

The Vice President has signed an agreement, he said, to donate any profits from these stock options to charity, and has pledged not to take any tax deduction for the donation. Alternatively, he doesn't have to pay taxes on the value growth he would have otherwise paid. But should Halliburton stock prices increase over the next few years, the Vice President could exercise the stock options for substantial profits benefiting not only his designated charity but also providing Halliburton with a substantial tax deduction.

The issue is simple. Vice President CHENEY claims he has no financial ties to Halliburton, but his own financial disclosure report says otherwise. The American people deserve to know about this relationship with Halliburton. He may argue he has structured deals to minimize his financial windfall from his Halliburton arrangements, but he clearly still has "financial ties" to the company.

The fact that Halliburton received an enormous contract without a competitive bid or public disclosure—it was the subject of debate which we had on this floor—it was then agreed that all contracts dealing with Iraq and its reconstruction would be part of the public record.

Back in May, I wrote to the chairman of the Governmental Affairs Committee requesting hearings on the no-bid contracts awarded to Halliburton in Iraq. I believe these developments now make it even more important for the Senate to hold hearings. I renew my plea to the Governmental Affairs Committee to hold hearings on the administration's initial contracts with Halliburton.

Just this week, we learned that Halliburton's no-bid contract with the Army Corps has increased from \$700 million to nearly \$1 billion. It is a lot of money.

The American people deserve answers to these serious questions concerning government ethics and accountability.

I also believe it is in the interest of the administration to cooperate so the air can be cleared and the record set straight so we know once and for all whether the Vice President admits publicly that he has a financial tie with Halliburton or continues to deny it, despite the written record filed with the Senate Ethics Committee.

FUNDING FOR WILDFIRES

Mr. BURNS. Mr. President, as we are rolling along, trying to complete our work on appropriations, it won't be long that we will have the appropriations for the Interior Department on the Senate floor. I would just like to bring my colleagues up to date on some of the challenges we will be facing and how we probably have to come up with some imagination to take care of some of the problems.

We watched the weather reports from my State of Montana. Montana has had

an unusually hot, dry summer. We have also been plagued with wildfires this year. In fact, the lion's share of the fires has been in my State. I want to speak for a moment on something I think has great importance—the need to provide additional funds to the Forest Service and the Department of the Interior to pay for the cost of fighting this year's wildfires.

Nationwide, the numbers are staggering. Once again, we have suffered a terrible fire season. Little does America know, 27 firefighters lost their lives this year in the line of duty. Over 789 homes and other structures have been destroyed, and 2.8 million acres have burned. During the recent Labor Day weekend, 25,000 firefighters were working on fires in every State in the West.

As in 2000, my home State of Montana has been hit by the largest share of the damage. In fact, for much of the summer, half of the total acres burning in the whole Nation were burning in Montana. So far we have lost 600,000 acres, and the fire continues today. Weather conditions, with cooler temperatures and 2.5 inches of rain this week reported in Big Fork, MT, have helped. But there are still 20 fires that have the potential of blowing up unless the moisture continues.

During the August break, I saw the devastating impact of these fires on our parks, forests, and communities firsthand. The fires were so bad that portions of Glacier National Park and Yellowstone Park were closed to the public for many days, as were many national forest lands and, this time, wildlife refuge lands. The impact of these fires is catastrophic, not only on the land but also on the people.

During July and August, hundreds of residents were evacuated as 80 fires burned out of control throughout Montana. Roughly 125 structures were destroyed, and that included 23 homes.

Fighting these fires is expensive. The Forest Service has been spending as much as \$20 million a day on fire-fighting alone. Total expenditures this fiscal year will approach \$1 billion. That is taxpayer money. In order to pay for these extraordinary costs, the Forest Service has been forced to borrow \$595 million from other nonfire accounts. The Department of the Interior has borrowed \$100 million already and is expected to borrow at least \$50 million more before the fire season is over. Putting it in a conservative manner, the two agencies together will borrow \$850 million from other accounts to fight fires this fiscal year.

Prior to the August recess, the President and the administration submitted a supplemental request for \$289 million for fire suppression. My colleagues may recall, I was angry when the House ultimately sent us a supplemental that did not include these funds. In my view, it was highly irresponsible since the fire season was well under way and we knew those funds would be needed.

At this stage, it may be just as well that the House omitted these funds.

The pending supplemental request is now totally inadequate in light of what has transpired over the last month. If we were to approve only the pending administration request, we would leave the Forest Service and the Department of the Interior with a combined shortfall in other programs of between \$550 and \$600 million.

What would be the impact of this? In a word—substantial. The issue is not whether fires will or won't be fought when necessary. Both agencies will continue to protect life, property, and the important natural resources wherever possible. The issue is what won't get done if we fail to repay the accounts that have been raided.

Last year, we were in a similar situation. Both the Forest Service and the Interior borrowed heavily from nonfire accounts. This caused both agencies to stop work on certain things until those amounts were repaid and that account replenished. In the end, we only repaid about 60 cents on every dollar borrowed, which was the amount proposed by the administration in its supplemental request.

The impacts of this shortfall were very real, but the agencies managed to keep most programs above water by managing carryover, canceling defunct projects, and reducing the scope of projects. But as a result of last year's shortfall, this low-hanging fruit is gone.

If we do not act soon to repay in full—and that is my intent, to repay in full the amounts borrowed during the fiscal year 2003—the impacts will be far greater. A wide variety of programs will be deeply affected—from endangered species monitoring to facilities construction, from land acquisition to recreation management, from the processing of grazing permits to the sale of timber. Failing to repay the amounts borrowed will affect all of these things. It amounts to a de facto rescission of funds appropriated by Congress just 6 months ago.

To my colleagues from over the Nation, I would say this is not just a western problem simply because that is where most of the fires burn. It is a problem for every State in the Union because the funds are effectively being borrowed from every State. They are being borrowed in many cases from projects and programs that were funded at the specific request of every Member in this body. If the amounts are not repaid, those amounts will permanently be taken from many of those same projects and programs again. Maybe it will come from a National Park Service construction project. Maybe it will be in Massachusetts. Maybe it will come from land acquisition in Arizona. Maybe it will come out of grazing management in Colorado. More than likely, it will come from all that I have mentioned.

The use of borrowing authority to fight fires is not necessarily a bad thing. It is a reasonable mechanism when the amounts being borrowed are

relatively modest, when sufficient carryover funds are readily available, or when the borrowed amounts are ultimately repaid. But the borrowing has become routine. The amounts involved are massive. We no longer have large carryover amounts in other accounts, and we have habitually not repaid the full amount that was borrowed.

It is a terrible, inefficient way to run a program.

In the past, both the Congress and the administration have been guilty of playing budgetary games with fire suppression funding, but the current situation is only a faint reflection of that fact. Congress included in the fiscal year 2003 appropriations bill essentially the same amounts that were requested by the administration for wildlife fire management. That amount, in turn, was determined by using the 10-year average cost of fire suppression. But that 10-year average no longer is reasonable or a reasonable benchmark for a number of reasons.

Look at our forests. Fuel loads on the floors of our forests are increasing. Increasing costs of personnel and equipment are fully reflected in the 10-year average, and the wildland-urban interface is expanding, which increases the cost of fire suppression.

I think Congress and the administration need to deal with these issues, particularly hazardous fuel loads. But that will not happen overnight, and it does not change the situation we are in today.

To be clear, I have no interest in giving the Forest Service or the Department of the Interior a blank check to fight fires. We must continue to seek ways to reduce costs, and that is why the Appropriations Committee has asked the National Academy of Public Administration to study recent trends in firefighting costs. But while that academy did find some areas for improvement, it found no smoking gun, and there is no silver bullet.

The system is broken, Mr. President, and the administration must work with us to fix it. It cannot rationally expect to produce cost containment in one program by starving the life out of others.

In the short term, we must enact a supplemental that fully repays the amounts they borrowed during fiscal year 2003. I call on the administration to send us another supplemental request for these amounts.

For the longer term, we have to have annual budget requests that more adequately reflect the current reality of suppression costs. We also need to take another look at borrowing authority we traditionally have provided these agencies.

Unless adequate action has already been taken on the impending supplemental, I expect to offer amendments on this subject when the Interior appropriations bill comes to the floor. I hope these amendments will be widely supported by my colleagues.

I appreciate this opportunity to give a little forecast of what is ahead on an-

other appropriations bill because these are tremendous challenges.

I thank the Chair, and I yield the floor.

APPALACHIAN REGIONAL COMMISSION

Mr. FRIST. Mr. President, I rise to express my strong support for the Appalachian Regional Commission, ARC, and to thank Chairman DOMENICI for his leadership and his support to ensure that the Appalachian Regional Commission's fiscal year 2004 funding needs are adequately met.

The ARC was established in 1965 to support economic development in the Appalachian Region. Today, the region includes 410 counties in 13 States, representing a population of more than 23 million. There are 50 counties in Tennessee currently participating in the ARC. Funding provided by Congress is used by the commission to fund locally sponsored projects such as education and workforce training programs, highway construction, water and sewer system construction, leadership development programs, and small business start-ups and expansions.

I am proud that a Tennessean, Anne B. Pope, is currently serving as the Federal Co-Chair of the Commission. In this position, she is working to further the ARC's five primary goals, which include improving education and workforce training, physical infrastructure, civic capacity and leadership, business development, and health care. Each year ARC provides competitive grant funding for several hundred projects to further these goals. In 1965, one in three Appalachian residents lived in poverty. However, by 1990, the poverty rate had been cut in half. ARC programs are helping to shape a brighter future for the Appalachian region by working with local communities to foster economic growth and development.

Last year, Congress reauthorized the ARC's non-highway programs through 2006, and authorized new programs in telecommunications, entrepreneurship, and job-skills training. Moreover, the legislation signed by President Bush reinforced the ARC's commitment to economically distressed counties by mandating that at least half of the Commission's project funding be made available to support activities that benefit distressed areas. These changes will help to create more opportunities for areas still struggling to join the Nation's mainstream economy.

I am proud of the work that the ARC is doing in Tennessee, and I applaud Chairman DOMENICI for his continued support of the ARC's programs. It is my hope that, as we move to conference, we can work together to ensure that the ARC's funding needs continue to be met.

THE FIRST ANNUAL CONGRESSIONAL CONFERENCE ON CIVIC EDUCATION

Mr. DASCHLE. Mr. President, "A government of the people, by the people and for the people." In his immor-

tal description of American democracy, President Lincoln made self-government sound almost easy.

The truth is, democracy is challenging, continuous work. No war, no sacrifice made by one generation—no matter how enormous—can sustain our democracy forever. Ultimately, each generation of Americans must do the work of democracy itself or our democracy atrophies.

"Civic education" is the term we use to describe the process by which we transmit the knowledge, skills and attitudes that people need in order to be responsible citizens. It is at least as important to the future of our democracy as our economic might or our military power. For that reason, I am very pleased to announce today that the Joint Leadership of the Congress of the United States will host a 3-day Congressional Conference on Civic Education later this month—September 20, 21, and 22.

This Congressional Conference on Civic Education will bring together educators and other experts from every State to focus national attention on the state of civic education in America. I am honored to serve as an honorary host for the conference, along with the majority leader, Senator FRIST, and our counterparts in the House, Speaker HASTERT and Democratic Leader PELOSI.

It is our hope and our expectation that the conference will help launch a nationwide movement, and produce strategic plans to strengthen civic education and civic participation at every level of government—local, State, and national. It is the first of five annual civic education conferences planned by the Joint Leadership.

The goals of this first conference include: increasing public understanding of America's representative democracies and the need for Americans to play a responsible role in their Government; underscoring for policymakers that America's schools play a critical role in preparing students for effective citizenship, and expanding the opportunities for policymakers to participate in carrying out this civic mission; and encouraging the formation of State delegation working groups that will take the lead in improving civic education in their respective States.

The Congressional Conference on Civic Education is a fitting and appropriate way for Congress to join the Nation in commemorating Citizenship Week.

The conference is a project of the Alliance for Representative Democracy, a national project designed to reinvigorate and educate Americans on the critical relationship between Government and the people it serves. The Alliance's members are the National Conference of State Legislatures, the Center on Congress at Indiana University, and the Center for Civic Education. The Alliance for Representative Democracy project is funded by the U.S. Department of Education by act of Congress.