

Mrs. BOXER. Absolutely. Right now, I am very concerned about a doubledipper recession. I am very concerned we may have real problems in this country with unemployment. We see what is happening in the last 17 months since this administration took over, and what is happening to the crime rate. It is going up. One of the reasons it is going up, experts say, is that the economy is bad. We know we are not spending money to put cops on the beat. That hurts.

We have a quality-of-life situation and it is spiraling out of control.

I say to my friend, on all fronts, this is a national security issue, whether or not we say we want to have a rail system as does every other great nation in the world. We are playing around with this issue and it has to stop. It is bad management on the part of this administration to be taking us to the 11th hour on this deal. We could have thousands of people unemployed, thousands of people stranded, who cannot get to work, shutting down a system that could be a backup to our air system, especially at a time of terrorist threats.

My question to my friend is this: Is it true this Congress voted to give \$15 billion to the airlines, \$5 billion of that in a direct check, and then loan guarantees for the rest because we believe it is very important to our economy, to our national security, to keep travel going? Is it not ironic that when the people's own train system needs \$200 million to keep it going, we cannot get a direct answer from this administration, and they are taking it to this 11th hour?

Mr. REID. I respond to the distinguished Senator from California, the neighbor of the State of Nevada, yes, we did give money to the airlines. I am glad we did. We provided money to help them stay in business. We still have a large pot of money to which airlines can apply.

I say to my friend from California, we help airlines every day, airports every day. Highways are Federal construction. Ninety percent of the construction that takes place in Nevada and California is Federal money; 8 million passenger rides in California last year with Amtrak. If the system were better, it would be triple. There could be 24 million passengers in that largest State in the Union.

We have such an antiquated system in most places we cannot run high-speed rail. I do not apologize for my support for Amtrak. Nevada does not get a lot of benefit. I hope we get more in the year to come. If it closes down, we certainly will not.

I have heard people ask: What benefit do I get out of Amtrak? The State of California and the State of Nevada have the Hoover Dam which was built in the 1930s with Federal dollars. Those Federal dollars do not help much of the rest of the country. They help California, Arizona, and Nevada principally. But it is a great program that

the taxpayers helped to provide that is good for our country. Amtrak is good for our country.

How can we have a country, which we all love so much, the only superpower left in the world, and not have a passenger rail service? We should be embarrassed about the passenger rail service we have today. It is pretty bad. But we love it. We want to make it better.

I say to the administration, if they are listening: Fine, if you want to bail us out with a few million dollars to keep us going, that is fine, but that will not do the trick. We need a long-term plan for Amtrak, a plan that spends money in improving the tracks.

I am in favor of high-speed rail between California and Nevada, between Los Angeles and Las Vegas. It would increase productivity, it would alleviate the burden at our airports and on our highways, and make a more productive society.

I appreciate the statements of the Senator from California. I see my friend from Delaware in the Chamber. He has been a leader in this field.

I appreciate their interest and support for this program that people are trying to let die. I feel so bad about that.

Mrs. BOXER. I say to my friend and my colleagues who may be listening, during wartime I remember a bumper sticker that said "Imagine Peace." It was a pretty simple thing, but you really have to think what something could be.

We could really imagine this country connected by a rail system that serves all our people. What an improvement in the quality of life; what an improvement in the economy; what an improvement in air quality; what a better way for us to go when we are competing for economic dollars. This is an efficiency plan.

So whether it is the economy or national security, we do need some bold leadership. I am glad my friend raised this issue. We certainly have it from my friend from Delaware. I am glad he is on the floor tonight. I am going to do everything I can. Our State of California puts a lot of money into our rail system. We step to the plate and match these dollars. We don't want to see Amtrak go away. It would be a disaster for many areas of my great State.

I thank my friend for yielding.

Mr. REID. Madam President, notwithstanding the order that is now in effect that Senator KYL would be recognized and we would then go into a period of morning business, I ask unanimous consent the Senator from Delaware be allowed to speak on the Defense bill which is now before us.

The PRESIDING OFFICER. Is there objection?

Mr. THOMAS. I object to that.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Madam President, I ask unanimous consent the Senator from Delaware be recognized to speak as in morning business.

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

AMTRAK

Mr. CARPER. Madam President, I do not believe any of the Senators who are on the floor at this time were serving in the House or the Senate when Amtrak was created. It was created in 1970 and it was created after an extended debate which found none of the private railroads in this country wanted to continue to provide passenger rail service. They wanted out of the business and they got out. They convinced the Congress and then the President, Richard Nixon, that they should be able to buy stock in this entity called Amtrak, they should turn over a lot of their rolling stock—their locomotives and their passenger cars or dining cars, the whole Northeast corridor from Washington to Boston, repair shops, train stations—to this new entity, Amtrak, to see if they could make it go as a quasi-governmental entity whereas for years the private sector had not been able to make a go of it.

Lo and behold, 32 years later Amtrak has not been able to figure out how to make money, how to make a profit doing what the private railroads could not make a profit doing in the 1970s or 1960s or the years before that; that is, carrying people.

Last Thursday here on the floor I talked a bit about all those other countries around the world that offer terrific passenger train service, whether it is Britain or France or Spain or Italy, Scandinavia or Germany—or over the other side of the world, Asian countries such as Japan, where people can go in trains that run at 200 miles an hour and can actually write on the trains and people can read your writing—something no one is able to do with mine when I ride the rails with Amtrak. They can put a cup of coffee on the table and the coffee is still like it would be on this table before me.

The reason why they have such good train service in those countries is because they make it a national priority. They believe it is in their national interest to have good passenger rail service.

Some of those countries are more densely populated than our own, but as time goes by we are becoming more densely populated, too. I said last week that some 75 percent of Americans today live within 50 miles of one of our coasts. As time goes by, we are going to become more densely populated. Those dense populations provide for a number of problems: congestion on our highways, congestion in our airports, the fouling of our air. As we all climb into our cars, trucks, and vans to go from one place to the other and then fill them up with gas, we import a lot of the oil we refine into gasoline and we end up with a huge trade deficit, about a third of which is attributable to imported oil.

Part of the reason so many of those other countries put so much of their

money, so much of their resources into their passenger rail system is not because of nostalgia. They do not pine for the days when people rode the trains from coast to coast. They do it because it is in their naked self-interest to have good passenger rail service.

It is in our naked self-interest to have good passenger rail service as well. As a former Governor, I served on the Amtrak Board appointed by the President, confirmed by the Senate, and I served there as a member of the board of directors for 4 years. There were a number of times during the time I served on the board—and a number of times since—that Amtrak has run short of cash. They negotiated with a consortium of private lenders and got enough money to carry them through their tough patch and when the next Federal appropriation comes through or the ridership peaks in one of the peak ridership periods for the summer or Thanksgiving or Christmas or the other holidays, they pay off the loans.

Amtrak is endeavoring to arrange a bridge loan from a consortium of private banks to carry them through to the end of this fiscal year. Their ability to negotiate that loan fell apart with the announcement of the administration's restructuring plan for Amtrak, which is not so much a restructuring plan for Amtrak but it is, frankly, the end, the demise of Amtrak as we know it.

With that having been done and the inability to negotiate with the private lending consortium, I think in large part because of the announcement of the restructuring plan for Amtrak by the administration, the administration has some responsibility to step to the plate and to provide—as they can under law; they have the discretion under the law—a loan guarantee so Amtrak can go ahead with this negotiation with the private bankers. They ought to do that.

When we get past this very difficult time—and I want to tell you if Amtrak does shut down, it is not because everybody rides Amtrak but because Amtrak is very involved in commuter operations. Amtrak runs the entire Northeast corridor. Electricity is sold to the commuter trains. The commuter trains use Penn Station. Amtrak is involved in the Midwest—we have a colleague here from Chicago—in helping run the commuter operations there, and California. It is not just the Northeast corridor. It is throughout the country. A shutdown, especially a hasty shutdown, will create havoc, not necessarily because of the people who run Amtrak trains but all the people who depend on Amtrak and maybe don't know it. They depend on Amtrak to get to work every day and to get home.

Let me close with this thought, if I could. When we get through this difficult time—and we need to, and I hope the administration steps up to the plate and says we have some responsibility and acts to discharge those responsibilities—when we get through

this, that carries us to the next fiscal year. We need to determine as a country, with a healthy debate with the administration fully engaged, what we are going to do for passenger rail service in America. What will taxpayers support? What will Congress and the administration support? That debate is one in which I look forward to participating.

I think passenger rail going forward will depend, in no small part, on our willingness, and that of the administration, to find a dedicated source of capital funding. Since Amtrak's creation 32 years ago, there has never been adequate capital support for the railroad. There has never been capital support.

We all know that railroading is capital intensive. There needs to be a dedicated source of capital funding. My colleagues will hear me say that more in the months to come. In my judgment, that is the key. If we support passenger rail service, we have to provide the capital to support it.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Thank you, Madam President.

If the Senator from New Jersey wishes to speak for any period of time, I will go ahead and take my right. But if he wants only to ask for a unanimous consent, I would be happy to provide that opportunity.

Mr. CORZINE. May I ask the Senator from Arizona how long he intends to speak?

Mr. KYL. I intend to take about 20 or 25 minutes.

Mr. CORZINE. If the Senator from Arizona would consider it, I would talk no more than 5 minutes, and probably a few minutes less.

Mr. KYL. Madam President, in accommodation of my colleague from New Jersey, if he will keep his remarks to 4 minutes, shall we say, I would be happy to provide him the opportunity, and then I will begin after he is finished speaking.

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

The Senator from New Jersey is recognized for 4 minutes.

Mr. CORZINE. Madam President, my colleague from Arizona is very kind to offer this opportunity.

AMTRAK

Mr. CORZINE. Madam President, I rise to reinforce some of the dialog we have had on the floor with regard to Amtrak. This is a major economic issue for our Nation—not just the Northeast corridor.

We have enormous numbers of interconnected elements of our economy which are dependent on the functioning of inner-city rail transportation, and certainly in the Northeast corridor where I come from, the most densely populated State in the Nation. There are almost 300,000 commuters a day

using Amtrak or Amtrak-related facilities that move in and out of Penn Station and the New York metropolitan region. There are 82,000 daily commuters in New Jersey traffic.

These folks are involved in the financial affairs of this Nation. We are going to create havoc in operations in our metropolitan regions of New York City if we have a shutdown of this highway transportation. I think it is absolutely essential that we get long-term Amtrak reform.

What I want to speak about tonight is that we need not create a crisis with a short-term shutdown, which is going to impact an enormous number of innocent bystanders, to get to long-term reform. The President, the Transportation Department, and the Congress need to sit down and put together a long-term plan with regard to how we are going to reform Amtrak.

I don't think it should be done at the expense of a part of our country that is already suffering. It would spread across the country and undermine the confidence of our already shaken economic expansion. We have seen enormous erosion in a whole series of different levels—the stock market being the most obvious reminder, but at levels that are approaching where we were right after September 11. It strikes me that we don't need to throw another log on the fire and undermine the economic security of our Nation.

That is why I think we need to have a short-term solution with loan guarantees, with the administration and Congress working together to implement a solution to keep this railroad running. We don't need a train ride. What we need to do is make sure we are supportive of our economy.

I am very fearful that if we don't move forward with this short-run solution, we may never get to the long-run reform of Amtrak, which will be deteriorating substantially in the interim while it is shut down.

Let me give you two facts. It costs \$50 million to shut this entity down and \$200 million to keep it running for the remainder of the year. It would cost almost \$1 billion to bring Amtrak back and operating if it were shut down. That is on a nationwide basis.

I think that is too much of an investment to make in a risky proposition of getting to reform without the kind of debate we have had. I hope we can do that on a thoughtful, measured basis in the days and weeks ahead in this 107th Congress. I don't think it should be formulated on the basis of a crisis brought about by a temporary shutdown.

I want to make sure that I am registered very strongly for the people of New Jersey, for the people of the metropolitan New York region, and for the Nation in support of our economy by making sure that Amtrak continues to run until we have a thoughtful, long-term solution.

I thank my colleague from Arizona. I appreciate it. I hope I stayed under 4 minutes. I will come back on another day.