

As the Prime Minister searches for a way to end the insurgency, we have to make it clear that his plans for reconciliation cannot rest on the foundation of amnesty for those who killed our brave soldiers.

In his plan, the Prime Minister stated there might be amnesty for insurgents "not proved to be involved in crimes, terrorist activities, and war crimes against humanity."

Now, the President has to make it clear to the Iraqi Government that they cannot erase the killing of Americans as they try to sketch out this reconciliation plan.

I asked on a weekend show—when I was on one of the Sunday morning shows—what would you think of a plan that said if you killed an American soldier, you could be given amnesty? It would trouble me greatly, when I think of those soldiers of ours who have died for the people of Iraq. It would trouble me as much, if not more, if I had a son or daughter in uniform over there, realizing that they basically announced that it is excusable to shoot and kill an American soldier. We cannot allow that to happen.

The Iraqi Government faces a difficult road ahead. We have to continue to help them. We need to also step up the effort to make the Iraqis responsible for their own future. Some have said we must stay and finish the job, but the simple fact is it is not our job to finish. It is for the Iraqis to finish the job.

The Senate overwhelmingly called for 2006 to be a year of transition in Iraq. That transition must be to Iraqi leadership and responsibility. That is how we can truly announce that our mission is accomplished.

HIGHER EDUCATION ACT EXTENSION

Mr. DURBIN. Mr. President, most Members of Congress come to this life experience with previous life experiences. Many times, they are motivated by something that they have lived through or witnessed. I have seen it time and time again, whether we are talking about a commitment to help certain people, such as the disabled, or to cure a certain disease, whether it is mental illness or cancer or heart disease; you find that many of our colleagues in the Senate and the House really rise to the occasion and show great devotion and commitment to these issues because they have seen them, they understand them.

Well, we all come here with many life experiences. The one that I had as a young man was repeated many times over. After growing up in East St. Louis, IL, and going for a year to a good university, St. Louis University, I decided I had to go out of my home, go away to school. That is what college was all about. I went home to my mom who was a widow at the time, and told her of my plan.

She said: How could you afford it?

I said: Don't worry, I have it all under control.

Well, Mr. President, I was making it up. I had no idea how I was going to pay for it. I went to school here in Washington, at Georgetown University, and worked hard during the school year and the summer and saved up money to help pay expenses, and I also took out student loans.

Were it not for the National Defense Education Act, I could never have finished college and law school. I didn't have any wealth, my family didn't either, so I had to borrow the money. It was early in the 1960s and this program had just gotten started. There were kids all over America like myself who used those student loans to make it through college and professional school. I remember my wife and I were married when I was still in law school, and when I graduated they accumulated all of the student loans that I had borrowed in my entire college career and sent me this ominous letter to tell me that a year after graduation I had to start paying it back, one-tenth of all those loans plus 3 percent every year, without fail. I opened that envelope with great trepidation and saw that total amount and didn't know how I could possibly do it. I told my new wife, holding our new baby, that we faced a student loan debt that needed to be paid off over 10 years, and that debt was \$6,500.

Every time I tell that story to college students now, they break out laughing at hearing \$6,500. Now many of them have to borrow that for a semester. Many years ago, it seemed like a daunting task. Luckily, we met the challenge and paid off the loan. I have been watching student loans ever since because I understand for many students today they are still the ticket to an education.

Last Friday, the Higher Education Act was extended for the fourth time since last year.

I hope that by extending it 3 more months we will be able to work on meaningful legislation that will make it easier for students and parents to pay for a college education.

Earlier this year, Members on the Republican side of the aisle passed a so-called deficit reduction bill that cut \$12 billion from student aid—the largest single cut in financial aid programs in the history of the country.

Although most of the \$12 billion came from reducing the maximum yield private lenders could earn on loans, it also came from raising the interest rates on many of the loans parents take out for their kids' education.

Right now, students are scrambling to consolidate their loans in order to lock in a low interest rate. Do you know why? July 1 is the deadline. Beginning then, students who are still in school will no longer be able to consolidate their loans at lower interest rates because of changes made in the deficit reduction bill. The low interest rates, incidentally, will be gone.

We had an opportunity, with that change, to make a real investment in our children's future. Knowing that interest rates on student loans were about to jump from 5.3 percent to 6.8 percent for students, and from 6.1 percent to 8.5 percent for most parent borrowers, we could have made a real impact and taken the savings from the Deficit Reduction Act on student loans—\$12 billion—and helped the students and their parents. Would that not have been a wise investment in our future? If we are not going to help students finish their college education to become the leaders of tomorrow, are we really preparing for our future?

Sadly, the Republican majority took the \$12 billion in savings from the college student loan program—money taken out of the program—and instead of giving it back to the students to help them get through school, they put the money in a fund to help pay for tax cuts for the wealthiest people in America. That is the most upside down logic in the world—to turn our backs on our young people who are struggling to pay off student loans for education and to say instead that the multimillionaires will receive a more generous tax break. That is what the leadership in Congress believes to be the highest priority. Not many families in America agree.

The smart, hard-working students deserve a chance to get some help. But the Republican majority let them down.

In April, I introduced a bill called the Reverse the Raid on Student Aid Act of 2006, to change that. The bill would increase the Pell grant and turn it into a mandatory spending program, with automatic annual increases; cut student and parent loan interest rates by 50 percent; and allow students to consolidate their loans while they are still in school. It would take the money given to the wealthiest in tax cuts and give it back to the students, to make college more affordable and to make the debts they face after graduation more manageable.

The maximum Pell grant award has been frozen at \$4,050 for 4 years. The President, once again this year, proposed keeping the award at the same level, \$4,050, even though the total cost for tuition, fees, room and board at 4-year public universities has increased by 44 percent since President George W. Bush came to office. As the cost of college education has increased 44 percent, he has frozen the grants—Pell grants—for those kids from struggling families who are trying to get a college education, which means they either postpone their education, give up on their education, or borrow more money in student loans. Is that any gift to America? Is that looking forward?

Twenty years ago, the maximum Pell grant for low-income and working families covered about half—55 percent—of the average cost of attending a 4-year public college. Today, it is down to 33 percent. That is more and more debt on students and their families.

My bill would cut the scheduled interest rate increase. The average student debt of \$17,500 has increased by more than 50 percent over the last 10 years. When students decide to take out a student loan, they are making a decision that can affect their lives for years and years beyond graduation. In some cases, a loan payment may be as high, or higher, than the amount they pay for rent or to buy a car.

Large debt burdens can keep graduates from entering fields they really want to enter and force them to go for the biggest paycheck.

A public interest research group recently said that more than a third of borrowers who graduate from private, 4-year colleges would face an "unmanageable" debt on a starting teacher's salary, meaning they would need to set aside more than 8 percent of their pay to cover the student loans, diminishing the likelihood that they would become a teacher. Other significant life choices, such as buying a home or a car or starting a family or even a marriage may be delayed because of high student loan payments that are made worse by the policies of this administration and this Republican Congress.

My Reverse the Raid on Student Aid bill reflects the type of serious investment I believe we have to make to ensure the future success of our young generation.

Students who are qualified to go to college, students who want to go to college, students who can make valuable economic intellectual and cultural contributions to America by pursuing higher education should not be kept away from school because they don't have the money. These students have our future.

If we want to move ahead in a global economy, we are not going to do it by importing talent from overseas. We have home-grown talent in America. This is a land of opportunity so long as we create the opportunity in schools across America, including our colleges and universities.

The policies on student loans pushed by this Bush-Cheney administration go in the wrong direction. An investment in our kids' education—and this is an old cliché, but it is true—is an investment in our future. The best thing we can do is make sure higher education is accessible, and whenever the higher education reauthorization bill is considered by the full Senate, I hope we will have an opportunity to debate what happened to student financial aid.

Lots of Members of Congress are going to hear from these students and parents when they realize after July 1 what has been done to them. We cannot continue to place the burden of paying for tax cuts on the backs of students and their families. It is not fair to them, nor is it the right thing to do for the future of our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

ASBESTOS REFORM

Mr. SPECTER. Mr. President, I have 5 minutes allotted to me. I spoke yesterday extensively on the pending legislation, and I will use my 5 minutes on another subject.

The subject relates to an article in the Hill newspaper today, which is captioned, "Holtz-Eakin Delivers Blow on Asbestos."

Dr. Holtz-Eakin had been Director of the Congressional Budget Office and had testified at an earlier hearing on asbestos reform that the cost of the program would be between \$120 billion and \$150 billion, which was within range of the \$140 billion allocated to the trust fund. But Dr. Holtz-Eakin later went to work for a foundation that was funded with \$5 million by AIG Insurance Company and other insurers, where they had a vested interest in trying to defeat the bill.

I have today written to the Hill and want to make these comments for all of my colleagues to hear. They can be most succinctly handled by my reading the letter that I am sending. It goes to the editor of the Hill:

Dear Editor:

Your June 27 article "Holtz-Eakin Delivers Blow on Asbestos" would have been more accurately captioned, "Holtz-Eakin Tries to Change his Testimony after Being Hired and Paid by the Bill's Opponents."

The fact is, as the notes of testimony disclose, Dr. Holtz-Eakin did not change his testimony when he said:

"The first statement, when I was Director of CBO, remains true today."

In an earlier statement, which he submitted when he was Director of CBO, he said: "CBO expects the value of valid claims likely to be submitted to the fund over the next 50 years can be between \$120 billion and \$150 billion."

That conclusion puts the cost within the reasonable parameters of the \$140 billion trust fund.

Dr. Holtz-Eakin made an unsuccessful effort to say that the trust fund would not be terminated, as provided for in the legislation, if the trust fund ran out of money. Dr. Holtz-Eakin conceded:

"The administrator will have the option to terminate the fund. . . ."

Then Dr. Holtz-Eakin speculated:

"It is my judgment and my judgment alone that in the future Congress would continue this program. . . ." That would obviously require a changed congressional decision since the bill stipulates the fund would be terminated if it ran out of money. It is only Dr. Holtz-Eakin's speculation that the program would be continued and then spend more money.

The Hill article correctly noted that Dr. Holtz-Eakin's effort to change his testimony arose because he:

"became the head of a think tank funded by a foundation set up by one of the biggest opponents of asbestos reform bill, American International Group, an insurance giant better known by its acronym AIG."

The Hill article then noted that Dr. Holtz-Eakin was invited to the Judiciary Committee hearing by the opponents of the bill and that the "Coalition for Asbestos Reform," an organization funded by major insurance companies opposed to the bill, issued a press release on the day of his testimony claiming he was validating the Coalition's criticism. Obviously, it was pre-arranged be-

tween Dr. Holtz-Eakin and the Coalition since the Coalition had information in advance and was prepared to make the announcement in a press release the day of his testimony.

Anyone, including the Coalition, can raise any objections they wish, but they ought to disclose the basis for Dr. Holtz-Eakin's effort to defeat the legislation because he, as The Hill pointed out, "became the head of a think tank funded by the insurance company opponents of the bill."

Dr. Holtz-Eakin's bias and conflict of interest renders his later testimony meaningless. It all shows how desperate the "Coalition for Asbestos Reform" is and how the Coalition is grasping at straws and buying testimony to try to defeat this important reform legislation.

And then I signed the letter.

I ask unanimous consent that the Hill article and the relevant points from the transcript be printed in the RECORD.

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

[From the Hill, June 27, 2006]

HOLTZ-EAKIN DELIVERS BLOW ON ASBESTOS

(By Alexander Bolton)

Douglas Holtz-Eakin delivered a significant blow against the effort to revive asbestos-reform legislation when he testified earlier this month that a cost assessment of the measure he had provided in November as director of the Congressional Budget Office (CBO) was unrealistic.

Some say that the testimony was a surprising reversal, but others note that since leaving the CBO Holtz-Eakin has taken a position created by a \$5 million grant from a source adamantly opposed to the controversial legislation.

Holtz-Eakin is highly regarded on Capitol Hill, attracting praise from both sides of the aisle. But the funding of his organization has raised some conflict-of-interest concerns about his views on the pending asbestos-reform bill.

Senate Judiciary Committee Chairman Arlen Specter (R-Pa.) is pushing to bring the bill to the floor for a vote, but Senate Majority Leader Bill Frist (R-Tenn.) has said he will not do so unless it clearly has enough support to pass. A previous effort by Frist to pass the legislation fell a few votes short this year.

As CBO director, Holtz-Eakin testified to the Senate Judiciary Committee that a trust fund that would be set up by the bill to pay asbestos-related medical claims would have little effect on the federal budget.

But when he appeared again before the committee seven months later, Holtz-Eakin compared the trust fund to three of the largest mandatory government programs, Social Security, Medicare and Medicaid, and declared that now is "a particularly bad time" to start such a new program.

Critics of the Specter legislation have criticized it as a costly program that could significantly add to the deficit years down the road.

At the beginning of this year, Holtz-Eakin became the head of a think tank funded by a foundation set up by one of the biggest opponents of the asbestos-reform bill, American International Group, an insurance giant better known by its acronym AIG.

AIG is one of several entities that have poured tens if not hundreds of thousands of dollars into an effort to defeat the asbestos reform bill, according to internal industry documents.

AIG also created the charity organization that endowed a think tank, the Maurice R.