest to foreign creditors.

SA 208. Mr. NELSON of Nebraska submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. _____. DISABILITY PREFERENCE PROGRAM FOR TAX COLLECTION CONTRACTS.

(a) IN GENERAL.—Section 6306 (relating to qualified tax collection contracts) is amended—

(1) by striking ''Nothing'' in subsection (a) and inserting ''Except as provided in subsection (c), nothing'',

(2) by redesignating subsections (c), (d), (e), and (f) as subsections (d), (e), (f), and (g), respectively, and

(3) by inserting after subsection (b) the following new subsection:

''(c) DISABILITY PREFERENCE PROGRAM FOR TAX COLLECTION CONTRACTS.—

''(1) IN GENERAL.—The Secretary shall provide a qualifying disability preference to any program under which any qualified tax collection contract is awarded on or after the effective date of this subsection and shall ensure compliance with the requirements of paragraph (3).

''(2) QUALIFYING DISABILITY PREFERENCE.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'qualifying disability preference' means a preference pursuant to which at least 10 percent (in both number and aggregate dollar amount) of the accounts covered by qualified tax collection contracts are awarded to persons satisfying the following criteria:

''(i) Such person employs within the United States at least 50 severely disabled individuals.

''(ii) Such person shall agree as an enforceable condition of its bid for a qualified tax collection contract that within 90 days after the date such contract is awarded, not less than 35 percent of the employees of such person employed in connection with providing services under such contract shall—

''(I) be hired after the date such contract is awarded, and

''(II) be severely disabled individuals.

''(B) DETERMINATION OF SATISFACTION OF CRITERIA.—Within 60 days after the end of the period specified in subparagraph (A)(ii), the Secretary shall determine whether such person has met the 35 percent requirement specified in such subparagraph, and if such requirement has not been met, shall terminate the contract for nonperformance. For purposes of determining whether such 35 percent requirement has been satisfied, severely disabled individuals providing services under such contract shall not include any severely disabled individuals who were counted toward satisfaction of the 50-employee requirement specified in subparagraph (A)(i), unless such person replaced such individuals by hiring additional severely disabled individuals who do not perform services under such contract.

''(3) PROGRAM-WIDE EMPLOYMENT OF SEVERELY DISABLED INDIVIDUALS.—Not less than 15 percent of all individuals hired by all persons to whom tax collection contracts are issued by the Secretary under this section, to perform work under such tax collection contracts, shall qualify as severely disabled individuals.

''(4) SEVERELY DISABLED INDIVIDUAL.—For purposes of this subsection, the term 'severely disabled individual' means any one of the following:

''(A) Any veteran of the United States Armed Forces with—

''(i) a disability determined by the Secretary of Veterans Affairs to be service-connected, or

''(ii) a disability deemed by statute to be service-connected.

''(B) Any individual who is a disabled beneficiary (as defined in section 1148(k)(2) of the Social Security Act (42 U.S.C. 1320b–19(k)(2)) or who would be considered to be such a disabled beneficiary but for having income or assets in excess of the income or asset eligibility limits established under title II or XVI of the Social Security Act, respectively.''.

(b) REPORT BY GOVERNMENT ACCOUNTABILITY OFFICE.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the effectiveness and efficiency of the use of private contractors for Internal Revenue Service debt collection. The study required by this paragraph shall be completed in time to be taken into account by Congress before any new contracting is carried out under section 6306 of the Internal Revenue Code of 1986 in years following 2008.

(2) STUDY OF COMPARABLE EFFORTS.—As part of the study required under paragraph (1), the Comptroller General shall—

(A) make every effort to determine the relative effectiveness and efficiency of debt collection contracting by Federal staff compared to private contractors, using a cost calculation for both Federal staff and private contractors which includes all benefits and overhead costs,

(B) compare the cost effectiveness of the contracting approach of the Department of the Treasury to that of the Department of Education's Office of Student Financial Assistance, and

(C) survey State tax debt collection experiences for lessons that may be applicable to the Internal Revenue Service collection efforts.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any tax collection contract awarded on or after the date of the enactment of ths Act.

NOTICES OF HEARINGS/MEETINGS

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 an oversight hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will be held on Thursday, February 1, 2007, at 9:30 a.m. in room SD–G50 of the Dirksen Senate Office Building.

The purpose of this hearing is to examine accelerated biofuels diversity, focusing on how home-grown, biologically derived fuels can blend into the Nation's transportation fuel mix.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150.

For further information, please contact Tara Billingsley at (202) 224–4756 or David Marks at (202) 224–8046.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, January 25, 2007, at 9:30 a.m., in open session to receive testimony on the current situation in Iraq on the Administration's recently announced strategy for continued United States assistance to the Iraqi Government and for an increased United States mlitary presence in Iraq.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on January 25, 2007, at 9:30 a.m., to vote on committee organizational matters for the 110th Congress; immediately following the executive session the committee will meet to conduct a hearing on ''Examining the Billing, Marketing, and Disclosure Practices of the Credit Card Industry, and Their Impact on Consumers.''

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to hold a hearing during the session of the Senate on Thursday, January 25, 2007, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on oil and gas resources on the Outer Continental Shelf and areas available for leasing in the Gulf of Mexico.

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

COMMITTEE ON FOREIGN RELATIONS

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, January 25, 2007, at 9:15 a.m. to hold a hearing on Iraq.

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

COMMITTEE ON FOREIGN RELATIONS

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, January 25, 2007, at 2:30 p.m. to hold a hearing on Iraq.

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

COMMITTEE ON INDIAN AFFAIRS

Ms. STABENOW. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, January 25, 2007, at 9:30 a.m. in room 485 of the Russell Senate Office Building to conduct a business meeting to consider changes to the committee rules and a funding resolution for the committee budget for the 110th Congress.

Those wishing additional information may contact the Indian Affairs Committee at 224–2251.

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

COMMITTEE ON THE JUDICIARY

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, January 25, 2007, at 10 a.m. in Dirksen room 226.

Agenda

I. Committee Organization

Committee Rules for the 110th Congress; Subcommittees for the 110th Congress; Funding Resolution for the 110th Congress.

II. Nominations

Lisa Godbey Wood to be U.S. District Judge for the Southern District of Georgia; Philip S. Gutierrez to be U.S. District Judge for the Central District of California; Valerie L. Baker to be U.S. District Judge for the Central District of California; Lawrence Joseph O'Neill to be U.S. District Judge for the Eastern District of California; and Gregory Kent Frizzell to be U.S. District Judge for the Northern District of Oklahoma.

III. Bills

S. 188, To Revise the Short Title of the Voting Rights Act Reauthorization and Amendments Act of 2006, Salazar.

S. 214, To Amend Chapter 35 of Title 28, To Preserve the Independence of U.S. Attorneys, Feinstein.

IV. Resolutions

S. Res. 21, Recognizing the Uncommon Valor of Wesley Autry, Clinton, Schumer.

S. Res. 24, Designating January as ''National Stalking Awareness Month'', Biden.

S. Res. 29, Expressing the Sense of the Senate Regarding Martin Luther King, Jr. Day, Stabenow, Leahy, Kennedy, Biden, Kohl, Feinstein, Feingold, Schumer, Durbin, Cardin, Whitehouse, Specter.

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

SELECT COMMITTEE ON INTELLIGENCE

Ms. STABENOW. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on January 25, 2007, at 2:30 p.m. to hold a hearing.

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

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

Ms. STABENOW. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, the Federal Workforce and the District of Columbia be authorized to meet on Thursday, January 25, 2007, at 2:30 p.m. for a hearing entitled, ''Lost in Translation: A Review of the Federal Government's Efforts to Develop a Foreign Language Strategy.''

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

HONORING THE 150TH ANNIVERSARY OF THE PHILADELPHIA ACADEMY OF MUSIC

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 43 which was submitted earlier today.

The PRESIDING OFFICER (Mr. SANDERS). The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 43) honoring the important contributions to the Nation of the Academy of Music in Philadelphia, Pennsylvania, on its 150th anniversary.

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

Mr. SPECTER. Mr. President, I have sought recognition to support legislation with my distinguished colleague, Senator CASEY, that will honor the 150th Anniversary of the Academy of Music of Philadelphia, PA.

The Academy of Music has served as a venue for the performing arts, ceremonial events, Presidential conventions and historical occasions since its opening in 1857. The Academy is the oldest grand opera house in the United States still used for its original purpose, and was designated as a National Historic Landmark in 1963.

The Academy served as the main concert hall for the Philadelphia Orchestra for more than a century. The Orchestra purchased the Academy in 1957, and continues to perform there each year for the Academy's anniversary. Additionally, a host of legendary artists including Maria Callas, Joan Sutherland, George Gershwin, Anna Pavlova, Igor Stravinsky and Luciano Pavarotti have performed at this important venue.

The Academy of Music has also been the site of several significant and historic cultural events. Alexander Graham Bell conducted a demonstration of the telephone in 1877, Leopold Stokowski and the Philadelphia Orchestra performed the first ever concert in stereophonic sound there in 1933, and in 1939, the Philadelphia Orchestra recorded the soundtrack to Walt Disney's classic film, Fantasia, at the Academy.

The Academy's history extends further than the opulent interior of the main hall and the magnificent performances that have graced its stage. An elegant restaurant was constructed in the basement in 1857 for opera-goers and arts patrons. During World War II, the restaurant was converted into a canteen that hosted 2.5 million service men and women between the years of 1942 and 1945 who enjoyed performances by Abbott and Costello, Duke Ellington, Lynn Fontanne and Frank Sinatra.

The Academy of Music continues to be the Philadelphia area's primary venue for the performing arts, hosting major Broadway productions, operatic performances and traveling dance and theater companies. It is with great pleasure that Senator CASEY and I present this resolution honoring the Academy of Music's 150th Anniversary, and pay homage to an institution that has played a significant role in Philadelphia's vibrant arts community. I ask my colleagues to join me in recognizing the Academy of Music.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 43) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

(The resolution will be printed in a future edition of the RECORD.)

EXTENDING PROVISIONS OF THOMAS EDISON COMMEMORATIVE COIN ACT

Mr. NELSON of Florida. Mr. President, I ask unanimous consent the Banking Committee be discharged from further consideration of H.R. 188, and that the Senate then proceed to its consideration.

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

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 188) to provide a new effective date for the applicability of certain provisions of law to Public Law 105–331.

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

Mr. NELSON of Florida. Mr. President, I ask unanimous consent the bill be read the third time, passed, and the motion to reconsider be laid upon the table, without intervening action or debate.

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

The bill (H.R. 188) was ordered to a third reading, was read the third time, and passed.

ORDERS FOR FRIDAY, JANUARY 26, 2007

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 9 a.m.,

Friday, January 26; that on Friday, 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 Executive Calendar No. 1, the nomination of LTG David H. Petraeus; that there be 45 minutes for debate on the nomination, with the time equally divided and controlled between Senator LEVIN and the Republican leader or his designee; that upon the use or yielding back of time, without further intervening action, the Senate proceed to vote on the confirmation of the nomination; that upon the conclusion of the vote, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session and resume consideration of H.R. 2, the minimum wage legislation.

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

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. NELSON of Florida. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 7:22 p.m., adjourned until Friday, January 26, 2007, at 9 a.m.