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Senate

The Senate met at 2 p.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

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

Let us pray.

O God, our Father, give us the grace and power to choose the more challenging right. Keep us from being too easily deflected from laudable goals. Deliver us from the procrastinations that cause us to miss opportunities. Strengthen us to finish what we start as You give us wisdom to clearly know the path we should travel. Save us from the folly that is deaf to conscience and the arrogance which will not accept advice. Open our hearts to the entry of Your spirit so that we may experience abundant living.

Use our lawmakers today for Your glory. Once again, Lord, we thank You for the life and legacy of Rosa Parks.

We pray in Your powerful Name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore 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.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business until 4 p.m., with the time equally divided.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. MCCONNELL. Mr. President, we will open the session with a period of morning business until 4 p.m. At 4 today the Senate will begin consideration of the 2005 deficit reduction bill. Under the order entered into last Friday, the time from 4 to 5 today will be under the control of the chairman of the Budget Committee, Senator GREGG.

As a reminder, the majority leader has announced that there will be no rollcall votes during today's session. We will remain on the deficit reduction bill for the remainder of this week. The agreement allows a specific division of debate time over the next few days with the statutory time limit to expire at 6 p.m. on Wednesday.

It will be a busy week with rollcall votes occurring until we complete action on the deficit reduction measure. We will alert Members later as to when the first votes can be expected.

I would also suggest to Senators that we may also consider any conference reports that may become available, including the Agriculture appropriations conference report.

SUPREME COURT NOMINATION OF JUDGE SAMUEL ALITO, JR.

Mr. MCCONNELL. Mr. President, this morning the President of the United States nominated Judge Samuel Alito of the Third Circuit Court of Appeals to be the next Associate Justice of the Supreme Court. We are beginning to learn that Judge Alito has an extremely impressive career. He is an alumnus of Princeton, where he was a member of Phi Beta Kappa. He graduated from Yale Law School where he was editor of the Yale Law Journal, and he clerked for Judge Leonard

Garth on the same court where Judge Alito now sits.

Judge Alito has devoted his professional life to serving our country. He served in the U.S. Army Reserves. He served as an assistant U.S. attorney in the appellate division and as a U.S. Attorney for the District of New Jersey. He served as an assistant to the Solicitor General where he argued 12 cases before the Supreme Court. For the last 15 years he served as a Federal appellate judge on the Third Circuit Court of Appeals.

As the President noted this morning, Judge Alito has in fact more judicial experience than any Supreme Court nominee in the last 70 years. Over the course of his outstanding career, Judge Alito has consistently been praised for his legal acumen. In fact, one attorney who appeared before him said that "to describe Judge Alito as outstanding is to use understatement. He's the best judge on the circuit, maybe the country."

Judge Alito has also been praised for his calm, courteous, and thoughtful demeanor. I had a chance to experience that this morning myself when I met with him.

Lawyers who have appeared before him describe him as measured and judicious. They have said he "has a fine, nice demeanor . . . He couldn't have a keener demeanor" was one observation. Another said, "He is never discourteous or abusive." Another said, "He is forthright and fair." Another said he "reaches honest decisions."

With his outstanding abilities, it is no wonder the American Bar Association gave Judge Alito its highest rating of unanimously well qualified, which means everybody on the committee found him well qualified. That is the highest ranking the ABA can give.

In supporting his confirmation to the Third Circuit, our former colleague Senator Bill Bradley said of Judge Alito that as U.S. Attorney "he had a

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



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reputation of being tough but fair. Without a lot of fanfare, without calling daily press conferences, he has inspired his office with a low key sense of professionalism."

Given his impressive abilities and his calm, thoughtful demeanor, it is also not surprising that the Senate has twice confirmed Judge Alito unanimously to important legal positions.

As the confirmation process goes forward, we will learn a lot more about Judge Alito, but it appears the President has made a truly outstanding choice. I am confident the Senate will proceed on a bipartisan basis and in a thoughtful, measured way. We had a fair and dignified process for Chief Justice Roberts, and I am confident we will similarly have a respectful process for Judge Alito.

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

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

The bill clerk proceeded to call the roll.

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

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

Mr. LEAHY. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The Senate is in morning business.

NOMINATION OF SAMUEL ALITO

Mr. LEAHY. Mr. President, on Friday, the President formally withdrew from the Senate his nomination of Harriet Miers to be Associate Justice of the U.S. Supreme Court. Today, he announced his intention to nominate Judge Samuel Alito to that same position. To those who are keeping count, this will be the third nomination to fill the seat vacated by the future retirement of Justice Sandra Day O'Connor made by the President.

Justice O'Connor is still there. Three people have been nominated to fill her seat. I am concerned that the nomination may be a needlessly provocative nomination. Obviously, I will do as I have always done on nominees of both Republican and Democratic Presidents. I will make up my mind based on the hearings. But the President had before him a number of names of people who would have gotten probably 95 or 100 votes out of this Chamber, virtually every Republican and virtually every Democrat. Such a nomination would have united, not divided, the country. It appears that instead of uniting the country through his choice, the President chose to reward one small faction of the party and risked dividing the country. Instead of rewarding a small faction, which has put him under a great deal of pressure, I wish he would have rewarded the American people, all 280 million of us. There were many conservative Republican candidates who could have easily been confirmed.

Just last week, the President succumbed to partisan pressure from the extreme rightwing of the Republican Party to withdraw his nomination of Harriet Miers. The pressure did not come from the Democrats. Actually, the pressure did not come from the majority of Republicans. It came from one small, vocal wing of the Republican Party.

I believe the President abdicated his own role in the Constitution's process of selecting Supreme Court Justices and allowed his own choice to be vetoed by extremists within his party without hearings by the Judiciary Committee or a vote by the Senate.

Both the distinguished chairman of the committee, Senator SPECTER, and myself said, Why do we not have hearings and then make up our mind?

The Miers nomination became an eye-opening experience for the country, exposing for all to see what a vocal and virulent wing of the Republican Party really wants. These are not the mainstream Republicans I know in my own State of Vermont, the party that has done so much for our green mountain State. This wing did not want an independent Federal judiciary. They want a rightwing litmus test, not the selection of Justices and judges who will be fair and impartial in applying the law. They, in fact, demand judges who will guarantee the results they want.

With turmoil engulfing the White House, with no exit from the disastrous and deadly occupation of Iraq, with an escalating Federal debt, and with obscenely high profits that continue to pile up for the administration's oil company friends, catering to an extreme wing of one political party jeopardizes the vital checks and balances that protect ordinary Americans.

It is a pity that the President thought his position was so weak that he had to bend to a narrow but strident faction of his political base. The Supreme Court is the ultimate safeguard of our system to protect the fundamental rights of all Americans. I hope the White House is not using this announcement today to try to distract the public from the scandals and failures that are mounting by the day for this administration. Nor will the press be fooled into assuming this is the only issue before America.

With the announcement of Judge Samuel Alito to fill the position to be vacated by Justice O'Connor, the White House failed to follow through with its initial discussions and engage in meaningful consultation. I regret the President has not chosen a clear path of a consensus candidate to unite the American people and the Senate. Actually, the Nation and the Senate would have overwhelmingly welcomed his choice if he had.

Now, as I said, I am not forming a final judgment as to the merits of this nomination, just as I did with now Chief Justice Roberts when he was initially nominated to fill the Sandra Day

O'Connor seat, a seat not yet vacated. I said I would not make up my mind until after the hearing, and I will do that, but an initial review of Judge Alito's record suggests areas of significant concern for all of us. His opinions from the Federal bench demonstrate that he would go to great lengths to restrict the authority of Congress to enact protective legislation to protect people in the areas of civil rights, consumer protection, and the rights of workers, consumers, and women. Judge Alito has also set unreasonably high standards for ordinary Americans who are victims of discrimination to meet before being allowed to proceed with their cases.

The Democratic leader of the Senate and I wrote to the President last week. We urged him to pick one of the many qualified, mainstream women and minority candidates who could win widespread bipartisan support in the Senate. Even more importantly, they would get the same widespread public support in America.

We noted the unique circumstances that now attend this nomination and that make it essential that Justice O'Connor be replaced by a mainstream nominee, not by an activist who would bring an ideological agenda to the Court.

The Court that serves America should reflect all America, but although President Bush declared in reference to filling Justice O'Connor's seat on the Court that he is "mindful that diversity is one of the strengths of the country," with the nomination of Judge Alito, of course, he weakens that strength. Should Judge Alito ultimately be confirmed, the Court will lose some of that diversity.

There were a lot of highly qualified women, highly qualified African Americans, highly qualified Hispanics, and other individuals who could well have served as unifying nominees while adding to the diversity of the Supreme Court. I am one Senator who looks forward to the time when the membership of the U.S. Supreme Court is more reflective of the country it serves.

As the grandson of Italian and Irish immigrants, I know that Italian Americans, like all of my mother's family, and President Bush's guest, the Italian Prime Minister, will be feeling pride today, but this nomination does not add to the diversity of the Supreme Court any more than I add to the diversity of the Senate.

I imagine this announcement is a disappointment to many Hispanic Americans who had expected the President to seize this historic opportunity given to him for a third time by nominating the first Hispanic to the Court. I also imagine that all of the women in our Nation's Capital today to honor Rosa Parks, the first woman to lie in state in the Capitol Rotunda for her work in bringing racial justice to our Nation, are somewhat saddened that the seat of the first woman to serve on our Highest Court is not going to be filled by another woman.

I do not expect Democrats to engage in the kinds of personal attacks on this nominee that the rightwing used to force the President to withdraw his nomination of Ms. Miers, whom he described as the best qualified person in the country to replace Justice O'Connor. I do believe we need to take the time necessary to examine the record of the nominee in the Reagan Justice Department and on the bench before we proceed with full and thorough hearings.

The stakes for the American people could not be higher with this new nomination. Justice O'Connor brought an open mind to the cases she reviewed. She served especially as a moderating influence on the Court. The person who replaces her replaces a pivotal vote on our most powerful Court. That person has the potential to dramatically tilt the Court's balance. Maintaining the stability of the Court is crucial for the Nation, and that is going to be an important factor for me as I consider this nomination.

At this critical moment and in light of the circumstances that led to the withdrawal of the Miers nomination, all Senators should perform our constitutional advice and consent responsibility, but we should do it with heightened vigilance. The Supreme Court is the guarantor of the rights of all Americans.

I look forward to the hearings. I will, as I did before, work with Senator SPECTER, the chairman, to make sure they are open and fair as they were for Chief Justice Roberts. Those were open and fair hearings because we had the time to prepare for them. I urge the President and even the leadership of this august body to allow the Judiciary Committee to take the time to do it right. It is far more important to do it right than to do it fast.

The appointment must be made in the Nation's interest, not to serve the special interests of any partisan faction, even though today we have one that is claiming credit for destroying the chances of Harriet Miers but for also in effect telling the President of the United States who to appoint as his third nominee for this one seat.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I have some remarks about Rosa Parks and the events of the day. I see the Senator from North Dakota. I do not know what his timeframe is, but I am to preside and relieve the chair at 3.

THE PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I ask unanimous consent to follow the Senator. I would like to speak as well in morning business. I would like to speak for 15 minutes. I ask unanimous consent to speak following the presentation by my colleague.

THE PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Alabama.

ROSA PARKS

Mr. SESSIONS. Mr. President, I thank the Senator for his courtesy. I know we had the opportunity a few moments earlier to discuss Rosa Parks as we viewed her casket. It was indeed just a few hours ago, right down this hall, that Rosa Parks' body lay in honor in the Capitol Rotunda, the site where our Nation pays its highest respects to our most noteworthy citizens. She was the first woman ever to be so honored.

How is it possible that a seamstress born in Tuskegee, AL, who had never held elective office or any high political or military position, be so highly recognized? Just 6 years ago, she was awarded the Congressional Gold Medal, which I was pleased to be a sponsor of in this Senate. She was also awarded the Presidential Medal of Freedom.

It is a story I would suggest that only divine providence could write. The theological concept is well known: His power and authority being made manifest by lifting persons of apparent low estate to great heights.

Certainly, the life of Rosa Parks produced an advancement of freedom, equality, and progress. These accomplishments rose from her steadfast courage and strength that she found from above. As a result, she fulfilled her calling, and she met her challenge on that afternoon when she came home weary from work, with dignity and integrity.

I was not yet 10 years old when these events happened in Montgomery, AL, 85 miles north of my home in rural Alabama. We did not even have a television set that year. We got one a few years later. I have a recollection of the events, the boycott of 382 days, and some understanding and recollection of the momentous court decisions that resulted.

Make no mistake, the races in the South in the 1950s were, for the most part, openly and legally separate. That is the way it was. Although the mantra was "separate but equal," the reality was separate and unequal.

Mr. PRYOR. Mr. President, I join Arkansans in mourning the loss of Rosa Parks, known throughout the Nation as the "Mother of the Freedom Movement."

As people line up to pay their respects to Mrs. Parks in the Capitol Rotunda today, I cannot help but remember the incredible impact she had on our Nation. Rosa Parks is the first woman to lie in the Capitol Rotunda, which is a testament that her actions are just as significant today as they were in 1955.

Mrs. Parks once remarked that her show of defiance to move to the back of the bus was simply because she was tired of being humiliated, tired of following archaic rules forbidding her from sitting in the front of a public bus or entering public buildings through

the front door. But, history will remember Rosa Parks for shaking America's conscience and changing the course of our Nation for the better.

Mrs. Parks' courage to sit down for equal rights ignited others to stand up for theirs.

Reverend Martin Luther King, Jr., stood up to call for equality and justice for all Americans, inspiring and organizing thousands of activists to stand up with him. Four students in Greensboro, NC, sat in at a Woolworth's lunch counter, standing up for their right to be served.

And, Daisy Bates led the Little Rock Nine to stand up for their right to an equal education. The Little Rock Nine taught America that "separate" was not "equal." Nine Black students—Ernest Green, Elizabeth Eckford, Gloria Ray Karlmark, Carlotta Walls LaNier, Minnijean Brown Trickey, Terrence Roberts, Jefferson Thomas, Thelma Mothershed Wair and Melba Pattillo Beals—defied hatred and threats to attend the all-White Central High School for a better education.

Of Rosa Parks' battle for equality, Minnijean Brown Trickey said:

I don't think until the bus boycott we had a sense of our power. . . . The general feeling was if she could do it, we could do it. She was really a heroine to us. She was an ordinary woman and we were ordinary kids and it seems we had a relationship.

As a former student of Central High, I can attest to the influence Rosa Parks and the Little Rock Nine continue to have in the hallways today.

We know that Rosa Parks' inspiring story lives on in the pages of every history textbook across America. Her legacy also endures at the Rosa and Raymond Parks Institute for Self Development, which she founded in Detroit. The center offers career training and encourages teens to stay in school and take advantage of the opportunities available to them.

I am just one of millions of Americans who admired Rosa Parks' tenacity and life's work. She earned countless accolades and awards for her efforts in the civil rights movement, including the Congressional Gold Medal Award—the Nation's highest civilian honor. In honoring Mrs. Parks with the Medal of Freedom, President Clinton reminded us that:

Freedom's work is never done. There are still people who are discriminated against. There are still people that because of their human condition are looked down on, derided, degraded, demeaned, and we should all remember the powerful example of this one citizen. And those of us with greater authority and power should attempt every day, in every way, to follow her lead.

Although Rosa Parks served as a catalyst to get the wheels turning in the civil rights movement, our journey is not completed. We can honor her memory by continuing her work to stand up for equality and justice for all Americans.

Still, this was the reality of more than 100 years of history. Change was not favored. It had been and would be resisted.

Of course, while the South was open and notorious about its segregation policies, research in recent years has shown that there were places all over this great land that secretly or overtly discriminated against those of African decent. But in the South, discrimination was not only openly acknowledged; it was the law of the land. The fact was that in Montgomery, AL, on December 1, 1955, it was the law of the city of Montgomery that "colored" persons on city buses must sit in the back. As one who loves and admires his home state and her people—I believe there are none finer—this is painful to acknowledge, but facing the painful truth is essential for reconciliation and progress.

So, on December 1, 1955, Rosa Parks, refused to go to the back of the bus—a city bus—in violation of city law. And it sparked, and sparked is the right word, a nationwide confrontation—a confrontation between our American ideals, and our religious concepts, and the grim reality of that day.

Southerners were angry, embarrassed, resistant, introspective, hostile, and pained. They watched, much like I did in Hybart, the drama unfold and they were forced to deal with an ugly reality they would rather have ignored.

Rosa Parks' gumption resulted in a 382 day boycott of the city bus system let by a young 26-year-old preacher, new to town, at Dexter Avenue Baptist Church, a block from the Capitol—A Capitol building proudly known as the First Capital of the Confederacy. That young preacher, of course, was Dr. Martin Luther King, Jr. And, there was a young attorney, Mr. Fred Gray, who had come back to Alabama after receiving his degree from Case Western Reserve University determined to "become a lawyer, return to Alabama, and destroy everything segregated I could find." He would become a legend in his own right, being a part of some of the most historic cases in civil rights and American history. The young Federal trial Judge, an Eisenhower appointee, Judge Frank M. Johnson, would become perhaps the most courageous, clear, and authoritative judicial voice for equal justice in America. And, the lawyer who argued the case for Rosa Parks in the U.S. Supreme Court—Thurgood Marshall—who would later sit on that very court.

The very words, "the back of the bus" went to the heart of the problem. Separate was not equal; it was not fair; it was discriminatory against a class of Americans solely because of the color of their skin. I knew Judge Frank Johnson. He was courageous and followed the law. He did not believe he was an activist. He did not believe he was amending the constitution. Judge Johnson believed he was simply being faithful to the plain words of the constitution—words that guaranteed everyone "equal protection of the laws." Sending someone to the back of the bus because of the color of their skin violated that principle he ruled, and the Supreme Court agreed.

This simple act by a courageous woman, a seamstress, but one who was well aware of the danger she faced, at 42-years of age, sparked the civil rights movement and justly earned her the title "Mother of the Civil Rights Movement."

Today, in Montgomery, AL, there exists a museum—part of Troy State University—that sits on the spot where she was arrested. It has a school bus, like the one she rode that day, which has interactive capabilities so that children can sit in it and get a better feel for the events of the day. It has more exhibits, and I commend this fine, historical museum to any who would want to learn more of Rosa Parks and the movement she sparked. I was pleased to sponsor legislation that this Congress passed to provide funds to help establish the museum.

While there are many problems between the races today, the de jure, the statutes and ordinances that enforced segregation are gone. And, I am proud that the people of Montgomery have come to see the positive benefits of ending discrimination and that they have chosen to honor Mrs. Parks in this way.

Everyone knows, virtually everyone, that as a result of the movement she sparked, today's Montgomery is a different and better place. Today we also look with pride on the historic Dexter Avenue Baptist Church, that once heard the powerful sermons of a young Dr. Martin Luther King, Jr. And we look with respect on the Civil Rights Memorial—a striking monument of black granite and cascading water—which honors those who gave their lives in the pursuit of equal justice.

Thus, it is true: Ms. Parks' efforts helped spark the dynamic social changes that have made it possible for positive and historical change for Montgomery, Alabama, and America. But, in fact, Ms. Parks' contributions extend beyond even the borders of our Nation. In his book *Bus Ride to Justice*, Mr. Fred Gray, who gained fame while in his 20's as Ms. Parks' attorney, and as one of the early African-American attorneys in Alabama—he was a lead attorney in many of Alabama's other famous civil rights cases—wrote—and I do not believe it is an exaggeration—these words:

Little did we know that we had set in motion a force that would ripple though Alabama, the South, and the Nation, and even the world. But from the vantage point of almost 40 years later, there is a direct correlation between what we started in Montgomery and what has subsequently happened in China, eastern Europe, South Africa and, even more recently, in Russia. While it is inaccurate to say that we all sat down and deliberately planned a movement that would echo and reverberate around the world, we did work around the clock, planning strategy and creating an atmosphere that gave strength, courage, faith and hope to people of all races, creeds, colors and religions around the world. And it all started on a bus in Montgomery, Alabama, with Rosa Parks on December 1, 1955.

For her courage, for her role in changing Alabama, the South, the Na-

tion, and the world for the better, our Nation owes a great debt of thanks to Rosa Parks. Placing her body in our Capitol's Rotunda, lying in honor, the first woman who has ever been so honored, is a fitting recognition of her towering achievement.

And, as I conclude, I think it is important to note the recent death of another Alabamian who played a key role in the early civil rights movement in America—Vivian Malone—who crossed the school house door into the University of Alabama.

We must also celebrate that very special event that occurred two weekends ago when another native Alabamian, the Secretary of State, Condoleezza Rice, returned to Alabama, visited her family's church and unveiled the statue of the four little girls, one of whom she knew and played with, who were killed in a bomb attack at the 16th Street Baptist Church. It was also good, earlier today, to stand and discuss Rosa Parks' life with Alabama native and U.S. Congressman John Lewis, who, inspired by Rosa Parks, began a lifetime of leadership in the civil rights movement culminating in his election to Congress. Alabama has the highest number of African-American elected officials of any State in the country. We are proud of that. Progress has certainly been made but we must work harder to ease divisions and tensions and promote progress. Let us so pledge on this historic day. Let us allow the steadfastness and peacefulness of Rosa Parks' life, which started the civil rights movement on the basis of faith and morality, not violence, to be our guide in this century as we seek to further the gains she championed.

Mr. DORGAN. Mr. President, will Senator SESSIONS yield for a question?

Mr. SESSIONS. I will be pleased to yield.

Mr. DORGAN. Mr. President, earlier this morning I was in the Senate rotunda with Senator SESSIONS and Senator LEVIN from Michigan. As we stood in the Rotunda, in addition to paying honor to this great woman whose body lies in State in the Capitol Rotunda, we spoke just a bit about each of our recollections of what Rosa Parks meant to us and to our country.

I want to follow on the statement by Senator SESSIONS to say that as I was in the Rotunda this morning, I was thinking about what kind of courage it must have taken for this woman, a 42-year-old seamstress, getting on a bus at the end of the day, perhaps tired from working all day, understanding that there were then police dogs and fire hoses and clubs and beatings and a lot of trouble, a lot of trouble, I was thinking about the courage it would have had to take for that woman to have done what she did. Her actions of sitting in that seat on that bus and refusing to move to the back of the bus were simple, elegant, dignified but also enormously courageous. I think that is a lesson for all Americans.

I couldn't have been more pleased when the Congress, the House and the

Senate, did something that was unusual in the history of America. We took action to have the remains of Rosa Parks lie in State in the Rotunda of the U.S. Capitol Building, the first woman to be so honored in the history of the United States of America. I was enormously moved this morning, standing with my colleagues, Senator SESSIONS and Senator LEVIN. I know most of our colleagues visited the Rotunda this morning as well. But I did want to follow on his comments about this extraordinary woman who will live forever in the history of this great country of ours.

Mr. SESSIONS Mr. President, I thank the Senator for his eloquent comments. It was, indeed, a pleasure to be with Senator LEVIN—she was his constituent when she moved to Michigan—and hear some of his insights and hear him say that Michigan had bought the actual bus in which she rode on that day and has restored it and made it a museum.

So her life, indeed, continues to reverberate all over the country and, as Fred Gray said, the impact of her actions have spread worldwide. I thank the Senator for his comments and yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from North Dakota is recognized.

ENERGY

Mr. DORGAN. Mr. President, there is much happening in Washington, DC, and in our country. Picking up the periodicals, Newsweek or Time magazine, or the morning paper for that matter, you see stories of scandal and stories of controversy and all kinds of interesting things with respect to politics and the economy and things that affect our daily lives. I wanted to talk for a moment, once again, about the issue of energy because, while we will deal with a lot of things—this week, for example, something called the reconciliation bill—most people will deal this week with the challenge of pulling up to the gas pump and putting perhaps 16 or 18 gallons of gas in their tank and trying to find \$50 to pay for it. As the chill is in the air these days in our country, people will begin thinking about how they will pay for the increased cost of natural gas to heat their homes, particularly in our part of the country where that will increase by 60 percent over a year ago. They will wonder about how they will find the money to pay for that cost because heating your home is not a luxury. Heating your home is a necessity.

I have spoken previously about a woman named Sarah Swifhaw. She was a grandmother. She died in the United States of America—she froze to death. She was a member of the Pine Ridge Reservation in South Dakota. This grandmother laid down to go to sleep on a cot in a home that had plastic where windows should have been. At, I believe, 30 or 35 degrees below

zero that evening, others huddled together for body warmth in that family, but this grandmother was laying on a cot, and the next morning she was dead; frozen to death—in the United States of America, not a Third World country, in the United States of America.

I point that out only to say this issue of the cost of shelter, the cost of energy, the requirement that we find ways to keep people warm during cold temperatures can mean the difference between life and death. It did for Sarah Swifhaw.

Now the question is, in this month, October, and then November of the year 2005, what do we do about the prices and the cost of energy now for this winter? Perhaps it is not such a big problem for people who serve in this Chamber or in the House of Representatives. Perhaps they can easily pay the monthly heating bill. But there are many in this country who cannot. The question is, What do we do for them?

The oil companies will say: This is about the free market system and the price of oil, and therefore the price of gasoline and natural gas and home heating fuel, it is just a function of the free market system.

The price of oil is to the free market system like mud wrestling is to the performance arts. It has no relationship at all—none. Let me describe why. There are three things that happen with respect to the price of oil. No. 1, we have this planet in which a substantial portion of the oil reserves are under the sand halfway around the world.

So oil ministries from those countries get together around the table and decide how much they are going to produce and how much that production should impact prices.

Second, the largest oil companies—much larger and bigger and stronger because of blockbuster mergers—decide how they are going to use more raw muscle in the marketplace. And believe me, they have plenty, given the blockbuster mergers.

Third, the futures markets which are supposed to provide liquidity for trading of commodities—in this case, oil—have become orgies of speculation.

So you have these three issues that together tell us now that a barrel of oil is worth \$60 or \$65.

Let me tell you the results of all of that. The oil companies are filling up their treasuries, and the American consumers are emptying their bank accounts.

Let me give you some examples.

ExxonMobil last week said their profits were up 75 percent for the third quarter—\$9.9 billion. Conoco-Phillips—by the way, ExxonMobil used to be two companies, Exxon and Mobil. Then they fell in love. That is economic talk, I guess, about mergers and acquisitions. And they get married. Now it is ExxonMobil.

Conoco-Phillips used to be Conoco and Phillips, two companies. Now it is

one company. They too had some sort of financial romance and got married, Conoco-Phillips, profits up 89 percent, third quarter to third quarter.

Last year—I am not talking about this year's prices—the world's 10 biggest oil companies earned more than \$100 billion on sales of over \$1 trillion. This year, of course, it is going to be much higher than that. ExxonMobil last year had \$25 billion net profit and spent almost \$10 billion of it to buy back their stock.

BusinessWeek asked this question. This is not some liberal journal, this is BusinessWeek. They asked:

Why isn't big oil drilling more? Rather than developing new fields, oil giants have preferred to buy rivals, drilling for oil on Wall Street. While that makes financial sense, it is not a substitute for new oil.

Again, this is BusinessWeek. This isn't some politician, it is not some liberal publication someplace.

Oil has been over \$20 a barrel almost continuously since mid-1990's. That should have been ample incentive for oil companies to open new fields, since projects are designed to be profitable with prices in the low- or mid-teens. Nevertheless, drilling has lagged. Far from raising money to pursue opportunities, oil companies are paying down debt, buying back shares, and hoarding cash—

And drilling for oil on Wall Street.

Sixty-six million homes in this country are heated mainly with natural gas and home heating oil. Their heating bills this winter are going up on average 48 percent. It is going to be up over 60 percent for those in my region of the country who are heating with natural gas.

What have I proposed with respect to that? I proposed that if the oil companies are not using this additional cash—unprecedented amounts of cash in the history of corporate America—to explore for more oil or build more refineries—and oh, by the way, they are the ones that have been closing refineries. I know it is fashionable during political discussions to talk about, it is the environmentalists' fault or Calvin Coolidge's fault or somebody else's fault that we don't have enough refinery capacity. It is the energy companies that have themselves shut down refineries. When they have mergers, they shut down refineries.

If they are not using these unprecedented gains in corporate America to explore for more oil or build additional refineries, then I believe they ought to be recaptured with a windfall profits tax, the proceeds of which should be sent back to the American consumers in the form of a rebate.

I noticed last Friday that my colleague from New Hampshire, Senator JUDD GREGG, indicated that he would support—he called it an excess profits tax. He would use the proceeds, at least from the press reports, of an excess profits tax for the purpose of providing additional low-income home heating fuel assistance, among other things. I believe we should provide additional low-income energy help for low-income citizens in this country. We are going

into a winter season. We don't have that adequately funded. Three times we have tried on the floor of the Senate, and three times we failed. We should try again—and we will. And this Senate one day will decide that perhaps keeping people warm in the winter is as important as providing millionaires tax cuts on their yearly tax bills.

Someone will say that is class warfare. I don't mean class warfare at all. I just make the point that the last two tax cuts have produced \$32 million a year in tax reductions for people whose incomes are over \$1 million a year, and more. Perhaps we should capture a part of that \$32 million. Surely those who are earning \$1 million-plus a year could give up just a little of the tax cuts they have received, and we could divert it to try to help those who are low-income folks going into winter trying to figure out how they will pay a 60-percent increase in natural gas bills to heat their homes, at a time, by the way, when the Exxon Corporation and others are showing the highest profits in their history.

The American people who struggle to pay these bills, take a look at these companies: ExxonMobil, Shell-BP, Chevron-Texaco, Conoco-Phillips.

By the way, Chevron-Texaco used to be two companies. There used to be Exxon, and then there was Mobil; then there was Chevron, then there was Texaco; then there was Conoco and then there was Phillips. They all got married. So now we have just a few companies—75-percent increase, 68-percent increase, 89-percent increase. I am talking about increase in profits.

At the same time this is going on, by the way, the American people are paying through the nose at the gas pumps, and we are setting them up to pay a dramatic increase to heat their homes this winter.

Once again, one group is filling their treasury, and the other group is emptying their bank accounts. Guess which is which. The oil companies are filling their treasuries, and average Americans are having to empty their bank accounts to pay the price.

Let me give you some numbers, if I might. In January of last year, the price of a barrel of oil was \$34.50 a barrel. At that price, the oil companies had the highest profits in the history of the oil industry. Now it is almost \$30 a barrel above that. That is about \$7 billion more a month in profits.

The Shell report, which was received in my office about two months ago talked about their financial performance in 2004. This is last year, when prices averaged around \$40 a barrel. The report says: We achieved the highest net income in our history, 48 percent higher than the year before, as a result of higher oil and natural gas prices. It goes on to say that these higher profits occurred even though the company produced less oil than the previous year. They produced less and saw a 50-percent increase in their prof-

its. The same is true with other companies saying: We had higher profits, but we produced less.

As I indicated, my colleague, Senator JUDD GREGG, has indicated publicly that he would support an excess—I call it a windfall profits tax. He would use it for the purpose of providing low-income energy assistance.

I personally believe that this money doesn't belong to the Government. I don't want to bring it in the Treasury. I want to capture some of that which they are not using to expand our energy supply and use it to give rebates to the consumers. They are, after all, the ones paying the price. Taking it from the consumers, putting it in the energy companies' treasuries, and then bringing it into the Government means you have taken money from the consumers to Government. I would just as soon provide a rebate back to the consumers.

I know that when we talk about this, the oil industry has an apoplectic seizure. They get all upset. I understand that. They are making more money than ever. I have been supportive of the energy industry. I hope we find substantial new reserves. While I don't support opening ANWR, I believe that is one of those pristine areas which was set aside, not to be opened first, but to be opened last, if ever. I do support opening up Lease 181 in the Gulf of Mexico. I hope we can do that. I would like to see us vote on opening that lease area. We have substantial proven reserves that exist there.

There are other things on which I do support the energy industry. People said: Well, if you think prices are too high, what about when they are too low? I was one of those who supported an \$18 price and did support a proposal for an \$18 price, including tax credits to get to that price for marginal wells. I have supported the energy industry in many areas, but I cannot support, I don't think the American people support, and I don't believe the Senate should support these kinds of excess windfall profits that far exceed anything that is reasonable and seeing these profits gathered at the expense of the American people often who can least afford it.

There are some who, as I said when I started, make the case, Well, this is just the market system at work. This isn't the market system. That is all nonsense. The market system is fine. I used to teach some economics at college. I was able to overcome that afterward. I understand free markets and the market system. The free market system needs a referee from time to time. Do you know that we pay one 7-foot, 2-inch basketball player the equivalent of 1,000 elementary school teachers? That is the market system. Does that make sense? Probably not; the market system. There is a judge on television, Judge Judy. It seems kind of out of sorts when I have been channel-surfing and I see her. I understand from a magazine article that she made

\$25 million in a year. I think the Chief Justice of the Supreme Court makes \$190,000. Market system? Well, you know. You can take a look at the market system and see areas where there needs to be from time to time somebody who says: This isn't fair, it doesn't make any sense. The market system is not perfect. It is not the market system, however, that produces a \$60-plus barrel of oil.

I mentioned before that there are three factors. I described OPEC ministers with substantial control over the supply of oil; the larger, more muscular oil companies made larger by mergers, exerting more muscle in the marketplace; and the futures market becoming a speculative bazaar, all of which then produce this remarkable price for energy. It has an impact on every single American. Some perhaps don't care. But the question is this: If we in this country are going to pay these prices for a barrel of oil and, therefore, gasoline and natural gas, if we are going to pay these prices, should they result in more exploration in a greater supply of energy with greater energy security for this country's future? Shouldn't they? That is not what is happening. What is happening—I described BusinessWeek—is these companies more and more are buying back their stock. They are hoarding the cash. They are drilling for oil on Wall Street where oil doesn't exist. That is not in the country's interest.

I take some hope from my colleague, Senator JUDD GREGG's press statements last Friday. I take some hope from the statements by the Speaker of the House. He held a press conference suggesting that the oil companies should be investing more in exploration. His remedy was the equivalent of beating them over the head with a feather. But, nonetheless, he was speaking out about the need to produce more energy. It is the case even with the majority leader of the Senate talking about that. I think perhaps, if not seeing the light, at least there are people here who are feeling the heat from drivers, from people who are worried about heating their homes in the winter, who take a look at the price and say it is unfair. The question isn't whether it is unfair; the question is, What do we do about it? Apparently the Speaker of the House, the majority leader of the Senate, and our colleague from New Hampshire think it is unfair.

What do we do about it? We can sit around and mop our brow, we can grit our teeth, wring our hands, and we can fret. We do that pretty well. I don't know of any body that does that better than the U.S. Senate. But that doesn't do much for those being hurt in this country.

What we ought to do, in my judgment, is employ and adopt a windfall profits tax, gather from that windfall profits tax the revenue that is being taken from consumers unfairly, and use it as a rebate back to consumers.

My proposal would be a windfall profits tax, the one I introduced with Senator DODD and others; that is, if the energy companies are, in fact, sinking their profits back into the ground to explore for more oil and build additional refineries above ground, they wouldn't be paying an excess windfall profits tax. That is not what they are doing with their money. Don't take it from me; take it from their own financial reports because that is not what they are doing with their money. I believe they ought to be paying a 50-percent windfall tax for oil above \$40 a barrel, and that excise tax ought to be redistributed to the American consumers who are the ones ultimately paying the bill. It ought to be distributed to them as a rebate for those consumers. We will have more to talk about this week on this subject.

I took some heart on Friday to hear a Member of the Senate from the other side of the political aisle has come to the same conclusion I have reached, and that is that these profits are far above that which is supportable or justifiable, profits far above that which would be created by a free market system; that the consumers are being treated unfairly. The Senate ought to do something about it. The question isn't whether we should do it. Of course we should. The question is, which method or which strategy do we employ? Do we decide this money grab goes to the Government—grab some of it and bring it here? Or do we decide this money comes from the consumer and ought to go back to the consumer in the form of the rebate?

I make a final point. We will again be confronted with this question of heating fuel assistance for low-income Americans. But it is not only low-income Americans who are being injured, who will be hurt by these prices. There are a lot of working families who just get by and who will look at this 60-percent increase in the cost to heat their home this winter in my part of the country and wonder how on Earth will they be able to do that.

I have described profits of the heads of the oil companies. Let me read total 2004 compensation for the chief executive officers: \$33 million, \$64 million, \$4 million, \$16 million, \$8 million. These are salaries and compensation packages for the folks who run the companies that are charging these prices.

The people have a right to ask the question, how on Earth is this allowed? We will have more to talk about as we go along this week. I hope, finally, there might be some tipping point at which the Senate says we must address this issue.

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

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

The legislative clerk proceeded to call the roll.

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

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

U.S. FISH AND WILDLIFE SERVICE AND WATERFOWL POPULATION SURVEY

Mr. GREGG. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 259, S. Res. 255.

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

The legislative clerk read as follows:

A resolution (S. Res. 255) recognizing the achievements of the United States Fish and Wildlife Service and the Waterfowl Population Survey.

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

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

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

The resolution (S. Res. 255) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 255

Whereas every spring and summer teams of United States Fish and Wildlife Service pilot-biologists take to the skies to survey North America's waterfowl breeding grounds flying more than 80,000 miles a year, crisscrossing the country just above the treetops and open fields, they and observers on the ground record the number of ducks, geese, and swans and assess the quality and quantity of waterfowl breeding habitats;

Whereas the pilot biologists operate from the wide open bays and wetlands of the eastern shores of North America to some of the most remote regions of Canada and Alaska, and are documenting an important part of our wildlife heritage;

Whereas the Waterfowl Population Survey, operated by the United States Fish and Wildlife Service, is celebrating its 50th anniversary in 2005, is featured on the 2005–2006 Duck Stamp, and has been recognized by the Congressional Sportsmen's Foundation for its contribution to waterfowl hunting;

Whereas the Waterfowl Population Survey Program has evolved into the largest and most reliable wildlife survey effort in the world;

Whereas for more than 50 years cooperative waterfowl surveys have been performed by the United States Fish and Wildlife Service, the Canadian Wildlife Service, State and provincial biologists, and nongovernmental partners; and

Whereas survey results determine the status of North America's waterfowl populations, play an important role in setting annual waterfowl hunting regulations, and help guide the decisions of waterfowl managers throughout North America: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the achievements and contributions of the Waterfowl Population Survey Program;

(2) expresses strong support for the continued success of the Waterfowl Population Survey Program;

(3) encourages the United States Fish and Wildlife Service in its efforts to broaden understanding and public participation in the Waterfowl Population Survey Program by increasing partnerships to continue growth and development of the Survey; and

(4) reaffirms its commitment to the Waterfowl Population Survey Program and the conservation of the rich natural heritage of the United States.

Mr. GREGG. Mr. President, in a few minutes, under the regular order, we will proceed to the deficit reduction bill.

DEFICIT REDUCTION OMNIBUS RECONCILIATION ACT OF 2005

The PRESIDING OFFICER. The Senator is correct. Under the previous order, the hour of 4 o'clock having arrived, the Senate will proceed to consideration of S. 1932, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1932) to provide for reconciliation pursuant to section 202(a) of the concurrent resolution on the budget for fiscal year 2006 (H. Con. Res. 95).

Mr. GREGG. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted in this Chamber during consideration of S. 1932.

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

Mr. GREGG. Mr. President, I ask unanimous consent that time spent in quorum calls requested during consideration of S. 1932 be equally divided between the majority and minority managers of the bill.

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

Mr. GREGG. Mr. President, at this point we turn to what is one of the more significant pieces of legislation to come before the Senate and the Congress during this session of the Senate. We always hear that. Whatever legislation comes to the Congress, they always say, Well, it is a significant piece of legislation—and it is. There is very little that he we do that cannot have that identification. But this one is a little unique because for the first time in 8 years under Republican leadership, this Congress will, if we are successful in passing this bill, conferencing it and then sending it on to the President, reduce the deficit of the United States through addressing what is the most significant item of spending in the Federal budget—mandatory programs. This is a major effort. As I said, it has not occurred in 8 years. The last time it happened was in the mid-1990s, and it has not occurred because people did not want to do it. It did not occur because it is not an easy thing to do. It is not easy to control the rate of the growth of the Federal Government, and it is not easy to control the growth of mandatory entitlement programs which is what this bill does.

So it is an important step in the direction of fiscal responsibility, and it is one which I am very proud to have the opportunity to bring here to the floor as chairman of the Budget Committee.

Let me explain quickly what the problem is so that people will understand the scope and concern of the issue of mandatory spending because it is going to impact not only America today but, more importantly, it is going to affect our children and our children's children if we do not do something positive in the area of trying to control Federal spending on mandatory programs.

Mandatory programs are programs which people have a right to. In other words, if you were in the military and are a veteran, you have entitlement to certain benefits. If you are at a certain income level in this country, you have a right to certain benefits. If you are a student going to college and you meet certain income levels, you have a right to certain types of benefits. If you are a senior citizen in this country today, you have a right to certain benefits under the Medicare Program and the Medicaid Program, depending on your income level, and those payments have to be made.

In other words, mandatory programs are programs where there is no discretion. The Federal Government has to pay out a certain amount of money because the law says that if a person meets a certain set of criteria, then that person has a right to the support of that program.

Mandatory programs used to be a small percentage of the Federal Government, but today they have grown—and this has occurred over the last 20 years, actually in the post-1970 period—to be the largest part of the Federal Government.

This chart reflects that. Back in 1975, mandatory programs represented a very small percentage. They are the orange bar here.

Discretionary programs—let me explain discretionary programs. They are programs which are funded every year. Those are the ones you think of relative to Government, such as national defense, education, cleaning up the environment. That is called a discretionary program. Every year the Government makes a decision, under the appropriations bill process, that we are going to spend this much on foreign aid; we are going to spend this much on defending our country; we are going to spend this much on homeland security; we are going to spend this much on education.

That is a discretionary program. We can change that every year. Nobody has a right to that money. Mandatory programs, as I said, people have a right to the program. So as we see the orange bar, in 1985, it was 45 percent of the Federal Government, discretionary being the balance. So there was an equal split between discretionary and mandatory. But you see that by today's accounting, mandatory programs represent approximately 56 percent of the Federal budget, the largest item in the Federal budget, and they are growing. In fact, this chart shows it rather dramatically. So that by the year 2015,

they will be 62 percent of the Federal budget and essentially absorbing most of the Federal spending.

What is the practical implication of that? Well, it means that if we are going to discipline ourselves as a government, we have to be willing to look at mandatory programs. The only way you can look at mandatory programs is through something called the reconciliation process. That is what we have in the Chamber today, a bill which controls the amount of spending the Federal Government does in the mandatory area and therefore reduces the debt if it reduces that spending.

Why is it important to do this? Well, I mentioned the major programs in the mandatory area involve mostly health care and people who are retired: Social Security, Medicare, and Medicaid. And as a quirk of fate, there is this population group called the postwar baby boom generation, which is the largest generation in the history of our Government. This group has changed the country in every 10-year period. It has impacted the way the Nation lives. In the 1950s, we had to build a huge number of schools to meet the needs of this generation. In the 1960s, this generation had a huge impact on civil rights and women and, of course, in the Vietnam debate. In 1970s and 1980s and 1990s, this generation has been the most productive generation in the history of our country because it is the largest and also the best educated over that period and as a result has caused our country to obtain huge wealth, and we as a nation have been very prosperous as a result of this generation putting its oars in the water.

But now this generation, the baby boom generation, is moving toward retirement and moving toward retirement rather quickly. By 2008, members of this generation will start to retire, and by 2030 this generation will, for all intents and purposes, be retired. And the effect of this huge generation retiring is it is going to put massive demands on people who are working; in other words, our children, my children, children of the baby boom generation, and their children are going to have to pay taxes to support the retirement benefits of this massive generation.

To try to put it into perspective, in 1950, there were about 16 people working for every 1 person retired. Today, there are about 3½ people working for every 1 person retired. By the time we hit the year 2030, there will only be 2 people working for every person retiring in this country because the baby boom generation is huge.

What is the impact on our Federal Treasury but more especially on the taxing of our children and our children's children when this happens?

This chart, in red, shows it most dramatically. These are the three programs in the Federal Government—Social Security, Medicare, and Medicaid—and the spending they absorb.

Now, historically, Federal spending, the amount spent by the Federal Gov-

ernment, has averaged about 20 percent of the gross national product for a long time. That is the blue line here. And you can see that back in 1980, Social Security, Medicare, and Medicaid took up about 8 percent of the gross national product, and the balance was taken up in the Federal spending on national defense and other items.

Today, that number has gone up so that it represents about 10 percent of the gross national product being absorbed by Social Security, Medicare, and Medicaid. But as you can see from this chart, by about the year 2030, when this baby boom generation is fully retired, these three programs alone—Social Security, Medicare, and Medicaid—will use up all the revenues of the Federal Government—all of them. They will represent, in spending, 20 percent of gross national product.

The practical implications of that are that you will have no money available for national defense, for education, for environmental cleanup, for all the different things you would like to do—for veterans affairs—because these three spending programs—Social Security, Medicare, and Medicaid—will essentially be absorbing 20 percent of the gross national product, unless—unless—you want to dramatically increase the taxes on our children so that they actually end up paying more than 20 percent of gross national product in taxes or you are willing to slash programs and the benefits going to seniors.

Neither of those options are very attractive, to say the least. If you look in the outyears, you see that these programs continue to accelerate even faster, so that by the year 2050, these programs are actually absorbing almost 30 percent of the gross national product. So we have to address this.

Well, it is similar to that old television ad that used to be aired. There was an oil filter ad that said: You can pay me now or pay me later, and if you pay me later, it is going to cost a heck of a lot more. You can replace the oil filter today for \$14 or a year from now or in 6 months you are going to have to replace the engine in your car for \$2,500. You have the choice.

We can act now and do some constructive and conscientious things to try to bring under control the rate of growth of entitlement spending, mandatory spending, that red line there, or we can bury our heads in the sand and say those are our children's problems, and they are going to have to pay our retirement benefits; we are not going to worry about them.

Well, the Republican Congress and the President have decided it is not good policy to pass this problem on to our children and it is not fair and it is not right. So we produced a budget this year which, as I mentioned, for the first time in 8 years has moved into the sacred ground of trying to address controlling the rate of growth of mandatory spending and thus reducing the size of the Federal deficit. It has been

complicated, it has been difficult, but we have made progress, and we now have in the Chamber this bill which does some very constructive things in this area.

The bill itself represents about \$71 billion, in gross terms, in reducing deficit spending over the next 5 years. However, because we felt there were some initiatives which needed to be taken in moving forward to make these savings and to accomplish this deficit reduction, because we felt there should also be initiatives to move forward, the net number in this bill of actual deficit reduction is about \$29 billion.

You may say, and some of our commentators have said: Well, it is not enough. This is small potatoes. Let me begin by saying, in New Hampshire, \$39 billion is not small potatoes. I don't think it is anywhere in the United States, except in Washington. And more importantly, if you don't move forward with this attempt, you are essentially doing nothing, which means you have made no effort in the area of deficit reduction and no effort in the area of getting our spending under control.

Now, why do we net out about \$30 billion of new spending in this effort? As I mentioned, the total bill is about 71 and the spending reduction is about 39. Well, there are two major initiatives in this bill which account for most of the initial spending. The first is that the majority of the money from each one of the subcommittees—I should explain this quickly. Each committee in the Congress was asked to save a certain amount of money in their area of responsibility. The Finance Committee was asked to save \$10 billion, the Agriculture Committee was asked to save \$3 billion, the Education and Labor Committee was asked to save \$13 billion. The Education and Labor Committee, in reaching its savings target, decided to reduce corporate subsidies that benefit people who lend money to students. Basically, they took a policy position that the corporate subsidies were too high in this area.

In doing that, they felt that some of the savings from reducing those corporate subsidies should flow to students. So under the leadership of Chairman ENZI, there is essentially a major new push for funding programs that assist low-income students, low-income students who need assistance to go to college. That is good policy. We know that our country, if it is going to be competitive as we move into this century, has to be smarter, brighter, and more capable than the rest of the world, and the way you do that is by giving people the opportunity to go to college, no matter what their income levels are, and we give them an incentive to do that so they can be creative, imaginative, better educated and thus pursue better careers. And that is what we want, better careers for people. It creates jobs and opportunity throughout this country when we do that. So the HELP Committee—Health, Edu-

cation, Labor, and Pensions Committee—came back with a program which had the \$13 billion of savings in it, most of it through reducing corporate subsidies, lender corporate subsidies, and at the same time put a significant amount of new dollars, about \$11 billion, into helping students, low-income students especially, go to college.

The second major initiative is in the area of trying to keep doctors engaged in the Medicare Program. We know we have a lot of doctors who don't believe they are adequately compensated under Medicare and, as a result, are less inclined to see patients.

The most important thing a patient needs if they are on Medicare is to see a doctor. That is fundamental to Medicare. There was a glidepath—it wasn't a glidepath; I guess it was a glidepath, it was coming down—to cut by 4.5 percent the salaries of doctors participating in Medicare. The chairman of the Finance Committee, Chairman GRASSLEY, in a very foresighted decision, said that is not going to work because that means patients won't have access to doctors because doctors won't be treating patients if they have that sort of financial detriment placed on their back.

Basically, in his bill, he has saved significant dollars in the area of health care. He has put a considerable amount of those dollars into the effort to keep doctors whole. There is no big increase in here for doctors, but basically they are at a freeze level. I guess it is a 1-percent increase, in fact, and that means we will have more access for people, patients will have more opportunity to see people they need to see when they are sick. That is an important initiative.

All the spending—almost all the spending; I can't say all—almost all the spending programs in this bill, to the extent there are spending programs in this bill, are focused on low- and moderate-income people—in fact, almost entirely low and moderate efforts to give people more access to health care and students more access to college education.

That being added up, we now have on the floor a \$35 billion deficit reduction package. That is a major step forward. On top of that, there are major initiatives in this bill to address the pension issue. We know we have a serious problem coming at us in these areas: Medicare, Medicaid, and Social Security, but running right along with that, as one might expect, is a huge problem coming at us in the private pension area.

The pension guarantee fund, which essentially is a fund for when a company goes bankrupt—and we certainly are hearing a lot about that recently with our airlines—rather than allowing that company to completely wipe out that pension plan and all the people who worked for that company all their lives wake up one morning and find out they don't have a pension, even though

they paid into it for years, this Pension Benefit Guaranty Corporation guarantees a certain percentage of that pension will be paid—not all of it but a percentage of it. Because there have been so many bankruptcies and because we have had such a huge pressure on old-line industries in this country who had defined benefit plans, the Pension Benefit Guaranty Corporation is looking at a \$30 billion to \$50 billion deficit, which means it cannot meet its liabilities, which means, once again, at risk are even the slimmed-down pensions which come to people who find their pensions in the Pension Benefit Guaranty Corporation.

So in this bill there is an attempt to move toward solvency in that corporation, and that is good policy. Again, that came out of Senator ENZI's proposals, and he should be congratulated for it. His committee ended up with the largest lift, so to say, in this effort, and they did an excellent job in meeting that requirement.

This is a very balanced bill, the bottom line of which is very simple: We are going to reduce the deficit by \$35 billion in 5 years and that, quite honestly, translates—this is a big delta into the outyears—even into significantly more money as we move into the next 5 years.

This is a significant step forward in the area of fiscal discipline. It is something that needs to be done in this country, and it is something this Republican Congress has been willing to step up to try to do.

How has the other side reacted? We are going to hear a lot of people on the other side say this is a terrible bill because it cuts spending on the poor while it cuts taxes for the rich. That is the theme on the other side. It is a little hard to defend that position, quite honestly, in light of what this bill actually does.

First off, this bill does not cut spending to the poor. To the extent there is new spending in this bill, it actually assists especially low-income students. The Medicaid changes are focused primarily on pharmaceuticals and, in addition, are designed to give Governors much more flexibility.

I will tell you right now that a Governor who is worth his or her salt is going to be able to expand—expand—their care to low-income individuals under these proposals because they will have more flexibility. You give a good Governor more flexibility and they will need less dollars to do what they know is right. Because the stringencies of the Federal Government are so extraordinary, they waste a tremendous amount of money trying to meet the obligations. But there are no reductions in this bill toward low-income individuals. The reductions are focused on the pharmaceutical side. They are focused on trying to get the Medicaid system under control using good practices of management, something which I know the other side resists. But that is the way it works.

Then there is this concept of there is a tax cut for the rich in here. First off, this bill has no tax cut in it at all. None. There is no tax relief in this bill. I wish it did have tax relief, but it has no tax relief. It cannot have tax relief, and I think this point needs to be made, and later on I will ask the Parliamentarian for his precise description of this point. But under this bill, if it has tax relief, it would mean the second reconciliation bill on tax relief could not be undertaken, as I understand it, and, therefore, this bill has been scrubbed of any tax relief activity.

But the other side continues to say it is a tax bill. It is not. This is an opportunity—an opportunity—for the other side to vote to reduce the deficit by \$39 billion—that is all it is—and to do it in a responsible way where we expand patients' access to health care, where we expand student loans, and where we get under control, finally, to some extent, some of these major entitlement programs, especially in the pension area, in the education area, and in the Medicaid area—which leads me to my other point.

We are hearing a lot of crying of wolf from the other side on the tax relief issue. We are going to hear over and over the refrain: If you look at the tax bill that is going to come next, \$70 billion, there is actually a net loss to the Treasury of \$30 billion or so because this reduces spending by \$39 billion, but the tax bill puts in tax relief of \$70 billion. The next bill, hopefully, will put in tax relief of \$70 billion, but let's go to what the items are on that list.

The next bill, the tax bill, is going to have in it a series of items that expire this year and next. What are the items that expire this year the other side appears to be opposed to because they say they are opposed to tax reconciliation? There is this alternative minimum tax. If we don't put in place relief for the alternative minimum tax, I think it is something like 8 or 9 or maybe even 20—the number is huge—million people, middle-income people, will suddenly pay taxes they did not pay before. It is a tax increase. The other side wants the increased taxes on those people, I guess. They want to raise the taxes on 8 to 9, 20 million people.

Next is the research and experimentation tax credit. This is one of the most important tax credits at the Federal level because it encourages companies to be creative and, as we know, the reason we are competitive as a nation is because we create better products and we have better research, R&D, and that is what creates jobs and careers in this country. I guess the other side of the aisle wants to eliminate the R&D tax credit. They want to raise taxes on entrepreneurship and on creativity.

The next tax that will expire in the next 2 years is the deduction for teachers' classroom expenses. This is the deduction we give to teachers who are good enough to, out of their own pocket,

buy crayons for their classrooms; buy books for their classrooms, something they think their kids need. We decided teachers should have that type of help.

Not the other side of the aisle. I guess they want to raise taxes on teachers who do that. They want to raise those taxes.

The deduction for qualified educational expenses, once again, that is tied to the teachers' classroom expenses.

A deduction for State and local sales taxes—I have to admit, I am not sympathetic to letting the State and local taxes be deducted because New Hampshire doesn't have a sales tax. We also don't have an income tax. If you want to live where somebody knows how to handle their money, come to New Hampshire. But most of the high-tax States in this country—Connecticut, Massachusetts, New York, New Jersey, Illinois, and California—and let me see, how many Republican Senators are from those States? I can't remember. I don't think there are any. In all of those States, the sales tax is a huge portion of their revenue. Yet the other side of the aisle, I guess, does not want people in those States to be able to deduct their sales tax because they do not want the next tax reconciliation bill to come through here. Very ironic. I think it shows the hypocrisy, maybe, of the other side of the aisle when they come in here claiming they are opposed to the reconciliation bill when, in fact, the beneficiaries of this reconciliation bill are going to be the high-tax States, most of whom are represented by Democratic Members in the Senate. The list goes on.

I hope people, when they hear this constant refrain in grand, large terms, will ask specific questions: What is that tax you want to raise on people? What is the tax increase you want to stick people with? Do you want people to have to pay more because they cannot deduct their sales tax? Do you want people to pay more because they are stuck with the alternative minimum tax? Do you want people to pay more because the teacher bought crayons for the classroom? Those are the questions you need to ask.

So this proposal coming from the other side is really a straw dog, and it is a lot of hyperbole. But if you look behind the hyperbole and ask the substantive question, What are they really proposing, you see quickly they have no substance to their argument, and that, in fact, this is their opportunity, if they wish to try to reduce the deficit, to vote for this bill which cuts the deficit by \$39 billion.

We can also ask, Where is the Democratic budget that gives us an alternative? Have we seen a Democratic budget that has given us an alternative? We were on the floor for 50 hours, but we never saw a budget from the Democratic Party. Never. And we are going to be on the floor for 20 hours with this reconciliation bill. Are we

going to see an alternative bill? I don't think so.

In fact, we put together what the Democratic proposal has been since we started with the budget program, how much they have proposed in new spending. You cannot read this. There is so much spending, we couldn't put it in big letters. We ended up with little letters. You can't read it because there is so much spending. But it adds up to almost \$500 billion of new spending that has been proposed by our colleagues on the other side of the aisle since January 1, just this year, \$500 billion almost.

So maybe that is their proposal. They never really fleshed this out in specifics, so we went back and asked—clearly, if they had their way, they would probably want to increase spending—what is their specific proposal to reduce the deficit? What is that specific proposal? We went back and found out what it was, and here it is. This is the specific proposal of my colleagues on the other side of the aisle for reducing the deficit: A blank page. A blank page.

There is going to be a lot of hyperbole in the next few days about how this bill doesn't do this or how it doesn't do that, but what this bill does is it reduces the deficit by \$39 billion over the next 5 years. That cannot be denied. And the one major vote, the one opportunity people are going to have in this Senate as a result of the hard deficit is going to occur when we have final passage of this deficit reduction bill. We are going to be debating it for 20 hours, and then, hopefully, we will go to a vote.

I, again, congratulate all the chairmen of all the different committees who were able to hit this target in what is a very difficult time and a very difficult task.

I yield the floor to one of the architects of this bill who did an extraordinary job, Senator GRASSLEY.

The PRESIDING OFFICER (Mr. BURR). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I very much thank Senator Judd Gregg, chairman of the powerful Budget Committee, for his leadership and for doing what has not been done in this Senate, it is my understanding, since 1997: We have a budget reconciliation bill that will reduce the deficit by changing programs that are either appropriated or on automatic pilot that tend to never get reviewed as often as they should in order to watch the taxpayers' money wisely.

Senator GREGG's commitment to fiscal discipline has informed and defined this process, and I am grateful for his efforts.

As he just did, I congratulate the chairmen of seven other authorizing committees whose titles of this bill, along with the Finance title that I am going to talk about, comprise this giant legislation that we call reconciliation that Senator GREGG successfully reported last week.

I know that it was not easy for the chairmen of these eight committees to reach consensus and to move their titles forward. These chairmen and the members of their committees have every right to be proud of the work they have done achieving savings but also implementing policies that will help American workers.

Today, we have saved nearly \$40 billion over 5 years—to be more accurate, \$39.1 billion over 5 years—and that is \$4.1 billion more than Congress even directed these committees to do back in April when the budget was adopted. Considering the 8 years since this has been done, this is a significant accomplishment and one of which we ought to be proud.

Many of the proposals in my committee's title, as well as the other titles of this bill, have bipartisan support. Some of them have been proposed by the administration in its budget which came out last February. While I am hopeful that during the debate this week, we will be able to persuade a number of Democrat Members to vote in favor of this bill, I recognize that the budget process is often a partisan exercise and that we will be able to count on few, if any, votes from the Democrat side of the aisle.

As the chairman of the Senate Budget Committee made very clear with his chart that was blank, we have not seen a Democrat proposal. Why? Because they do not want to bite the bullet and do what is hard to suggest from their point of view—how to reduce the deficit—unless it might be by raising taxes because often that is their solution, whereas I myself have never come to the conclusion that the American public is undertaxed. I never have my taxpayers telling me that they are undertaxed. The problem of the budget deficit is that Congress overspends.

In developing my part of this budget reconciliation proposal, I attempted to address a number of bipartisan priorities. These efforts were acknowledged by my colleagues during last week's Senate Finance Committee markup, and I want those members of the Finance Committee to know that I appreciate their kind words. Rather than having their kind words, I would rather have had those Democrats vote for this bill coming out of my committee rather than having it come out on an 11-to-9 partisan vote.

The Finance Committee portion represents nearly a year's worth of work on behalf of members of my committee and the staffs of the respective members, as well as committee staff.

The Senate Finance Committee title achieves a net of \$10 billion in savings from Medicare and Medicaid by reducing wasteful spending and by closing loopholes. The Finance title also targets resources to preserving and improving Medicaid, the State Children's Health Insurance Program, and Medicare. In particular, the Medicaid provisions in the title will also produce additional resources for States in oper-

ating their Medicaid Programs. In so doing, this bill protects Medicaid benefits for the most vulnerable of our society.

The Senate Finance Committee title cracks down on Medicaid fraud and abuse by encouraging States to aggressively pursue Medicaid fraud by implementing in the respective States, beyond the 13 that have done it, State false claims acts, which in comparable legislation at the Federal level is the single most important tool that U.S. taxpayers have to recover the billions of dollars stolen through fraud every year. In addition, my Finance Committee title requires suppliers that do business with Medicaid to have a false claims act education program so that those with evidence of fraud against Medicaid know they may pursue these claims on behalf of the Government and help to recover stolen funds. In order to fight Medicaid fraud, the Senate Finance Committee title dramatically increases resources to fight fraud and abuse in Medicaid. This then will protect State and Federal budgets and generate substantial savings from this investment.

My committee's title also achieves savings by helping State Medicaid Programs obtain millions in payments owed by third-party payers each year. It also produces savings by ending drug manufacturers' gaming of the system by closing the authorized generic loophole so that appropriate rebates are paid to the States.

The Senate Finance Committee title helps preserve services to beneficiaries by ending overpayments to pharmacies, by reforming the broken system used to reimburse pharmacists for prescription drugs, which is based on the flawed average wholesale price formula, costing taxpayers lots more money than it should. There have been 13 reports in the last 5 years dealing with an average wholesale price formula done by the Congressional Budget Office, the Inspector General's Office, and from the Government Accountability Office, all calling for reforming the Medicaid pharmacy payment formula and ending overpayment for prescription drugs. These overpayments have been costing the States, as well as our Federal Government, billions of dollars needlessly.

The bill also includes provisions to protect rural pharmacies and encourage greater use of cost-saving generic drugs. In addition, my portion of this reconciliation bill balances the savings derived from pharmacy payment reforms with an increase in the rebate paid to State Medicaid Programs by drug manufacturers from 15.2 percent to 17 percent.

On the Medicare side, the Finance title calls for the phaseout of the budget neutral modification to the MedicareAdvantage risk adjuster. This provision will help ensure that the health status risk adjuster required by the Balanced Budget Act of 1997 meets its objective of providing accurate pay-

ment to plans based on their enrollees' health. The title also repeals the MedicareAdvantage regional stabilization fund.

There are concerns about these provisions, and some people have argued that we should not touch the MedicareAdvantage Program. In response, I point out that the phaseout of the risk adjuster was announced three times: first in February in the President's budget; second, with the 2006 rates; and again in the September CMS factsheet. So plans submitted their bids knowing full well that the phaseout was going to happen.

When we worked on the Medicare Modernization Act—and that was in 2003—the idea was that if the funds were not needed, then the dollars were to be returned to the U.S. Treasury. We have strong regional preferred provider organization participation. Regional preferred provider organizations are in 21 out of the 26 regions into which the country has been divided. Regional preferred provider organizations have several other safeguards to make sure they are available.

The base MedicareAdvantage rates have been fixed. There are risk corridors, network adequacy requirements, the essential hospital fund, and a moratorium on local PPOs. The title does not affect any of these safeguards, so we feel this money going back to the Federal Treasury under this bill is the right thing to do.

The Finance Committee title of this bill also preserves access to health care for seniors in Medicare by providing a 1-percent payment update to all providers paid under the Medicare physician fee schedule. This replaces a 4.4-percent payment cut that physicians are scheduled to receive in 2006 under the existing formula. So we change that formula to make sure that the 4.4-percent cut does not go through. On top of that, there is a small increase for our physicians.

The Part B premium is affected due to changes included in the title that affect Part B spending. While some provisions lower Part B spending, other provisions increase the spending. However, there is no effect on the Part B premium paid by our seniors until the year 2007. It is also important to keep in mind that the Part B premium increase does not affect low-income beneficiaries. In fact, I worked hard to extend the QI Program so that Part B premiums would continue to be covered for these individuals.

Avoiding the physician payment cut has strong support in the Senate. In July of this year, 89 Senators from both sides of the aisle sent a letter to the White House Office of Management and Budget calling for the removal of Part B drugs from the physician payment formula. This change, which the administration has the authority to make, would permit Congress to address the longstanding programs with the Medicare formula for reimbursing physicians.

Certainly, we are all concerned about any impact on Part B premiums, but this Senate is almost unanimous in its support of addressing this, as evidenced by the 89 signatures calling for changes in the formula that were sent to the administration. To be clear about this, the changes in the physician fee called for in that letter would also increase Part B premiums to our senior citizens. It is important that we take steps to maintain access to physician services in the Medicare Program. The benefits in Medicare are not worth much if beneficiaries cannot find a doctor when they need one.

Another important area addressed by the Senate Finance Committee is long-term care costs. Recognizing that long-term care costs account for significant spending in the Medicaid Program, this bill makes key provisions in long-term care for seniors and the disabled. Consistent with a proposal put forth by President Bush, this bill includes a "money follows the person" rebalancing demonstration program. This program would direct grants to States to increase use of home- and community-based services rather than institutional care, and it would eliminate barriers that prevent or restrict the flexible use of Medicaid funds so that individuals may receive support for long-term services in a setting of their choice. This is empowering people.

The title also provides new options for private coverage of long-term care through the long-term care partnerships and promotes the availability of programs of all-inclusive care for the elderly in rural areas.

The Finance Committee title also addresses a number of Medicare priorities while also achieving savings in other areas of Medicare. To begin, being mindful of the unique needs of rural residents and the facilities that serve them, the title protects access to Medicare services for rural beneficiaries.

First, the title would extend the hold-harmless provisions for the small rural hospitals and sole community hospitals from implementation of the hospital outpatient prospective payment system.

Second, it would expand coverage of additional preventive benefits under the Federal qualified health centers.

Third, it would extend the Medicare Dependent Hospital Program, which provides financial protections to rural hospitals with less than 100 beds that have greater than 60 percent of their patients coming from Medicare.

Another issue I suspect we will hear a good deal about during this debate over the next few days is the impact that Hurricane Katrina had when it devastated hundreds of thousands of our fellow Americans.

The title would provide for a much needed downpayment to those States that have suffered as a result of Hurricane Katrina. I am committed to ensuring that the families who have suffered so greatly as a result of this national tragedy receive the services they

need to rebuild their lives, and the States which have been affected are made whole.

The Finance Committee title of this bill also provides funding to strengthen and improve the Medicaid and State Children's Health Insurance Program. As my colleagues know, as many as 23 States are projected to experience shortfalls in the Children's Health Insurance Program over the next 2 years. The national total of these State Children's Health Insurance Program shortfalls is near \$1 billion. The Senate Finance Committee title includes temporary provisions that will stem these State shortfalls and ensure that States are not forced to curtail or end their Children's Health Insurance Program coverage for vulnerable low-income children.

In order to continue to improve the Medicaid and Children's Health Insurance Programs, the Senate Finance Committee title in this reconciliation bill also includes outreach and enrollment efforts so that children eligible for public health assistance receive that assistance.

This legislation also addresses a fundamental flaw in our current Medicare payment system. Right now, Medicare payment policies do not encourage high-quality care. In other words, doctors get the same reimbursement and hospitals get the same reimbursement whether they are doing the highest quality of care or whether they do not care, and people are always going back into the hospital because the job is not done right the first time. So we have come to the conclusion that we need to reward quality and we need to provide incentives to invest more in health care information technology and other efforts that will improve health care quality.

This reconciliation bill does just that. This bill implements recommendations from the Institute of Medicine and also from the Medicare Payment Advisory Commission. These provisions are based on the bipartisan Medicare Value Purchasing Act, which is S. 1356, introduced by me and my Democratic colleague, the leader on the other side of the aisle of the committee, Senator BAUCUS of Montana. The legislation creates quality payments under Medicare for physicians and other providers, including hospitals, health plans, skilled nursing facilities, home health organizations, and end stage renal disease facilities.

Finally, the Senate Finance Committee title includes the Family Opportunity Act. The Family Opportunity Act was motivated by the circumstances of individual families—the Melissa Arnold family of Iowa and the Dylan Lee James family. You could say they are representative of hundreds of thousands of families. Both are families we use as an example of those who relied on Medicaid health services for their children with disabilities, and both families ended up risking eligibility for Medicaid as a result of finan-

cial eligibility rules that continue to create disincentives for parents to work and stay working and even improve their employment opportunities.

Acute need persists for the Family Opportunity Act. It is just as important today as it was over the past several years that I have been fighting to get the Family Opportunity Act law. I have heard from a number of families in Iowa and across the country, speaking of the imperative to enact the Family Opportunity Act. They tell me about their son or daughter or grandchild, and how much they love their child or grandchild and how important it is to tell their story. They tell about the illness or disability that their families have been struggling with for years.

Then they describe how dad and mom could comfortably support their family but must remain poor, even unemployed, in order that their child receive the health care coverage they need. These parents want to work and provide for their families but must put the health care of their child first.

If we are able to successfully pass the legislation—we have been able to pass this legislation in the Senate, but it did not get through the House of Representatives. If we are successful again, we will achieve important savings that help put our fiscal house in order as well as preserve benefits and ultimately expand access through the Family Opportunity Act for families in Iowa and across the Nation.

The Finance Committee title of this bill achieves significant savings in Medicare and Medicaid by reducing wasteful spending and closing loopholes. It then directs much of these savings to make improvements in these programs that expand access to health care services, protect health care coverage for kids, and protect access to Medicare beneficiaries.

But the bottom line is more than \$10 billion in savings in existing programs or additional money being recouped from fraud or money coming in from fees. The bottom line to the Federal deficit is \$10 billion.

I have two summaries of the Finance Committee title. I ask unanimous consent that they be printed in the RECORD.

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

SUMMARY OF TITLE VI

Title VI of the Deficit Reduction Omnibus Reconciliation Act of 2005 achieves significant budget savings, slashes wasteful spending, and targets resources to preserve program integrity, improve access to health care, and preserve and protect Medicare and Medicaid.

SPENDING REDUCTIONS

MEDICAID

PRESCRIPTION DRUG PAYMENT REFORMS

Redefines average manufacturer price (AMP) to reflect discounts and rebates available to retail pharmacies and then uses that definition for payments to pharmacies and for the calculation of the best price.

Defines weighted average manufacturer price (WAMP) as the basis of a new payment system for these drugs and for a new federal upper limit for multiple source drugs.

Clarifies nominal price definition to ensure that sales made at a nominal price are appropriately included in AMP calculations.

Creates a new federal upper limit for payments to states for covered drugs that goes into effect January 1, 2007 (with a later transition for states without '06 legislative sessions) of AMP+5% for single source drugs and WAMP-15% for multi-source drugs.

Includes language that requires states to provide appropriate dispensing fees to pharmacists and sets factors upon which they should be based.

Creates an interim payment policy for 2006 capping the current federal upper limit at 125% of the July 1, 2005 AWP, WAC, or direct price levels.

—\$4.595 billion / 5 years

REFORM OF MEDICAID ASSET TRANSFER RULES AND LOOPHOLES

Closes loopholes in current Medicaid law concerning transfer of assets to limit the circumstances under which persons may intentionally shelter assets in order to qualify for Medicaid.

This section includes the following provisions to close other loopholes that exist in current law:

Requires states to apply partial month penalties.

Requires states to accumulate transfers in computing the period of ineligibility.

Requires that annuities are treated the same as trusts under current law.

Requires that certain notes and loans are considered countable.

Requires private annuities be based on actuarial life expectancy.

Limits transfers to purchase life estates.

States would be required to provide a notice of the undue hardship waiver process to any individual applying for Medicaid who would be subject to a penalty period so they may request a waiver of the penalty period.

States would be required to provide for a timely process for determining whether an undue hardship waiver will be granted, and a process for appeal of an adverse determination.

—\$335 million / 5 years

FRAUD, WASTE AND ABUSE

Enhancing third party recovery. The section creates useful new tools for existing third party recovery programs: (1) clarifies that PBMs must respond to claims; (2) clarifies that self-insured plans must turn over eligibility data; and (3) clarifies that states can recover claims for up to three years from the date of service.

Limitation on use of contingent fee arrangements. The section gives the Secretary authority to implement standards for states in their use of contingent fee contracts.

State False Claims Act. Creates an incentive for states to implement state False Claims Acts by providing them with an enhanced FMAP for any settlements reached through a state False Claims Act.

False Claims Act employee education program as a condition of participation. Requires employers that do more than \$1M business with Medicaid to have a False Claims Act education program for their employees.

Prohibition on payments to States for prescriptions drug claims that have already been submitted and paid. This section clarifies in statute that pharmacists cannot bill Medicaid for drugs that have been paid for previously and restocked.

—\$512 million / 5 years

STATE FINANCING OF MEDICAID

MCO Provider Tax Reform

This provision would treat managed care organizations the same as other providers for

purposes of applying current law on provider taxes. This section permits states that have a Medicaid-only managed care provider tax to keep it.

—\$75 million / 5 years

TARGETED CASE MANAGEMENT REFORMS

The Targeted Case Management provision clarifies the definition of case management services. The provision specifies that "case management services" include: assessment activities, the development of a specific care plan, referral and related activities to help an individual obtain needed medical, social educational and other services, monitoring and follow up activities.

Further clarifies that "case management services" do not include the direct delivery of medical, educational, social or other services, such as: research gathering, assessing adoption placements, recruiting or interviewing potential foster care parents, serving legal papers, homes investigations, and transportation.

—\$760 million / 5 years

DRUG REBATE AND RELATED PROVISIONS

Close Authorized Generics Loophole

Improved regulation of authorized generic drugs. This section requires CMS to include the best price of an authorized generic in the calculation of the best price for the branded drug.

—\$180 million / 5 years

Increase Flat Rebate Amount to 17% in 2006

Increase in rebates for covered outpatient drugs. This section increases the rebate paid by innovator drug manufacturers from 15.1% to 17% and on noninnovator drugs from 11% to 17%.

—\$1.400 billion / 5 years

Physician Administered Drugs

Requires the collection and submission of utilization data for certain physician administered drugs. This section requires states to begin collecting information on physician administered drugs for the purpose of insuring the state receives the proper rebate amount.

—\$150 million / 5 years

Subtotal—Medicaid Spending Reductions:

—\$8.007 billion / 5 years

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MEDICARE

PART A

EXTEND MEDICARE BAD DEBT POLICY TO SKILLED NURSING FACILITIES

As proposed in the President's FY 2006 budget, this provision would reduce Medicare's reimbursement of skilled nursing facility bad debt (unpaid beneficiary co-pays and deductibles) from 100% to 70% of allowable costs.

Medicare skilled nursing facility bad debt payments have increased 44% from 1996 to 2000.

Congress provides a 30% reduction in Medicare bad debt payments to hospitals. This policy would equalize the SNF bad debt payment rate making it consistent with the bad debt payment rate for hospitals.

—\$250 million / 5 years

PROHIBIT PHYSICIAN SELF-REFERRALS TO PHYSICIAN-OWNED LIMITED SERVICE HOSPITALS

Prohibits new physician-owned limited service hospitals from having any ownership or investment interest by physicians who refer Medicare or Medicaid patients to the hospital. Confirms that the "whole hospital" exception would not apply to any new physician-owned limited service hospital effective June 8, 2005.

Physicians are generally prohibited from referring Medicare and Medicaid patients to facilities in which they have a financial interest, unless they have an ownership or in-

vestment interest in the whole hospital and not merely a subdivision of the hospital.

In 2003, Congress established that the "whole hospital" exception would not extend to physician-owned limited service hospitals (hospitals that are primarily engaged in cardiac, orthopedics or surgical care) for an 18-month period.

Allows existing physician-owned limited service hospitals to continue operation with certain restrictions.

—\$22 million / 5 years

PART B

DME PAYMENT AND MAINTENANCE FEE REFORMS

Part B of Medicare pays for certain pieces of durable medical equipment (DME) under a capped rental method. Medicare currently pays 120% of the purchase price over 15 months.

Suppliers can bill Medicare for maintenance and servicing (usually 10% of the purchase price) 6 months after the 15 month rental period ends and once every 6 months thereafter. Suppliers are allowed to bill even if maintenance is not provided.

This provision would require DME rentals to be purchased after the 13th month, which would eliminate payments for 2 months and eliminate payments for maintenance and servicing unless otherwise necessary.

This would reduce the price Medicare pays suppliers from 120% to 105% of the purchase price.

—\$910 million / 5 years

PART C

Eliminate Budget-Neutrality Modification to Risk Adjusted Payments to Medicare Advantage Plans

This provision would codify the Administration's proposed phase-out of its budget neutral modification that undermines the Medicare Advantage risk-adjusted payment system.

Permits true comparisons based on health status of beneficiaries enrolled in Medicare Advantage to beneficiaries enrolled in fee-for-service Medicare.

Ensures that underlying BBA-mandated health status based risk adjusted payment system will produce accurate payments for a beneficiary with a particular health status who enrolls in Medicare Advantage.

This provision is consistent with a June 2005 MedPAC recommendation.

—\$6.460 billion / 5 years

ELIMINATE REGIONAL MEDICARE ADVANTAGE PPO STABILIZATION FUND

Repeals fund established to promote plan entry and retention in Medicare Advantage program.

In an August 2005 Fact Sheet on the Medicare Advantage program, the Centers for Medicare and Medicaid Services indicated that the program has "stabilized and flourished."

As of January 1, 2006, regional Medicare Advantage plans will be available in 21 out of the 26 Medicare Advantage regions, indicating that plans are experiencing fewer than anticipated challenges in entering regions.

Does not affect any other provisions to promote regional PPOs such as risk-corridors, local PPO moratorium, essential hospital fund, and network requirements.

This provision is consistent with a June 2005 MedPAC recommendation.

—\$5.440 billion / 5 years

OTHER MEDICARE

PAY FOR PERFORMANCE

Requires the Secretary of Health and Human Services to develop and implement value-based purchasing programs under Medicare for acute-care hospitals, physicians and practitioners, Medicare Advantage

plans, end-stage renal disease (ESRD) providers, home health agencies, and to take initial steps toward value-based purchasing for skilled nursing facilities.

Outlines the process and requirements for the development, implementation, and updating of a Quality Measurement System that will guide reporting and value-based purchasing programs.

Principles for Medicare value-based purchasing include:

Building upon existing system and involving all relevant stakeholders.

A two-phased implementation that first ties Medicare reimbursement updates to the reporting of quality measures, and then creates a quality pool to reward providers for meeting certain thresholds of quality improvement and quality attainment.

The amount of Medicare payments in the quality pool will start at 1 % of provider payments scaling up to 2% over a 5-year period.

Increased transparency and mandatory reporting of quality data to ensure that beneficiaries and the public have access to information to help them make informed health care decisions.

—\$4.510 billion / 5 years

Subtotal— Medicare Spending Reductions:

—\$18.637 billion / 5 years

Subtotal—Gross Spending Reductions:

—\$26.644 billion / 5 years

PROGRAM IMPROVEMENTS

MEDICAID AND SCHIP

IMPROVED FRAUD AND ABUSE OVERSIGHT

HEALTH CARE FRAUD AND ABUSE CONTROL PROGRAM/MEDICAID INTEGRITY FUND

Under current law, funds from the Health Care Fraud and Abuse Control (HCFAC) account are used by federal agencies in their efforts to control fraud and abuse in health care programs. Funds go to the HHS OIG and to the Department of Justice. The additional funding provided would be used to continue efforts to find erroneous and fraudulent uses of Medicaid and SCHIP funding and provide an increase in audits and evaluations of state Medicaid programs.

\$403 million/5 years

PRESERVING AND IMPROVING ACCESS TO HEALTH CARE

FAMILY OPPORTUNITY ACT

Under current law, parents of severely disabled children who work lose Medicaid eligibility for their disabled children if they have income and resources above the poverty level.

The Family Opportunity Act, which has broad bipartisan support, would allow these parents to go to work and earn above-poverty wages while maintaining health care for their disabled children.

Key Provisions:

Medicaid “buy-in” for disabled children whose family income or resources are at or below 300% of the poverty level (\$58,050.00 for a family of four).

Funds for demonstration projects in 10 states to provide services to Medicaid enrolled children with psychiatric disabilities at home, instead of in an institution.

Funds for information and outreach centers to serve families with disabled children.

Immediate access to Medicaid coverage for those children who are “presumed eligible” for Supplemental Security Income (SSI).

\$872 million/5 years

ADDRESSING SCHIP SHORTFALLS

Under current law, CMS projects that as many as 23 states are projected to experience funding shortfalls in their SCHIP programs over the next 2 years.

Consistent with the SCHIP proposal in the President's budget, this provision addresses

SCHIP shortfalls by redistributing a portion of these balances from states that have SCHIP surpluses to states that have SCHIP shortfalls.

Permits states to use up to 10% of their 2006 and 2007 allotments for outreach activities.

Prohibits future SCHIP waivers for non-pregnant adults. Provides that redistributed funds for shortfall states must be spent on targeted low-income children in order to receive the enhanced SCHIP-match. States that wish to use the redistributed funds for individuals other than targeted low-income children may do so but at their regular FMAP matching rate.

Continues authority for certain “qualifying states” to use funds for Medicaid expenses. Qualifying states include: Connecticut, Hawaii, Maryland, Minnesota, New Hampshire, New Mexico, Rhode Island, Tennessee, Vermont, Washington and Wisconsin. Public Laws #108-74 and 108-27 allowed qualifying states to use up to 20% of the state's 1998-2001 allotments to pay for Medicaid eligible children above 150% FPL that were part of a state's Medicaid expansion prior to enactment of SCHIP. The 1998-2000 allotments “expired” in 2004. The 2001 allotments “expired” at the end of the FY 2005. Therefore, currently, no spending under these provisions is permitted.

“Covering Kids” which provides \$25 million for fiscal year 2006 for grants to eligible entities to conduct outreach and enrollment efforts designed to increase enrollment and participation of eligible children under Medicaid and SCHIP and promote understanding of the importance of health insurance coverage for prenatal care and children.

\$205 million/5 years

MONEY FOLLOWS THE PERSON DEMONSTRATION

Provides for demonstration projects to encourage community based services to individuals with disabilities rather than institutional long-term care services.

This provision offers states a financial incentive to expand the number of individuals who can receive home and community-based services by providing an enhanced federal match rate for the cost of service expenditures for one year for individuals who are relocating from an institution into the community.

Authorizes grants by HHS to states for the following purposes:

To increase the use of home and community based services, rather than institutional services.

Eliminate barriers that prevent or restrict the flexible use of Medicaid funds to enable individuals to receive support for appropriate and necessary long term services in the settings of their choice.

To increase the ability of the State Medicaid program to assure home and community based long term care services to eligible individuals, who choose to transition from an institution to a community setting.

Ensure that procedures are in place to provide quality assurance for eligible individuals receiving Medicaid home and community based long term care services and to provide for continuous quality improvement in such services.

\$105 million/5 years

IMPROVED LONG TERM CARE OPTIONS

EXPAND LONG-TERM CARE PARTNERSHIP PROGRAM

Encourages the purchase of private long term care insurance by providing persons who have exhausted the benefits of a private long-term care insurance policy to access Medicaid under different means-testing requirements. This proposal is designed to result in savings to the Medicaid program by

delaying the need for Medicaid coverage of long term care expenses.

Repeals the federal legislative ban on new long-term care partnership programs to allow any state in the nation the option of implementing a long term care insurance partnership program.

Establishes consumer-protections consistent with National Association of insurance Commissioner recommendations.

Requires the Secretary, in consultation with stakeholders, to develop standards to permit reciprocity of policies across states.

Establishes a national clearinghouse for information on long-term care insurance policies.

\$10 million/5 years

OTHER PROVISIONS

Targeted temporary relief to certain parishes in Louisiana, counties in Mississippi and Alabama, and the state of Alaska FMAP (Sec 6032). This section reimburses states at 100% FMAP for any claims paid on behalf of an individual living in a specific parish in Louisiana or county in Mississippi and Alabama the week of August 28, 2005. This increase is temporary, beginning on August 28, 2005 and ending on May 15, 2006. It also creates a statutory floor for the FMAP for the state of Alaska at the 2005 FMAP level for 2006 and 2007.

\$1.940 billion/5 years

Provides an adjustment to the District of Columbia's DSH allotment reflective of actual audited base year costs that all other Medicaid programs now use in their computation.

\$100 million/5 years

Provides for podiatrists to be treated as physicians, as is the case under Medicare. The provision expands the definition of “physician services” under Medicaid to include a doctor of podiatric medicine with respect to the functions such a person is legally authorized to perform by the state in which he/she practices. States would now be required to cover the medical services of podiatrists.

\$55 million/5 years

Provides for a 10-state demonstration project under which institutions for mental diseases not publicly owned or operated, would be eligible to receive reimbursement for Medicaid eligible recipients between the ages of 21-64 for the sole purpose of stabilizing an emergency medical condition.

\$30 million/5 years

Subtotal Medicaid Spending: \$3.722 billion/5 years

MEDICARE

PART A

REHABILITATION 75% RULE

Sets implementation of the “75% rule,” which is a criteria used to determine whether a hospital or unit qualifies as an inpatient rehabilitation facility (IRF) and thus for higher Medicare payments, at the 50% level through June 30, 2007.

Allows facilities more time to comply with the 50% threshold. Those IRFs that failed to meet the 50% compliance will be given an additional 6 months to meet this threshold. If after 6 months the facility remains non-compliant, the Secretary would revoke the facility's IRF status and collect any overpayments.

Calls for a study to identify and review the types of patients, medical conditions and rehabilitation providers that are unable to meet CMS' qualifications. Establishes a rehabilitation advisory council to provide advice and recommendations on the coverage of rehabilitation services under Medicare.

\$105 million/5 years

EXTEND AND IMPROVE MEDICARE DEPENDENT HOSPITAL (MDH) PROGRAM

Extends the Medicare Dependent Hospital (MDH) program, which was created to provide financial protections to certain rural

hospitals with less than 100 beds that have a greater than 60 percent share of Medicare patients, through 2011.

Allows hospitals the option to use 2002 base year costs, in addition to base year costs from 1982 or 1987.

Improves the blended payment rate by raising it from 50 percent to 75 percent of the difference between prospective payment system (PPS) payments and cost-based payments.

Removes the 12 percent disproportionate share hospital (DSH) payment cap for qualifying hospitals.

\$14 million/5 years

PART B

SHORT TERM PHYSICIAN PAYMENT UPDATE

Physician payment updates are determined using the Sustainable Growth Rate (SGR) formula, which is based on four factors:

Medicare Economic Index (MEI)

Number of beneficiaries in Fee-For-Service Medicare

Expenditures due to changes in law or regulations

Growth in real GDP per capita.

Actual spending has been higher than spending projected by the SGR formula, which will result in negative updates for the next six years.

Eliminating the SGR formula and adjusting payments for inflation would cost \$154.5 billion over 10 years.

This provision would provide physicians with a positive 1.0% update in 2006.

\$10.8 billion/5 years

THERAPY CAP MORATORIUM

In 1997, the BBA created a financial cap on the amount of money Medicare could spend per beneficiary for outpatient therapy services.

Two caps were set at \$1,500 indexed to the Medicare Economic Index (MEI); one for physical therapy and speech language therapy, the other for occupational therapy.

Since 1999, Congress has twice enacted a moratorium on implementation of the therapy caps. The moratorium is set to expire in 2006.

This provision would extend the moratorium for one year.

\$710 million/5 years

HOLD HARMLESS PAYMENTS FOR RURAL HOSPITAL OUTPATIENT DEPARTMENTS

MedPAC has stated that rural hospitals' financial performance under the outpatient prospective payment system (OPPS) is expected to decline by 2006.

Hold harmless payments are targeted to rural sole community hospitals and other rural hospitals with 100 or fewer beds.

The hold harmless policy should be extended because it targets the specific rural hospitals most affected.

This provision would extend hold-harmless payments under the OPPS through calendar year 2006.

This provision is consistent with a March 2005 MedPAC recommendation.

\$170 million/5 years

ESRD COMPOSITE UPDATE

MedPAC has found beneficiary access to care is good, provider capacity is increasing, quality is improving, and provider access to capital is good.

This provision would provide a 1.6% increase in the composite rate update for 2006, consistent with the update provided in the MMA.

ESRD facilities will be paid for quality and efficiency starting in 2007 under the Medicare Value-Based Purchasing Act.

\$520 million/5 years

EXPAND AVAILABILITY OF PACE IN RURAL AREAS

Establishes site development grants and a technical assistance program for up to 15 PACE sites in rural areas.

Creates a fund to provide partial reimbursement for incurred expenditures above a certain level.

\$37 million/5 years

INTERNATIONAL VOLUNTEERS

There are several older Americans that volunteer overseas for programs sponsored by 501(c)(3) organizations.

During this time, volunteers are required to purchase insurance that provides international health benefits.

Volunteers are also required to pay Medicare Part B premiums in order to avoid future penalties and delayed enrollment when they return to the United States.

This provision would waive the Part B late enrollment penalty and would establish a special enrollment period for these individuals upon their return to the United States.

\$20 million/5 years

MEDICARE PAYMENT ADJUSTMENT TO FEDERAL QUALIFIED HEALTH CENTERS

Federal Qualified Health Centers (FQHCs) are located in areas where care is needed but scarce.

This provision would allow FQHCs to provide diabetes outpatient self-management training services and medical nutrition therapy services.

A health care professional (including registered dietician or nutrition professional) under contract with the center can now provide services in an FQHC.

This provision would also allow FQHCs to be eligible for Health Care for the Homeless grants.

\$40 million/5 years

Subtotal Medicare Spending: \$12.916 billion/5 years .

Subtotal—Gross Spending: \$16.638 billion/5 years

PACKAGE TOTALS

Medicaid: Savings: —\$8.007 billion; Spending: \$3.722 billion; Net: —\$4.285 billion (Figures are over five years.)

Medicare: Savings: —\$18.637 billion; Spending: \$12.916 billion; Net: —\$5.721 billion.

Package Net Savings: —\$10.006 billion over five years.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

RUBY JUBILEE OF THE CRISIS CALL CENTER IN RENO, NEVADA

Mr. REID. Mr. President, I rise today to honor the Ruby Jubilee of the Crisis Call Center in Reno, NV. For 40 years, volunteers have provided intervention, prevention, referral, and education services to the people of Nevada. The center has been a lifeline for countless individuals. While its volunteers know how valuable their efforts are, we will never know how much pain they have prevented or the full extent of the healing they have promoted.

The Crisis Call Center was founded in 1966 at the University of Nevada, Reno to combat the high rate of suicide. However, its scope grew over time. Now an independent nonprofit, the Crisis

Call Center offers support to all individuals in crisis, including victims of sexual assault and child and elder abuse and neglect. It is still the leading community organization working to end suicide in Reno.

Additionally, the Crisis Call Center runs outreach projects for youth and seniors, groups that are at high risk for depression and suicide. I am particularly impressed by The Senior Connection, a specialized hotline to provide advocacy, support, and education to seniors. Uniquely, the services are provided by seniors for seniors.

The Crisis Call Center is one of the oldest continuously operating crisis centers in the country. It has provided a model for the many that followed and its innovative approaches ensure that it will be a leader for many years to come. I hope that you will join me in celebrating this milestone and in looking forward to the important work the Crisis Call Center will perform in the future.

SEQUENTIAL REFERRAL OF S. 1803

Ms. SNOWE. Mr. President, I respectfully ask unanimous consent that the following letter be printed in the RECORD.

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

SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS,
Washington, DC, October 31, 2005.

Hon. WILLIAM FRIST,
Majority Leader, U.S. Senate, Washington, DC.

DEAR LEADER FRIST: Pursuant to paragraph 3(b) of S. Res. 400 of the 94th Congress, as amended, I request that S. 1803, the Intelligence Authorization Act for Fiscal Year 2006, as just reported by the Committee on Armed Services, be sequentially referred to the Committee on Homeland Security and Governmental Affairs for a period of ten days. I am making this request because this bill amends the Privacy Act, Section 552a of Title 5 of the United States Code, and the Privacy Act falls within the jurisdiction of the Committee on Homeland Security and Governmental Affairs pursuant to Senate Rule 25 and S. Res. 445 of the 108th Congress.

This request is without prejudice to any request for an additional extension of five days, as provided for under the resolution. Moreover, the amended resolution provides that the period of referral does not begin to run until the Committee to which the bill is referred receives the bill "in its entirety and including annexes." Thus, the ten days of initial referral will not begin until the Committee on Homeland Security and Governmental Affairs receives the classified annex to the bill as well as the bill and report. Finally, I request that I be consulted with regard to any unanimous consent or time agreements regarding this bill.

Sincerely,

SUSAN M. COLLINS,
Chairman.

SENATE BUDGET RECONCILIATION BILL

Mr. CORZINE. Mr. President, I rise today to express my serious concern about and opposition to the Senate budget reconciliation package.

The bill we are considering today contains harmful program cuts that would fall disproportionately on the most vulnerable in our society. And though its sponsors claim it is fiscally responsible, it is part of a budget reconciliation package that adds to the deficit rather than reducing it.

This legislation cuts funding for health care provided through the Medicaid Program, which provides health insurance to poor children, pregnant women, and elderly. My colleagues on the other side of the aisle argue that we must cut waste and fraud in the Medicaid Program. I agree with that. But, what I don't agree with is taking money out of this critical safety net program—without which millions of Americans would be uninsured—and using that money to pay for tax cuts for people with high incomes. This amounts to a direct transfer of benefits that just doesn't make any sense.

In addition, much of the reduction in Medicaid spending comes not from reducing costs but from shifting them to States. The Federal Government can make its books look a little prettier, but one way or the other, taxpayers are still paying the same bill. Some of the cuts also come from reducing important services. For example, under this bill, my home State of New Jersey would lose critical Federal resources that it relies on to provide health insurance to parents of children enrolled in the State Children's Health Insurance Program, SCHIP. And, the State would be prohibited from using any SCHIP funding to expand coverage to other adult populations. In fact, my State has estimated that it will lose \$44.6 million in Federal SCHIP funding. As usual, the most vulnerable in our society will feel the most pain from these cuts, while reaping the least benefit from the associated tax breaks.

The reconciliation bill also includes authorization for oil drilling in the Arctic National Wildlife Refuge, which I strongly oppose. It is simply unacceptable that the majority is using the protection of deficit-reduction procedural rules to enact controversial, environmentally damaging policy. In fact, the language opening the coastal plain does not even afford ANWR the same environmental protections afforded to every other wildlife refuge or public land that is currently open to oil and gas development.

The cost to our environment is too great to bear and will not improve our energy independence. Drilling in ANWR, by nearly all credible predictions, is expected to yield only marginal amounts of oil that will have little or no effect to reduce our Nation's dependence of foreign oil.

Adding insult to injury, not one cent of the savings achieved from the cuts in this legislation will be going towards reducing the deficit. Instead, they will be used to pay for barely half the cost of the package of tax breaks that will be considered next in the reconciliation process. So it would be

wrong to pat ourselves on the back and misrepresent today's legislation as "fiscally responsible" because that only tells part of the story.

Our Nation faces serious challenges right now, with the war in Iraq, the war on terror, and the need to rebuild the gulf coast region devastated by Hurricane Katrina. We must keep our economy strong by keeping our workforce competitive and investing in our human and physical capital. Now is not the time to be cutting important benefits for those in need.

If we intend to seriously confront these issues, we need to stop with the irresponsible fiscal policies that have driven us deep into deficit. We need to stop with the wasteful tax cut giveaways. And we need to stop forcing the most vulnerable members of our society to pay for the costs of our irresponsibility.

This legislation before us today accomplishes none of these goals, and so I cannot support it. Mr. President, we can do better than this.

BREAST CANCER AWARENESS MONTH

Mr. JOHNSON. Mr. President, today, I want to discuss the importance of breast cancer awareness. October is National Breast Cancer Awareness Month, and during this time, a concerted effort is being made to bring awareness to the public about the importance of women taking control over their health. As a husband of a two-time breast cancer survivor, I am deeply committed to supporting this campaign and to finding a cure for this awful disease.

I understand that finding out that a loved one has breast cancer is frightening news and one of the most difficult experiences any family can encounter. Unfortunately, far too many families face these challenges each year. In fact, according to the American Cancer Society, one in three women is diagnosed with breast cancer. Yet initiatives, such as the National Breast Cancer Awareness campaign, are working to help to decrease these numbers by educating women about the importance of preventive efforts such as self-exams and mammograms.

Even though we have the most advanced medical technologies and experts in the world, we have continued to face increases in the prevalence of breast cancer in recent years. In fact, research has shown that breast cancer rates have increased progressively since 1998. Though the national rate of breast cancer mortality has fallen since 2002, still approximately 24 percent of South Dakota women diagnosed with breast cancer do not survive.

One of the best ways to decrease the breast cancer mortality rate is through early detection and treatment, which is the fundamental goal of the National Breast Cancer Awareness campaign. Recognizing this goal, each year my wife Barbara and I sponsor a mammogram van at the South Dakota State

Fair. This mammogram van, provided by a local health care facility, offers two days of free mammograms for uninsured, low-income women. We are proud to sponsor such an important service. As we learned with Barbara's case, early detection and treatment is key in beating this disease and that is why women must have access to mammogram exams.

Because of the work of the American Cancer Society, scientists, researchers, and the National Breast Cancer Awareness Month campaign, I look forward to the future when women and families do not have to hear the words "breast cancer." And until that day comes, I will continue to show my support for the goals of this critical campaign for women's health.

VOTE EXPLANATION

Mr. NELSON of Florida. Mr. President, due to my travel to survey the damage caused by Hurricane Wilma, I missed the vote on Senator BYRD's title I amendment on the Labor-HHS appropriations bill. If I had been present, I would have voted to waive the Budget Act and approve Senator BYRD's amendment.

ADDITIONAL STATEMENTS

HONORING FELIPE TRUJILLO ROYBAL, WORLD WAR II VETERAN

• Mr. BINGAMAN. Mr. President, I rise today to honor SFC (Ret.) Felipe Trujillo Roybal and to recognize his lifelong service to this country. His dedication and commitment to this country is to be commended.

Mr. Roybal served 33 years in the U.S. Army and is a veteran of Vietnam, The Korean war and World War II. Mr. Roybal will be honored for his heroic service to our Nation when his name is registered in the National World War II Memorial.

Mr. Roybal joined the Army in 1937 and served in World War II as a paratrooper in the 82nd Airborne Division. During World War II he participated in the Normandy drop and received a Purple Heart for bravery, Parachute Wings, the Combat Infantryman Badge, the Merit Award, and the European Command Badge. He then served in the Korean war and received his second Purple Heart after becoming a prisoner of war, later escaping. He enlisted his services as a Green Beret in the Special Forces Division in the Vietnam war. Mr. Roybal was assigned to critical defense duty due to his elite training in the Special Forces and was praised for his immense dedication to our country.

Mr. Roybal and his wife, Bertha Morales, are native New Mexicans and have been married for 57 years. They are the proud parents of three daughters and the grandparents of two grandsons. All who have had the opportunity to know them have been touched by their kindness and generosity. So today it is with great admiration that I pay tribute to Mr. Roybal

and his courageous service to this country.●

TRIBUTE TO JOEL STUBBLEFIELD

● Mr. PRYOR. Mr. President, I rise today to pay tribute to the life of Joel R. Stubblefield, president and chancellor of the University of Arkansas at Fort Smith. For over 22 years, Joel made immeasurable contributions to education in Arkansas, serving the students and citizens of Fort Smith with passion and dedication.

Following his studies at Ouachita Baptist University and Syracuse University and his military training at the Army Command and General Staff College, Joel dedicated his life to improving education opportunities for others. He strengthened programs and increased faculty at UA Fort Smith and established the Western Arkansas Technical Center for high school students who sought to take college courses to get ahead.

With his vision and leadership, Joel elevated UA Fort Smith from a 2-year to a 4-year institution. He increased enrollment by more than 100 percent, while simultaneously improving the quality of the curriculum dramatically. As president and chancellor, Joel raised nearly \$60 million in private donations for new buildings, equipment, and scholarships. Yet as willing as Joel was to raise money for the school, he was just as eager to donate his own funds. Joel was known to use personal resources to pay students' tuition and he refused a salary increase for 5 years because he was unable to raise faculty salaries. Joel once even bought a bicycle for a student who did not have transportation.

Earlier this summer, Joel shared with me his latest goals for higher education in northwest Arkansas. He loved the University of Arkansas at Fort Smith and dedicated himself fully to its continued improvement. We can honor Joel's memory by applying the same commitment and generosity toward improving educational opportunities for Arkansas students.●

HONORING THE WOMEN OF VFW AUXILIARY UNIT NO. 60

● Mr. JOHNSON. Mr. President, I rise today to publicly commend the Veterans of Foreign Wars Auxiliary Unit No. 60 from Humboldt, SD, for their many years of devoted service to the Humboldt community.

In late November of 1929, the Humboldt VFW Auxiliary No. 60 began with only 10 members. Seventy-six years later, Unit No. 60 boasts 68 devoted and patriotic members, all from the Humboldt community and surrounding areas.

Each year, Unit No. 60 participates in numerous community activities. In addition to volunteering at the Sioux Falls VA hospital and donating money for personal care items, coffee, and other products on the VA wish list, the

women of Unit No. 60 also help coordinate Bingo Night, the VA Halloween party, and a variety of Christmas activities. During the holiday season, these caring and patriotic ladies also distribute gifts while visiting shut-ins and veterans residing in nursing homes. Each December, they send stamps to community members serving in the military, and also buy postage for local groups wishing to send care packages to soldiers overseas. Additionally, during Scholarship Week, held every November at the West Central School District, these altruistic women bring apples to all the teachers, aids, janitors, members of the kitchen staff, and administration.

For the past 14 years, members of the Humboldt VFW have been fixtures at the annual Threshing Bee held every August. For 3 days, they prepare breakfast and sell their famous homemade pies from their familiar canvas tent. In turn, funds they raise support community projects. This year, Unit No. 60 graciously donated to numerous local charities and organizations, namely: West Central Future Farmers of America, Community Club Fund, Volunteer Firemen, Volunteer Ambulance, Buddy Walk, Special Olympics, and Creative Arts for Veterans, in addition to purchasing dictionaries that were distributed to third-grade students at West Central Elementary.

Mr. President, I am proud to have this opportunity to honor the Veterans of Foreign Wars Auxiliary Unit No. 60 for their outstanding and compassionate service. Their commitment to our Nation's veterans and to furthering and enhancing the education of elementary school students is admirable. I strongly commend their years of hard work and dedication, and I am very pleased that their substantial efforts are being publicly honored and celebrated. It is with great honor that I share their impressive commitment to civic duty with my colleagues.●

TRIBUTE TO THE ASSOCIATED STUDENTS OF THE UNIVERSITY OF MISSOURI, ON ITS 30TH ANNIVERSARY

● Mr. BOND. Mr. President, it is with great pleasure that I rise to celebrate the 30th anniversary of the Associated Students of the University of Missouri.

Recognizing the need to establish a means by which students could become involved and impact the political process, the Associated Students of the University of Missouri, ASUM, began in June of 1975. While their first chapter opened in Columbia, ASUM has grown and extended to include student representatives from every branch of the University of Missouri system.

As the student voice in State and Federal government, ASUM works diligently to encourage the student body to participate in the political process. Through their student advocacy, ASUM has achieved many accomplishments over the last 30 years including

the establishment of the Bright Flight Scholarship Program, the appointment of a student representative to the Missouri Board of Curators, sales tax exemptions on textbooks, and loan forgiveness programs for teachers and medical/veterinary doctors who serve in high-need areas of Missouri. It has been my pleasure to work with the ASUM specifically on the reauthorization of the Higher Education Act.

I congratulate the Associated Students of the University of Missouri on their first 30 years of political advocacy for students and look forward to working with them for years to come.●

MESSAGE FROM THE HOUSE

At 2:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 420. An act to amend Rule 11 of the Federal Rules of Civil Procedure to improve attorney accountability, and for other purposes.

H.R. 1461. An act to reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 2744 making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

S. 37. An act to extend the special postage stamp for breast cancer research for 2 years.

The enrolled bill was signed subsequently by the President pro tempore (Mr. STEVENS).

MEASURES REFERRED

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

H.R. 420. An act to amend Rule 11 of the Federal Rules of Civil Procedure to improve attorney accountability, and for other purposes; to the Committee on the Judiciary.

H.R. 1461. An act to reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, October 31, 2005, she had presented to the President of the United States the following enrolled bill:

S. 37. An act to extend the special postage stamp for breast cancer research for 2 years.

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-4456. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Balanced System for Measuring Organizational and Employee Performance within the Internal Revenue Service" ((RIN1545-BE46)(TD 9227)) received on October 25, 2005; to the Committee on Finance.

EC-4457. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "October-December 2005 Bond Factor Amounts" (Rev. Rul. 2005-67) received on October 25, 2005; to the Committee on Finance.

EC-4458. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Applicable Federal Rates—November 2005" (Rev. Rul. 2005-71) received on October 25, 2005; to the Committee on Finance.

EC-4459. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "2005 Based Period T-Bill Rate" (Rev. Rul. 2005-70) received on October 25, 2005; to the Committee on Finance.

EC-4460. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a six month periodic report on the national emergency with respect to Sudan that was declared in Executive Order 13067; to the Committee on Banking, Housing, and Urban Affairs.

EC-4461. A communication from the Acting Under Secretary, Emergency Preparedness and Response, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, a report that funding for the State of North Carolina as a result of Hurricane Ophelia on September 11-17, 2005, has exceeded \$5,000,000; to the Committee on Banking, Housing, and Urban Affairs.

EC-4462. A communication from the Acting Under Secretary, Emergency Preparedness and Response, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, a report that funding for the State of Texas as a result of Hurricane Rita beginning on September 20, 2005, and continuing has exceeded \$5,000,000; to the Committee on Banking, Housing, and Urban Affairs.

EC-4463. A communication from the Acting Under Secretary, Emergency Preparedness and Response, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, a report that funding for the State of Louisiana as a result of Hurricane Rita beginning on September 20, 2005, and continuing, has exceeded \$5,000,000; to the Committee on Banking, Housing, and Urban Affairs.

EC-4464. A communication from the General Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "List of Communities Eligible for the Sale of Flood Insurance" ((Doc. No. FEMA-7780)(44 CFR 64)) received on October 25, 2005; to the Committee on Banking, Housing, and Urban Affairs.

EC-4465. A communication from the General Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Suspension of Community Eligibility" ((Doc. No. FEMA-7893)(44 CFR 64)) received on October 25, 2005; to the Committee on Banking, Housing, and Urban Affairs.

EC-4466. A communication from the General Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" ((Doc. No. FEMA-7577)(44 CFR 65)) received on October 25, 2005; to the Committee on Banking, Housing, and Urban Affairs.

EC-4467. A communication from the General Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Final Flood Elevation Determinations 70 FR 52939" (44 CFR 67) received on October 25, 2005; to the Committee on Banking, Housing, and Urban Affairs.

EC-4468. A communication from the General Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Suspension of Community Eligibility" ((Doc. No. FEMA-7891)(44 CFR 64)) received on October 25, 2005; to the Committee on Banking, Housing, and Urban Affairs.

EC-4469. A communication from the General Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations 70 FR 52936" (44 CFR 65) received on October 25, 2005; to the Committee on Banking, Housing, and Urban Affairs.

EC-4470. A communication from the Acting Chairman, National Transportation Safety Board, transmitting, pursuant to law, a report relative to the Board's compliance with the Federal Manager's Financial Integrity Act for fiscal year 2005; to the Committee on Homeland Security and Governmental Affairs.

EC-4471. A communication from the Chairman, Federal Election Commission, transmitting, pursuant to law, the Commission's Fiscal Year 2007 Budget Request; to the Committee on Rules and Administration.

EC-4472. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to loan guarantees to Israel; to the Committee on Foreign Relations.

EC-4473. A communication from the Director of the Peace Corps transmitting, a report entitled "Peace Corps Accomplishments 2001-2004"; to the Committee on Foreign Relations.

EC-4474. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Asian Longhorned Beetle; Addition and Removal of Quarantined Areas in New Jersey" (APHIS Docket No. 05-066-1) received on October 25, 2005; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4475. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Certification Program for Imported Articles of Pelargonium spp. and Solanum spp. to Prevent Introduction of Potato Brown Rot" (APHIS Docket No. 03-019-3) received on Oc-

tober 25, 2005; to the Committee on Agriculture, Nutrition, and Forestry.

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. KYL:

S. 1940. A bill to create a national register of cases of child abuse or neglect; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HATCH (for himself, Mr. BENNETT, Mr. REID, and Mr. ENSIGN):

S. 1941. A bill to direct the Secretary of Agriculture to convey certain real property in the Dixie National Forest in the State of Utah, and for other purposes; to the Committee on Energy and Natural Resources.

ADDITIONAL COSPONSORS

S. 146

At the request of Mr. INOUE, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 146, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Scouts to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

S. 407

At the request of Mr. JOHNSON, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 407, a bill to restore health care coverage to retired members of the uniformed services, and for other purposes.

S. 828

At the request of Mr. HARKIN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 828, a bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities, and for other purposes.

S. 1278

At the request of Mr. LEAHY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1278, a bill to amend the Immigration and Nationality Act to provide a mechanism for United States citizens and lawful permanent residents to sponsor their permanent partners for residence in the United States, and for other purposes.

S. 1512

At the request of Mr. SARBANES, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1512, a bill to grant a Federal charter to Korean War Veterans Association, Incorporated.

S. 1516

At the request of Mr. LOTT, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors

of S. 1516, a bill to reauthorize Amtrak, and for other purposes.

S. 1633

At the request of Mr. TALENT, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1633, a bill to allow law enforcement officers to represent themselves as minors on the Internet to better protect America's children from sexual predators.

S. 1926

At the request of Mr. INHOFE, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 1926, a bill to provide the Department of Justice the necessary authority to apprehend, prosecute, and convict individuals committing animal enterprise terror.

S. CON. RES. 46

At the request of Mr. BROWNBACK, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. Con. Res. 46, a concurrent resolution expressing the sense of the Congress that the Russian Federation should fully protect the freedoms of all religious communities without distinction, whether registered and unregistered, as stipulated by the Russian Constitution and international standards.

S. RES. 219

At the request of Mrs. FEINSTEIN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. Res. 219, a resolution designating March 8, 2006, as "Endangered Species Day", and encouraging the people of the United States to become educated about, and aware of, threats to species, success stories in species recovery, and the opportunity to promote species conservation worldwide.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself, Mr. BENNETT, Mr. REID, and Mr. ENSIGN):

S. 1941. A bill to direct the Secretary of Agriculture to convey certain real property in the Dixie National Forest in the State of Utah, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. HATCH. Mr. President, I rise today along with my cosponsors Senators BENNETT, REID, and ENSIGN to introduce a very simple piece of legislation. The bill would direct the Secretary of Agriculture to convey, at fair market value, 112 acres of property in the Dixie National Forest to Mr. Kirk Harrison. Let me explain why this legislation is necessary.

Mr. Harrison's family settled in southern Utah's Pinto Valley in 1860. The family was among the first to locate to the area. The Harrison family established their property boundaries by constructing fences that are still standing today. The family cleared, irrigated, and settled the property in question and continued to plant and

harvest crops, raise livestock, maintain fences, and otherwise work the land for more than 150 years. During that time, the family exercised unrestricted use, relying on those boundaries established in 1860.

In 1885, the Harrison family applied for and was granted a patent to those lands. Subsequent surveys in 1881 and 1905 found no discrepancies between the boundaries asserted by the Harrison family and the actual boundaries of the adjacent Forest Service lands.

It was not until 1984, when the Forest Service employed an independent firm to perform a survey, did any inconsistency arise. The 1984 survey found that the land occupied by the Harrison family was in violation of the boundary established in the 1885 patent.

The 1984 survey was flawed for two principal reasons: First, a rock survey monument used in the 1881 survey is 37 feet away from a different rock monument used in the 1905 survey, creating significant confusion. Neither of these monuments could be located or used during the 1984 survey. Next, the 1984 surveyors did not accept an historic "rock mound" monument, despite the fact that other surveyors had.

The Harrison family has used this land for nearly 150 years. Mr. Harrison wants nothing more than to be able to continue to use the land that his family settled and has used for so long. While Mr. Harrison has worked to resolve this issue with the Forest Service for nearly 15 years, the parties have not been able to agree upon a viable solution. This legislation offers a fair, commonsense answer to the problem.

The bill would direct the Secretary of Agriculture to sell Mr. Harrison 112 acres at fair market value. This represents slightly more land than the Harrison family's original property to satisfy the Forest Service's requirement that boundaries be uniform. The Forest Service stipulates that its national forest boundaries must be straight and manageable, and the purchase of additional acreage will fulfill that requirement. The bill also would ensure that the Secretary uses the proceeds from the sale of the land to purchase other acreage for the Dixie National Forest. In my view, this legislation is the easiest and most effective way to resolve this longstanding dispute.

I am aware that some concerns have been raised about this bill in the past. For example, some have expressed concerns that this legislation would restrict sportsmen's access to the Dixie National Forest, prevent landowners from obtaining water, and allow for the subdivision of the land. However, since those concerns were raised, the plan has been cleared by the Washington County Commission, the State hunter interests, and the majority of landowners in the Pinto Valley. Only after receiving assurances that these groups did not oppose this legislation did I decide to move forward.

Thank you, Mr. President.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2345. Mr. MARTINEZ submitted an amendment intended to be proposed by him to the bill S. 1042, to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table.

SA 2346. Mr. INOUE submitted an amendment intended to be proposed by him to the bill S. 1932, to provide for reconciliation pursuant to section 202(a) of the concurrent resolution on the budget for fiscal year 2006 (H. Con. Res. 95); which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2345. Mr. MARTINEZ submitted an amendment intended to be proposed by him to the bill S. 1042, to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title XXVIII, add the following:

SEC. ____ . INCLUSION OF EXCESS DEPARTMENT OF DEFENSE PROPERTY ON SANTA ROSA AND OKALOOSA ISLAND IN GULF ISLANDS NATIONAL SEASHORE.

Section 7 of Public Law 91-660 (16 U.S.C. 459h-6) is amended—

(1) by inserting "(a)" before "There are"; and

(2) by adding at the end the following new subsection:

"(b) If any of the Federal land on Santa Rosa or Okaloosa Island, Florida, under the jurisdiction of the Department of Defense is ever excess to the needs of the Armed Forces, the Secretary of Defense shall transfer, without reimbursement, the excess land to the administrative jurisdiction of the Secretary of the Interior. The Secretary of the Interior shall administer the transferred land as part of the seashore in accordance with the provisions of this Act."

SA 2346. Mr. INOUE submitted an amendment intended to be proposed by him to the bill S. 1932, to provide for reconciliation pursuant to section 202(a) of the concurrent resolution on the budget for fiscal year 2006 (H. Con. Res. 95); which was ordered to lie on the table; as follows:

On page 188, after line 24, add the following:

SEC. 6037. 100 PERCENT FMAP FOR MEDICAL ASSISTANCE PROVIDED TO A NATIVE HAWAIIAN THROUGH A FEDERALLY-QUALIFIED HEALTH CENTER OR A NATIVE HAWAIIAN HEALTH CARE SYSTEM UNDER THE MEDICAID PROGRAM.

(a) MEDICAID.—The third sentence of section 1905(b) (42 U.S.C. 1396d(b)) is amended by inserting ", and with respect to medical assistance provided to a Native Hawaiian (as defined in section 12 of the Native Hawaiian Health Care Improvement Act) through a federally-qualified health center or a Native Hawaiian health care system (as so defined)

whether directly, by referral, or under contract or other arrangement between a federally-qualified health center or a Native Hawaiian health care system and another health care provider" before the period.

(b) **EFFECTIVE DATE.**—The amendment made by this section applies to medical assistance provided on or after the date of enactment of this Act.

NOTICES OF HEARINGS /MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been rescheduled before the Committee on Energy and Natural Resources.

The hearing originally scheduled for Thursday, November 3, 2005 at 10 a.m. in Room SD-366 of the Dirksen Senate Office Building, will now be held on Tuesday, November 15, 2005 at 10 a.m. in the same room.

The purpose of the hearing is to evaluate and receive a status report on the Environmental Management programs of the Department of Energy.

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 Clint Williamson 202-224-7556 or Steve Waskiewicz at 202-228-6195.

AUTHORITIES FOR COMMITTEES TO MEET

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. GREGG. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations be authorized to meet on Monday, October 31, 2005, at 1 p.m., for a hearing entitled "Corruption in the United Nations Oil-for-Food Program: Reaching a Consensus on UN Reform."

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

PRIVILEGES OF THE FLOOR

Mr. DORGAN. I ask unanimous consent on behalf of Senator BAUCUS that the following Finance Committee fellows and interns be allowed floor privileges during the consideration of the reconciliation bill: Ray Campbell, Jorlie Cruz, David Hain, Richard Litsey, and David Schwartz.

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

Mr. GREGG. Mr. President, before we begin normal debate, I have a series of unanimous consent requests I wish to propound. I ask unanimous consent that the following staff members, two from my staff and two from Senator CONRAD's staff, named on the list I send to the desk, be given "all access" floor passes during the Senate consideration of S. 1932: Cheri Reidy and Jim Hearn, John Righter and Jim Esquea.

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

Mr. GREGG. Mr. President, I ask unanimous consent that Tatiana Lamón be granted privilege of the floor during consideration of S. 1932 and votes that may occur in relation thereto.

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

ORDERS FOR TUESDAY, NOVEMBER 1, 2005

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9 a.m. on Tuesday, November 1. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate resume consideration of S. 1932, as under the previous order.

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

PROGRAM

Mr. GRASSLEY. Mr. President, tomorrow the Senate will resume consideration of the deficit reduction bill. I remind my colleagues that we will have a full week ahead considering this measure, and we will complete action on it this week. Senators should anticipate long days with many votes. I ask Senators to plan their schedules accordingly and to work with the bill managers in offering amendments to this bill.

As a reminder, the Senate will recess from 12:30 until 2 p.m. to accommodate the weekly policy luncheons.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. GRASSLEY. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 4:58 p.m., adjourned until Tuesday, November 1, 2005, at 9 a.m.