I guess nobody has gotten the memo, said, except her Louisiana Medicaid card. She Katrina. As Tampa Bay Committee, in a unanimous consent request to the accession to the Protocol of Amendment to the International Convention on the Simplification and Harmonization of Customs Procedures (the “Protocol”) done at Brussels on June 26, 1999 (Treaty Doc. 108-6), including Specific Annexes A, B, C, D, E, and G; Chapters 1, 2 and 3 of Specific Annex F; and Chapter 5 of Specific Annex J; subject to the reservations to certain Recommended Practices (as set forth in the enclosure to the report of the Secretary of State in Treaty Doc. 108-6) in Specific Annex A, Chapters 1 and 2; Specific Annex B, Chapters 2 and 3; Specific Annex D, Chapters 1 and 2; Specific Annex E, Chapters 1 and 2; Specific Annex B, Chapters 2 and 3; Specific Annex D, Chapters 1 and 2; Specific Annex E, Chapters 1 and 2; Specific Annex F, Chapters 1, 2 and 3; Specific Annex G, Chapter 1; and Specific Annex J, Chapter 4.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is laid on the table, and the President will be notified of the Senate’s action.

The majority leader.

LEGISLATIVE SESSION

MORNING BUSINESS

Mr. BAUCUS. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

The Senator from Montana.

EMERGENCY HEALTH CARE RELIEF ACT

Mr. BAUCUS. Mr. President, I would like to speak a few moments about the need for health care assistance to Katrina-related victims. When I finish, I am then going to join with Senator Grassley, the chairman of the Finance Committee, in a unanimous consent request, and that is bring up and pass the bill.

Tina Eagerton fled Louisiana for Clearwater, FL, to escape Hurricane Katrina. As Tampa Bay’s 10 News reported, Tina is 7 months pregnant. She has a high-risk pregnancy. Plainly she needs a doctor’s care, but Tina could not find a Florida doctor who would accept her Louisiana Medicaid card. She said, ‘We called some doctors, [but they say] ‘We don’t know what to do.’ I guess nobody has gotten the memo.’

Congress needs to get the memo. We need to pass S. 1716, the Emergency Health Care Relief Act, and we need to do it today.

The past 4 weeks, we have seen terrible destruction, destruction that Katrina wrought as well as Rita has wrought; more than 1,000 people are dead, a million people displaced, hundreds of billions of dollars of damage. I went down there to the gulf to see it myself, and I must say it is worse than the pictures.

Katrina has exposed deep problems that plague American society: chronic poverty, stark inequality, strained race relations. We could not solve all of these problems today, but some are so pervasive, so severe, that a single bill cannot remedy them. It requires a sustained national debate and reexamination of what we as a nation hold dear.

We cannot fix everything today, but we can fix some things today. One thing we can fix is a lack of health coverage for tens of thousands of Katrina survivors. We can and must pass the Emergency Health Care Relief Act today.

This broadly supported legislation would provide victims of Hurricane Katrina for the healthcare services they urgently need. As we so often do, Chairman Grassley and I worked together on this bill. We worked together on the Katrina tax package which the President signed Friday that and which is now now helping us in the cash in hands of Katrina victims.

And we worked together on this health bill as well. We spent a lot of time together—our staffers—consulting with Senators, especially with Senators in related States.

Our health bill would provide temporary Medicaid coverage for Katrina survivors, available through a streamlined application. It is that simple. These families will be right away. Those eligible will get coverage for up to 5 months, with a possible extension of 5 months.

Pregnant women such as Tina Eagerton, as well as children, would be eligible for health care at higher income levels.

To support those who lost their jobs and income, our bill allows those individuals to keep their current coverage while they seek Federal Government. And our bill would set up a fund to help health care providers deal with their tremendous uncompensated care losses—health care, hospitals, specialists. These funds would go to providers who experienced a surge in patient load from the evacuation of Katrina victims. These funds would go to those facilities that no longer have the patient base to make ends meet.

But this is not just health care providers who are uncompensated care expenses. States are as well. Texas has taken in 200,000 Katrina evacuees. Katrina is adding $30 million a month in costs to the Texas Medicaid Program.

Our legislation provides Texas—and other States caring for Katrina evacuees—with the full Federal Medicaid funding for those evacuees.

The bill would also cover all the costs of Louisiana’s and Mississippi’s Medicaid and child health programs for 2006, with the same treatment being provided to a number of particularly ravaged counties in Alabama.

This legislation would give solid help to those who receive TANF and unemployment insurance.

In short, our bill does a great deal to help Katrina victims in commonsense ways.

But as a result, our bill has broad support from consumer, health care, and business groups. Here is what some of the groups have to say about our bill.

The American Red Cross says:

As our nation faces the challenging task of ensuring that displaced Louisiana and Mississippi Katrina receive the care, compassion, and support needed to reconstruct their lives, legislation such as yours helps to ensure their health care needs will be met.

The American Hospital Association says of our bill:

[It] is an important first step toward getting assistance to the thousands of people who have been affected by the storm, as well as those who are providing their care.

The National Governors Association says:

The Nation’s Governors are very supportive of your relief package. [The] additional investments in Medicaid and TANF that your relief package provide will be critical to help these individuals put their lives back together and regain some sense of stability.

Congress has taken some steps to respond to the Katrina disaster. We have passed more than $60 billion in funding for FEMA. We have passed Katrina-targeted tax relief. These bills are helping us in what may be the biggest relief operation for a natural disaster in American history.

But we must do more to help the victims of this natural—and national—disaster. We must provide Katrina victims with access to health care—not done in part of the legislation—and we must do it now.

Americans have responded generously. Americans have given of their time, through the efforts of tens of thousands of volunteers.

Americans have opened their homes. Web sites report offers for shelter totaling nearly 270,000 beds. And Americans have opened their wallets in an unprecedented fashion. In the 3 weeks following the hurricane, Americans contributed more than $1.2 billion to help victims.

But individual citizens can do only so much. At some point Congress needs to help. We need to help people such as Rosealind Breaux. Of Rosalind Breaux, the Chicago Tribune reported:

Diagnosed with colon cancer on May 1, Ms. Breaux was scheduled for her third round of Chemotherapy on August 31. A day after flooding began to wreck New Orleans and Charity Hospital where she had been receiving care, Breaux and her family ended up settling temporarily in Baton Rouge. Nauseated with constant fatigue, profound weakness and frequent pain, Breaux has been trying to survive the stress of her situation as best she could. Meanwhile, her husband, a policeman at Charity Hospital, has lost his job and there are questions about whether his insurance will pay for her care. “It’s been so frustrating not knowing what’s going to happen,” she said, “I just pray I can make it through this.”
We need to help. Congress needs to ensure that people such as Rosalind Breaux and Tina Eagerton have health care. That is the least we can do.

Let us rise to the level of caring and sympathy of the American people who have given so much to the victims of this disaster. Let us take an active role to meet the needs of those whom Katrina has displaced and disadvantaged, and let us do our part to help this region and its people get back on their feet.

We act this evening—this evening, now—by passing the Emergency Health Care Relief Act, legislation which the chairman of the committee, Senator Grassley, and I have worked on so vigorously, so assiduously and comprehensively. Talking to Senators, talking to groups, we have worked on this, and it is a balanced bill, a needed bill. Time is of the essence.

I urge the Senate to act tonight. The PRESIDING OFFICER. The Senator from Iowa.

Mr. Grassley. Mr. President, I am pleased to join my colleague, Senator Baucus, ranking Democrat of the committee that has jurisdiction over this issue of Medicaid, to urge passage of the Emergency Health Care Relief Act of 2005. We have worked very well together on the contents of this legislation, not only between Senator Baucus and me but by involving the staff of everybody on the committee, as well as consultatively, the Senators from Arkansas, Texas, Louisiana, Mississippi, and Alabama.

We are all very deeply moved by the pictures and by the stories of those from the States who have been hurt by Katrina—and now, of course, Rita—their homes, their jobs and, worst of all, their loved ones who have given up everything. My heart, of course, goes out, as well, to the others who have suffered as much as a result of this terrible disaster.

I think the need to act is very obvious. About 250,000 people have been evacuated as a result of this disaster. According to a survey by the Washington Post, half of the evacuees have no health insurance. Four in ten of the evacuees are physically disabled or have chronic illness. According to a survey done by the same paper, 6 in 10 evacuees have incomes of less than $20,000.

It is a function of our Government and our responsibility as legislators to provide assistance to these vulnerable families. I would like to briefly outline this legislation. The Katrina health care relief package is very targeted and, most importantly, temporary. It is an uncompensated care funding pool to cover evacuation costs and emergency health care costs related to the hurricane; most importantly, temporary Medicaid coverage limited to 5 months, unless the President would extend it for another 5 months, limited to only those residents and evacuees from the hardest hit counties of the State; and 100 percent Federal funding for the disaster related Medicaid costs until December 31, 2006.

The compromise package bill limits Medicaid to those most in need: To those below the poverty level; pregnant women and children below 200 percent of poverty; and, after 6 months, the bottom line is that this is a responsible compromise. It is limited. It is targeted only to those who have the most need.

The legislation includes a simplified enrollment procedure. One important part of our bill that I want to highlight would help those with private insurance. Many of the folks affected by Katrina have private health insurance which they would like to keep.

Many of the evacuees also have chronic conditions. For these folks, losing their health insurance means the loss of important provider relationships. This legislation will help these folks avoid that situation.

The legislation also offers help to certain employers who, prior to Katrina, offered their employees health insurance.

All of my friends on this side of the aisle, the Senators from Arkansas, Texas, Louisiana, Mississippi, and Alabama. We all know that many businesses face a difficult time in maintaining coverage. Now these businesses will be able to get back up and contribute to a revitalization of the economy in that area.

Our bill would also waive the Medicaid Part B late enrollment penalty for those who miss the initial enrollment period. We don’t want people to have to pay a penalty when they wouldn’t otherwise do that if we had not had the hurricane.

I am pleased that Senator Baucus and I have been able to take action on behalf of those whose lives have been disrupted by the hurricane.

As Senator Baucus said, the bill is supported by the Governors Association, the American Medical Association, the American Hospital Association, the Health Care Leadership Council, the American Red Cross, the March of Dimes, and many others.

I hope my colleagues will support this legislation, and I urge swift Senate consideration of S. 1716.

I would also like to point out some things more procedural than just the contents of the bill. As a reminder to all of my friends on this side of the aisle, the Wednesday after Labor Day we had a news conference assuring the people of this country—that news conference, the Health Care Leadership Council, the American Medical Association, the American Hospital Association, the American Red Cross, and many others.

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I hope my colleagues will support this legislation, and I urge swift Senate consideration of S. 1716.
The administration has taken administrative steps to provide necessary medical care to evacuees. They have provided Medicaid to certain states. Secretary Leavitt has pledged additional waivers to states that request one if the request is reasonable. For example, she has already approved $52 billion for the recovery of victims and their care. I am concerned that this bill involves new spending rather than reprogramming a part of the $62 billion Congress has already appropriated. It would add additional $8.9 billion in spending on top of the money FEMA has already been given.

We should make some changes to this bill. I have serious concerns about four provisions included in this bill. First, this bill provides for temporary expansion of Medicaid. Second, it requires that the federal government provide 100% FMAP for Louisiana, Mississippi, and affected counties in Alabama. This is a windfall and does not provide any incentive for these states to keep Medicaid costs down. Third, it holds 29 states harmless from a scheduled FMAP reduction in 2006. This means the federal government continues to pay more of the costs, even in states with few or no Hurricane Katrina evacuees. My final concern is that this bill also increases spending by $38.9 billion and probably unnecessarily so given the steps that Congress and the Administration have already taken. Any legislative proposal should be well thought out and fiscally responsible. If these services can be provided administratively, which HHS says they can, we should allow HHS to do so. Congress does not, and should not, alter the Medicaid formula as this bill seeks to.

We, as a Congress, need to get a better handle on the money being spent. We have an obligation to those affected by the hurricane as well as to those Americans we are asking to help pay the costs of relief. We must ensure this money is spent wisely.

I object to the unanimous consent.

The PRESIDING OFFICER. The objection is heard.

Mr. BAUCUS. I am astounded by the statement made by the Senator who just spoke. This has nothing to do with the $362 billion, nothing whatever. If there are contract problems with FEMA dollars, we will discuss those and deal with them when this Senate deals with additional appropriations requests related to Katrina. This has nothing whatever to do with that. Those are FEMA dollars, contracts to repair roads and bridges.

Mr. ENSIGN. Will the Senator yield?

Mr. BAUCUS. Not at this moment, no.

It has nothing to do with FEMA. We will deal with legitimate points that the Senator from Nevada raised at another time and context when we deal with additional appropriations for FEMA. This has nothing to do with that.

We are talking about people. FEMA was projects, contracts. This is people. This is people's health care. This is Medicaid, that pays for people's health care. This is an emergency. It is people's health care—for people. That is what this is.

It has nothing to do with FEMA, nothing whatever.

I hope the Senators understand that. I hope the country understands and realizes that. I am astounded at the objection I just heard because it has nothing to do with the objection at hand.

Mrs. LINCOLN. Will the Senator yield?

Mr. BAUCUS. I yield to the Senator from Arkansas.

Mrs. LINCOLN. If the Senator from Nevada is worried about the dollars FEMA received, why did no one object to the $60 billion being sent to FEMA, which has been so inefficient in the wake of this disaster?

Now we are going to ask, as the chairman of the Committee on Finance points out, the disproportionately low-income, disproportionately disabled individuals to pay for this?

I am here today to speak in support of the Emergency Care Relief Act of 2005 and to compliment the chairman of the Committee on Finance and the ranking member, Senator BAUCUS, for making this important issue a priority, for working hard and bringing people together to recognize it is not only a natural disaster but also a national disaster. As Americans we have to come together to help our neighbors.

I find it odd that here we are talking about $3 billion, $7.5 billion, $8 billion compared to the $60 billion no-bid contracts. Maybe my colleagues who want to object to this are willing to jump in and help provide the bipartisan-non-partisan commission we need to review the response to the natural disasters that happened on the gulf coast. Maybe they could help somebody who can review what is going on—not just what happened then but what continues to happen in FEMA.

Our Nation's health care providers and States have been there at a time when vulnerable Americans needed them the most. The moment Hurricane Katrina hit the gulf coast, they jumped into action without being asked. No one asked them to get in their cars and drive to the gulf coast to provide medical care, to get in their helicopters and go rescue those people off those rooftops. States all across the country opened their doors to welcome Katrina survivors. Hospitals sent helicopters to the gulf coast to evacuate those who needed immediate attention. Doctors, nurses, and other health care providers have come together to provide much needed health care to thousands of Katrina survivors. And they did it all without being mandated. This bill is an attempt to simplify what it means to be a good neighbor and what it means to be a part of this American family.

Our own Arkansas Children's Hospital is one of the many hospitals around the country that immediately jumped into action to provide health care for Katrina survivors. Even before the worst of the storm hit, they were providing specialized heart pump to be flown in from Germany. Arkansas Children's Hospital evacuated this child from Louisiana, and he received the necessary pump, saving this 9-year-old boy's life. Does that mean anything to somebody in the Senate? Not to me. It means something to his parents. And for once, we as a Senate should stand up and take notice.

Arkansas Children's Hospital did. And they have already provided $1.7 million in uncompensated care to Katrina survivors.

There are health care providers all around the country doing similarly inspiring work. In Arkansas, our pharmacy benefit managers have been paying millions as fast as they can, paying special attention to those who have chronic conditions or were in the middle of their cancer treatment. Senator BAUCUS mentioned one of those cancer patients.

Hospitals have deployed medical teams to approximately 60 camps and shelters around our great State to address the medical needs of these evacuees. I have always been proud of the people of Arkansas. I have always recognized them as our greatest asset. And I am enormously proud of the countless providers and volunteers in Arkansas and all around this great country who have given their time to make sure that the health care needs of Katrina survivors are met.

By passing the Emergency Health Care Relief Act, we in this Senate have the same opportunity to give Katrina survivors, health care providers and States, the relief they so desperately need.

We are not talking about walking away and closing the doors. We are talking about a temporary relief for people who jumped in there and provided care, without being asked, without being mandated, but because that is what human beings do when other human beings need that kind of care.

I want to recognize our Nation's health care safety net. That is what we are talking about, a safety net for some of the most vulnerable of Americans who have been hit by an unbelievable natural disaster. This crisis has shown just how important this safety net is to our Nation. We need to make sure it does not unravel in the face of this national emergency.

Our home State of Arkansas, per capita, has taken in unbelievably disproportionate numbers of evacuees—not because we had to, but we believe that is what it means to be a part of the American family.
This place is paralyzed because too few are willing to recognize how important it is to not only reach out to our neighbors but also follow up and back up those who have been there in these emergencies, to provide the health care they need.

I said earlier that it hit home for me. While I was on vacation this summer, one of my 9-year-old sons did get sick. I was in a strange State, in a strange town, never been there before. I found a clinic and I went there, and I was so grateful. I felt so blessed to have Federal employee health insurance, to be able to access health care for my child while on vacation. Think about the mothers, the fathers, the families, the elderly, who find themselves in a strange place—in a church, a makeshift camp out of a church or maybe in a church basement or maybe in some evacuated housing that has been made a makeshift place for the evacuees to stay. What happens to them when they go to get health care? What happens to the provider who has to look them in the eye and say, I don’t know where you are going to get health care. That is not what we are about in this country.

We talked about billions of dollars we have directed to FEMA. We have talked about tax cuts we provide to low-income people who may or may not even know if they can access those tax cuts. But here we are talking about the elemental part of being a good neighbor, of being a fellow human being, looking to make sure the essentials of providing health care to our brothers and sisters in this country, and we are going to sit here and twiddle our thumbs over red tape? We are going to talk about the possibility of waivers that would cause us to have to petition the devastated States to pay back or to look at these waivers that do not have the funding so we give them a false sense of security so they can provide these services and then find they do not get reimbursed afterward?

What is our Federal Government for if it is not to provide a safety net at a time such as this, to give peace of mind to the hard-working men and women who provide health care day in and day out? I have been to these evacuation camps. I have watched the red tape. I have watched the Red Cross volunteers argue with the volunteering physicians and health care providers on whether they can even give a tetanus shot to someone who had to swim out of New Orleans.

We have an opportunity to stand up and be counted, to provide temporary peace of mind to the medical providers who are reaching out to provide the much-needed services to the disproportionately low-income, disproportionately disadvantaged and handicapped.

I offered an amendment almost 3 weeks ago. As the chairman mentioned, it probably did go a little too far. But I am not ashamed of that. But I didn’t give away the barn. It was still temporary just to make sure that these evacuees, these fellow Americans, could get the services they need at the most vulnerable time of their lives. I was asked in good faith to withdraw my amendment because nobody wanted to vote against it. Withdraw your amendment and we will work out a good faith. Chairman GRASSLEY and Senator BAUCUS did just that.

I say to my colleagues who want to object to what we are trying to do, if you have a better answer or you want to say that the health care or anybody every one of us voted for to go to FEMA, maybe you are willing to look to FEMA and make sure that happens, $8 billion out of $60 billion is a small piece of the overall pie.

I withdrew that amendment in good faith. I hope my colleagues will recognize that we are talking about the American spirit that I hope we produce in the Senate.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SUNUNU. Mr. President, what is the regular order?

The PRESIDING OFFICER. We are in morning business with 10-minute grants.

Mr. SUNUNU. Mr. President, I will respond in part in supporting my colleagues who objected. We do not object in any way to providing assistance where it is needed. We have already done so, passing $62 billion in new spending on the billion in tax relief. That is a very great core relief effort that is providing assistance to those very much in need in the Gulf Coast States and around the country.

The question and the point we object to is whether we consider this bill tonight by unanimous consent, an additional $9 billion in spending, several new programs, some of which do not really have anything to do directly with providing emergency assistance for health care or any other services to those people who need it in the Gulf States. That is the question, whether it is imperative we consider this bill now or whether we can move forward in a more deliberative fashion, and whether some of the elements in this bill can be improved.

As I said, we provided $62 billion in appropriations, $9 billion in tax relief. So at the very beginning of this discussion we have to ask, with over $40 billion already in appropriations, why can’t we use a portion of that to cover some of these important needs, some of the health care needs the Senator from Arkansas just described? I think that is one basic reason why I and others object to moving forward tonight on this bill. We ought to be able to find a way to utilize some of the $62 billion we have already passed through the House and the Senate.

Second, as I indicated, there is a provision in this legislation that changes reimbursement rates for Medicaid for 29 States, regardless of whether and how many displaced people from the gulf are currently housed in that State, currently seeking services in that State, currently looking for health care or employment in that State. For 29 States whose reimbursement rate was going to change in 2006, we wave that rate and say: Here are the reimbursement rates regardless of how you might have been impacted by Hurricane Katrina or Hurricane Rita. That has nothing to do with directly providing the assistance, the compassion, the health care that the previous speakers were describing.

I question whether this is an appropriate vehicle to include such a provision. There is $1.5 billion for disaster relief in Medicaid—well intended, well directed. But currently CMS, the regulator of Medicaid, is allowing States to apply for waivers to deliver the very kinds of benefits contemplated in that $1.5 billion program. In fact, Texas and Mississippi and others have already applied for and have received waivers to do those very things contemplated in the legislation, which begs the question, is this necessary? Is it necessary in one shape or form, do we need to commit $1.5 billion, or can we wait and at least better understand how the waiver process is proceeding, which has been approved already in those four States? And I hope other States that might apply will get a similar fast response.

There is also $800 million in this legislation to provide assistance, financial support to individuals who are covered by private insurance, though indirectly this will provide some private insurance companies whose participants were affected by the hurricanes. I would want, first, to answer the question: What are those private insurers doing for the employees they had covered; are they seeing people from those employees and those businesses because they were affected by this tremendous natural catastrophe? I hope that is not the case. I do not know that is the case. But we ought to understand what obligations these payments from these private insurers are meeting before we commit an additional $800 million that might allow them to walk away from some of their economic or moral obligations for those they have covered in the past.

So $1.5 billion in a disaster relief program that is already being addressed through the waiver process, $800 million in support for those covered by private insurance that reimburses for $1.5 billion program. In fact, Texas and Mississippi and others have already applied for and have received waivers to do those very things contemplated in the legislation, which begs the question, is this necessary? I think all of those items call into question both the structure and the timing of this legislation. I think we can do better.

I think there are a lot of questions as to how the $62 billion that has already been committed is being spent. Other Members have raised the question of working harder to find out if any additional spending will have a minimum impact on the deficit and the national debt, which is a challenge and a
crisis we are all going to be faced with today and in future generations as well. We do not want to create a future economic catastrophe in our heartfelt efforts to deal with this natural disaster today.

There is no question that we need to provide assistance, that we should provide assistance, and that the House and Senate will continue to provide assistance, in all likelihood, in addition to the $62 billion we have already committed and the $5 billion in tax relief that has been added to that. But we need to work very hard to make sure we know how that money is being utilized. I think we should do everything in our power to allow some of those funds to be used for these critical health care costs. And we need to do much more to try to find ways to cover this additional spending so we do not increase the deficit and leave an unfortunate financial legacy for future generations.

I think my colleague’s objection was warranted. I do not think being more deliberative in addressing this legislation and reviewing this legislation will hurt its efficacy and effectiveness in the long run. But I do think it will serve the public and the country much better if the money is to be as fiscally responsible as we possibly can in addressing these critical needs in the Gulf States.

I yield back the remainder of my time.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

OIL PRICES

Mr. DORGAN. Mr. President, I introduced a piece of legislation a few weeks ago with my colleagues, Senator Dodd and Senator BOXER, dealing with the issue of a windfall profits tax on the major integrated oil companies in this country. The proceeds of this profits tax would be used to give rebates back to consumers who are now paying extraordinary prices to fill up the tank of their car and will be paying extraordinary prices this winter for things such as natural gas and home heating fuel.

Well, this proposal for a windfall profits tax in order to capture some of that windfall or excess profits and move it back to consumers has drawn a fair amount of criticism from, of course, one of the largest and wealthiest industries in our country. I expect that and understand that.

An op-ed piece this past weekend by James Glassman is typical of that. James Glassman is a fellow at the American Enterprise Institute, and he wrote an article that said:

“Look, the free market is working. The markets are working, he says. He is very critical, of course, of the legislation I have introduced. ‘The markets are working’.

Well, I decided I would bring this over. This is the James Glassman, by the way, who wrote the book in year 2000, ‘Dow 36000.’ He was predicting the Dow Jones Industrial Average was going to go to 36,000. It did not quite work so well. But among the pundits here in Washington, DC, there is no such thing as trying to track back to find out who is right or wrong, you just keep writing. The Dow at 36,000? Yeah?

The oil markets are working? Sure they are.

Let me show you what is happening with these markets.

First, this was in the Washington Post yesterday. It shows there is a 46-percent increase in the price of a gallon of gasoline for the crude oil producer since last September.

That is for the producers. It shows a 255-percent increase in refining over the past year. Incidentally, in most cases these are the same companies. Because of the behemoth mergers of the 1990s, giant oil companies were formed. Many of these are integrated companies that do everything from pulling oil from the ground to putting it in the car.

What has happened? Well, let me give you some statistics.

The 10 largest oil companies earned revenues last year of over $1 trillion and had net profits of over $100 billion. These are last year’s numbers. Exxon Mobil, the world’s largest publicly traded oil company, earned more than $25 billion last year and spent $9.9 billion of it to buy back its stock. In addition, it has $30 billion in cash.

Profits for the largest 10 oil companies jumped more than 30 percent last year over the year before.

Now, there is an exception to this, because these profits are going to look minuscule as compared to the profits they are getting this year. The price of oil has gone up another $30 a barrel. It is $30 a barrel above the record profits the major oil companies had last year.

So while people drive to the gas pump and pay through the nose, this extra money to buy back their stock.

Well, this is $30 a barrel above, and the record profits the major oil companies had last year. Today, people drive to the gas pump and pay through the nose, this notion of “fill ‘er up” no longer just pertains to the gas tank on the car, it pertains to the treasuries of the major oil companies. And are they being filled up.

Now, what is happening with all of that money? Well, let me read a BusinessWeek article that says: “Why Isn’t Big Oil Drilling More?”

Interesting. One would expect, as Mr. Glassman argues, oil companies can just get rich, they’ll look for more oil. Everybody wins. Right?

BusinessWeek: “Why Isn’t Big Oil Drilling More?”

Well, the answer in the article was: by cutting the number of rivals, mergers have made it easier for them to get away with that reluctance to spend.

Far from raising money to pursue opportunities, oil companies are paying down debt, buying back shares, and hoarding cash. Rather than developing new fields, oil giants have preferred to tell investors they are “drilling for oil on Wall Street,” as they call it.

So you have a massive amount of money that is going to the treasuries of the big oil companies. And they are “drilling for oil on Wall Street.”

Well, I have news for them. There are no oil on Wall Street. The megamergers of the 1990s, the creation of these behemoth organizations now have us in a situation where they are getting extraordinary wealth with, in my judgment, windfall or excess profits.

The American consumer is paying through the nose, and these companies are profiting beyond that which we have ever seen in corporate America.

Now, the Federal Trade Commission head says she doubts new laws dealing with profiteering would be effective. It is not surprising to me. The Federal Trade Commission, as a result of a provision I put in the new energy bill that was signed by the President, is required by law to investigate the pricing of oil and gas. But I do think this tiger without teeth called the Federal Trade Commission is very interested in doing that?

And if you wonder, take a look at the writer’s article of 22 September 2005. Before they have even taken a hard look at all these things, the chairman of the Federal Trade Commission is taking the typical probusiness line.

Let me say this: The proposal we have offered for a windfall or excess profits tax, and using it to provide a rebate to consumers, is one that makes a lot of sense. This is not the old windfall profits tax of a couple decades ago.

This says: If the excess profits that integrated oil companies are getting from a barrel of oil are being invested back into the ground to develop the nation’s energy supply or invested to build refineries, then they will not bear the burden of this recapture. Our proposal is simple: There will be no recapture and no tax if this windfall profit is being used to explore for more oil or to increase refinery capacity.

But I read to you the BusinessWeek article describing what they are doing. What are they doing? They are using that extra money to buy back their shares of stock, to pay down their debt, to hoard cash—in Exxon’s case, in excess of $15 billion. Of course, that is a ready reserve with which to take a look at new companies to buy. That is the reference to “drilling for oil on Wall Street.”

Well, I suppose there are many in this Congress, perhaps in this Senate, who share Mr. Glassman’s views. After all, he comes from the American Enterprise Institute. They hang out a lot of paper and kill a lot of trees to dispense information here in the Senate about the market system. But there is no free market in oil. What you have