

the conditions were better. And your retirement suffers. Retirement savings don't grow; 401(k)s and pensions and savings accounts remain stagnant and can even lose money. Even your Social Security suffers because government depends on economic growth for increased revenues. With lower Social Security tax receipts, the date when the Social Security trust fund goes bankrupt gets even closer.

You can talk about these multiplier effects all day. They are very real. And that is why we have to support policies that strengthen economic growth and assure that American families continue to have opportunity rather than problems. Economic growth drives higher tax revenues to the State and local and Federal Government. The economic growth since the Republican tax cuts went into effect has led to dramatic increases in State and Federal income taxes. Think about it—we lowered taxes on everyone, but our Federal revenues to the Treasury have increased. That just doesn't happen in times of recession. Just the opposite occurs—there are lower tax revenues.

Even at the local level, with schools, for example, and cities—the roads, the police, the libraries, the parks—all of these things depend upon collecting tax revenues. Economic growth is essential at all levels of government. So if you care about good schools, for example, you care about economic growth.

Let me talk just one more little bit about the increase in taxes because this is one of the key factors that can inhibit economic growth, and it is one that concerned me most about the budget that was passed by the Democrats. The plan, as I said, is to repeal the 2001 and 2003 tax rate reductions—that tax relief. Every American benefitted from those tax cuts, so this would be a big mistake for two reasons.

First of all, everyone received some benefit. Even those who didn't pay taxes received money back from the Federal Government, and we created a new 10-percent bracket for the very lowest bracket of taxpayers so they wouldn't have to pay as much in taxes. So it wasn't just people at the upper economic stratum that benefitted. It was all Americans, including even some who didn't pay taxes.

Second, everyone benefitted not just because of the specific relief they got but because the economy grew. It was John F. Kennedy who said, in 1963, in supporting the tax rate cuts that he proposed at that time, that a rising tide lifts all boats. What he meant by that was as economic growth continues, it helps everybody in our society—more jobs created, wages increased, business investment increased, and money put back into the communities. So even if we just passed the tax relief for lower income people, our economy would still be hurt. Our priorities should be about encouraging economic growth and preventing a recession. High taxes and spending send us in exactly the wrong direction.

Well, Mr. President, let me conclude with this thought. We still have challenges, obviously. We are fighting a global war against Islamic extremists. It is enormously costly. But that is another reason we need a strong economy, so people have good jobs and our government has the revenue it needs to address that conflict.

While overall inflation is extremely low, in certain specific areas, such as gasoline prices, they are too high. So we need to work on creating energy independence and look at the viability of alternative fuels. We face rising health care costs with insurance premiums that continue to rise. This is a big issue, and obviously we are working on it. But Republicans know that Americans don't want radical changes that turn our health care into some kind of Washington-run bureaucratic government program—a one-size-fits-all. We need patient-centered health care in this country. We can debate about these specific solutions to these other problems, but without a vibrant and growing economy producing more and more wealth, any of those things will be difficult to address. We can help solve these problems, but the last thing an American family needs is the economic policies that would result in higher taxes, more spending, and all of the devastating consequences of economic recession.

EXECUTIVE SESSION

NOMINATION OF JIM NUSSLE TO BE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET

THE PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nomination, which the clerk will report.

The assistant legislative clerk read the nomination of Jim Nussle, of Iowa, to be Director of the Office of Management and Budget.

THE PRESIDING OFFICER. Under the previous order, there is now 3 hours of debate on the nomination, with 2 hours equally divided between the chairman and ranking member of the Budget and Homeland Security Committees, and 1 hour under the control of the Senator from Vermont, Mr. SANDERS.

Who seeks recognition? The Senator from North Dakota is recognized.

MR. CONRAD. Mr. President, we are now considering the nomination of Congressman Jim Nussle to be the next Director of the Office of Management and Budget. I will vote against the confirmation of Mr. Nussle. I have informed him this morning that I would cast that vote.

I do not make this decision lightly. I like Jim Nussle. I worked with him when he was the House Budget Committee chairman. We have always had a good personal relationship. But this goes beyond a personal relationship;

this is a question of the fiscal policy of the United States. Congressman Nussle would be quick to tell you that he has been an architect of this fiscal policy. Of course, the key architect has been the President of the United States, but Mr. Nussle has been a strong ally of the President in constructing this fiscal policy. I believe it is a profound mistake for this country and one that simply must be changed. To send a signal, I will cast my vote in opposition to the confirmation of Mr. Nussle.

Let me say, I voted to move his nomination through the Budget Committee. I said at the time that he is clearly qualified, which he clearly is. He is, after all, the former chairman of the House Budget Committee. But this is a question of what policy do we pursue for the future. Congressman Nussle has indicated that in fact he is proud of the policy that has been put in place. That is where we profoundly disagree. I believe this is a consequential vote, to send a signal on what we believe the fiscal policy of the United States should be, going forward.

Here is the record. When the President came into office he inherited a surplus. In fact, there was a projected surplus at the time of almost \$6 trillion over the next 10 years. We all know what happened. The President turned that into massive and record deficits, in fact, the largest deficits in our history. Part of that was because the President increased spending and increased it rather dramatically. He increased it from \$1.9 trillion a year to \$2.7 trillion, almost a 50-percent increase. We know Iraq was one part of that. He told us at the time that he engaged our forces in Iraq that would cost about \$50 billion; the whole enterprise in Iraq would cost some \$50 billion. Instead, we are at \$567 billion and counting. He has already asked for another \$50 billion which would take us over \$600 billion committed to Iraq, 12 times the President's original estimate.

At the same time that spending has gone up dramatically, revenues of the country have basically stagnated and stagnated over a 6- or 7-year period. Going back to 2000, you can see that real, inflation-adjusted revenues of the United States were just over \$2 trillion. We didn't get back to that amount until last year. This year we are anticipating \$2.13 trillion in real revenue.

Spending is up dramatically. Real revenue has stagnated. The result is deficits and debt have soared and that is precisely what has happened. Here is the debt of the United States during this period. We have gone from \$5.8 trillion at the end of the first year of the President's time in office to \$8.9 trillion in 2007. That is a stunning increase in debt.

Unfortunately, increasingly it is financed from abroad. This is foreign holdings of U.S. debt. You can see we have gone from a combined total when this President took over of just over \$1

trillion of U.S. debt held by foreign entities, and look what has happened during this 6 years of this administration. He has more than doubled foreign holdings of our debt.

Some of our friends will say that is a sign of strength. I don't know in whose mind that is a sign of strength. Owing more countries more money doesn't strike me as a sign of strength. In fact, here is the list of the 10 top holders of U.S. debt. Japan we now owe over \$600 billion; we owe China over \$400 billion; we owe the United Kingdom almost \$200 billion; we owe the "Oil Exporters" \$120 billion; we owe Brazil, Luxembourg, Hong Kong, Taiwan, South Korea and—my favorite—the Caribbean Banking Centers. We owe them almost \$50 billion as of now.

I am always amused to hear our colleagues say they have done this with a tax policy that has increased the progressivity of the tax system. I don't know what calculation would lead to you that conclusion. The fact is, in 2006 alone, those earning over \$1 million a year got on average a tax cut of almost \$120,000—for that year alone. Somebody earning less than \$100,000 got less than \$700 in tax cuts.

Again, those earning over \$1 million a year—and I have nothing against people being successful financially. I am all for it. I wish the success of this country were more broadly shared. That would be a good thing. That would be a positive value. But I must say our friends on the other side are incredibly focused on helping the very wealthiest among us, so they chose a tax policy that gave, on average, to those earning over \$1 million a year a tax cut approaching \$120,000 in 1 year. That is not my idea of broadly shared tax policy, or one that is fair and equitable.

In fact, we know the cost of the President's tax cuts for 2007 alone, according to the Congressional Budget Office, is \$205 billion. That is more than the projected deficit. So for this year the President's tax cuts that go overwhelmingly to the most wealthy among us are totally and completely responsible for the deficit.

The President's answer is more tax cuts. Here is what we are told will happen if the additional tax cuts the President is seeking and the current tax cuts are extended. The additional debt that will result is the red part of this chart. The green part of the chart is the debt if the tax cuts expired or are paid for.

I heard our colleagues on the other side say the budget passed by the Democrats had big tax increases. No, it did not. There was no assumption of a tax increase of any kind in the budget we passed. In fact, we had very dramatic tax relief, tax relief for middle-class taxpayers, the continuation of the middle-class tax cuts, as well as estate tax reform. We assumed that things would be paid for—not with tax increases but by closing tax loopholes, by going after the tax gap—the dif-

ference between what is owed and what is paid—by closing down abusive tax shelters. That is precisely what we ought to be doing in this country to stop the tax scams that have exploded.

I have also heard that the economy is performing splendidly. The problem with that is if you compare this recovery to the nine previous recoveries since World War II, what you see is dramatic underperformance. In fact, if you look at real revenues you find we are \$86 billion short of the typical recovery since World War II.

If we look at job creation, we see we are lagging behind the typical recovery since World War II by 7.6 million private sector jobs.

On real business investment, the pattern is the same. We are 63 percent behind the typical recovery since World War II, in terms of real business investment.

In terms of economic growth we see the same pattern. The real GDP average annual growth during the nine previous business cycles, the nine previous recoveries since World War II, is 3.4 percent; this recovery, a tepid 2.5 percent. This is not an economic record one can be proud of or be talking about in very positive terms because it is an economic recovery that has been among the weakest of the nine major recoveries since World War II.

Here is what happens to spending under our budget resolution. We take it from 20.5 percent of GDP this year down to 18.9 percent. This is a fiscally responsible budget.

With respect to the budget resolution and the difference between it and the President's plan, we have only 1 percent more spending than the Bush budget—1 percent. And where did that additional spending go? We put it into veterans' health care, children's health and education. Those ought to be the priorities for this country—to take care of the veterans to whom we made a promise when we sent them off to war that they would be cared for. This administration did not ask for sufficient resources to keep that promise. We did.

On children's health care, we said we ought to begin a process of trying to cover all of the children in this country. The administration did not agree with that priority, nor did they agree to expand the support for education that we think is required if we are going to keep our country No. 1.

With respect to overall revenues, it is very interesting to look at what the President called for in his budget. He called for \$14.826 trillion in revenue. That is what he called for in his budget scored by his own agency: \$14.826 trillion. Our budget called for \$14.828 trillion—virtually no difference. When they talk about the largest tax increase in history, they are engaging in a figment of their imagination.

If you use CBO scoring for both instead of using the President's own agency to score his own proposal, which I think is eminently fair—but if

you use CBO to score both, we have a 2-percent difference in revenues and we believe that can be easily achieved by closing abusive tax shelters, going after these offshore tax havens, and by beginning to close this looming tax gap, the difference between what is owed and what is paid, with no tax increase at all.

Let me conclude by citing Treasury Secretary Snow. He acknowledged the need for a bipartisan approach to solving long-term challenges. He said, "You can't do health care reform or Social Security reform . . . without a bipartisan consensus. If we made a mistake, it was not approaching it in more of a bipartisan way."

That is the former Secretary of Treasury under this administration lamenting the fact that they were not sufficiently bipartisan. That is precisely what is needed in this town, is a more bipartisan approach to dealing with the fiscal challenges facing this country.

I hope very much that this administration gets the message that we need to change course for the fiscal future of our country.

I yield the floor.

THE PRESIDING OFFICER. The Senator from New Hampshire.

MR. GREGG. Mr. President, I wish to rise on behalf of supporting Congressman Nussle, who has been nominated to be head of OMB. I also want to thank the chairman of the Budget Subcommittee for the courteous and professional way he always proceeds in bringing this nomination forward. He could have slow-walked it; he could have held it up. He did not. I appreciate that. I know Members on our side appreciate that. That is the approach he has taken as chairman; he has always been fair. We do appreciate that very much.

I would note that in his closing statement, he called for bipartisanship. It was a bipartisan act on his part to report Mr. Nussle out. It would even be more of a bipartisan act if he voted for Mr. Nussle. That would be truly a bipartisan act.

Let me note that the debate here is not about Congressman Nussle or his qualifications. As chairman of the Budget Committee in the House, he clearly is qualified to do this job. It is the President's prerogative to pick whomever he wants to be OMB Director; it is really an in-house job, really an arm of the White House, and so he has tremendous leverage in this area, in my humble opinion, latitude in this area.

So really today is going to be more about a debate of where the two parties stand on economic policies. And there are significant differences here. All we need to do is to return to the "scene of the crime," otherwise known as the Democratic budget which passed this Congress, a budget which dramatically increased the taxes by \$900 billion, a budget which dramatically increased the spending on the discretionary side

by \$22 billion this year and \$205 billion over the term of the budget, a budget which did not address or even attempt to address the most significant problem we have on the spending side of the ledger, which is the issue of how we deal with the retirement of the baby boom generation and the programs which benefit that generation—Medicare, Social Security specifically, Medicaid to a lesser degree—and the fact that those programs are going to drain our children and our children's children's opportunities to be successful and to have quality lifestyles because the cost of those programs is going to simply overwhelm the next generations because we will have done nothing as a result of the budget that passed this Congress under the Democratic leadership to address those issues.

But before we return to that issue, let me just simply highlight a few points which I think have been spun a little bit by the other side of the aisle, which are the issues of what these tax cuts which were put in place by this President at the beginning of his term have done and how the economy has grown.

First off, as a result of these tax cuts, in large part, and as a result of the economic policies of this administration, we have now seen 23—I think it is actually 24—consecutive quarters of economic growth, which is a pretty good experience for our Nation. In addition, we have added 8.3 million jobs—8.3 million jobs. In fact, the mean income of Americans has grown faster during the term of this President than it did under the term of President Clinton.

In addition, we have seen that revenues are now exceeding the historic projections by significant amounts. We have seen in the last 4 years revenue increases to the Federal Government which have outstripped anything in our history as a percentage of growth. Historically, revenues to the Federal Government have been about 18.2 percent of gross national product. Now they are up around 18.6 percent, and they are continuing to go up.

What has caused this huge influx of revenues to the Federal Government? What has caused it is that we put in place a fair tax policy which said to entrepreneurial Americans, to working Americans: Go out, invest, take risks, make this economy grow, create jobs. As a result of saying that to American entrepreneurs and to working Americans, we have seen this economic expansion. It is an economic expansion that has not only benefited the average American by giving them a better job and more jobs and a higher income rate of growth, but it has obviously benefited the Federal Government because the Treasury has seen a huge influx in revenues from this economic growth, which has been energized in large part by the tax cuts which were put in place in the early part of this administration.

Now we see a policy coming forward from the other side of the aisle, as de-

fined by their budget, which even they admit increased taxes by \$400 billion over 5 years and arguably increased them by \$900 billion over 5 years. And where are those revenues going to come from? Well, if you listen to the chairman of the Budget Committee, they are just going to come from collecting money debt, from waste and fraud. Well, those are classic obfuscations. The simple fact is that we heard from the Revenue Commissioner. He said he could not collect any more than maybe \$20 billion or \$30 billion in addition to the revenues we are already collecting over a 5-year period; nowhere near \$400 billion or \$900 billion.

No, you have to listen to the Democratic Party's leadership, not that the Senator from North Dakota is not one of their leaders; he is, and he is one of their best leaders, by the way. But the people running for President, what are they proposing? Well, they are proposing primarily that we eliminate the capital gains rate which was put in place, the dividend rate which was put in place. Those are the two primary places they are proposing raising revenues. But they are also proposing raising the marginal tax rate. They are proposing the Senator LEVIN proposal, which would require that we book all expenses for tax purposes. They are proposing a repeal of carry interest, which is a way that entrepreneurs invest and take advantage of that investment and generate more investment. They are proposing to eliminate deferrals. Proposal after proposal after proposal is coming out of the Democratic candidates for President, almost at a rate which makes your head spin. The only thing that is coming out faster are proposals to spend money. And believe me, we know because in New Hampshire we are listening to all of this.

I had the fortune—good fortune, I suppose, or the fortune anyway—to listen to the Senator from New York, followed by the Senator from Ohio, followed by the Senator from North Carolina, all coming to New Hampshire in sequence. I listened to all three of their speeches, and I couldn't keep up with how much money they were going to spend because they were proposing so many new programs. It was like watching a whirligig. Every 10 seconds there would be a new program, new program, new program, followed by taxes, taxes, taxes, taxes.

Well, I think one thing we should have learned, both from the experience of President Kennedy and President Reagan and now President Bush, is that when you start to raise taxes on those who are willing to take risks and invest and as a result create jobs in this economy, you slow the rate of growth of the economy. Why is that? It is human nature. You also slow the rate of growth of revenues to the Federal Government. Why is that? It is human nature. You raise taxes on people and they will change their economic activity to try to avoid taxes. It

has been proven year in and year out. You get tax rates to a certain level and people simply don't invest in taxable activities. Thus, they misuse capital. It is inefficiently used, so fewer jobs are created, less economic activity occurs. If you increase taxes, people will invest in a way to try to avoid paying taxes, and thus the revenues to the Federal Government will drop off.

OMB, Joint Tax all estimated that when this capital gains cut rate was put in place at 15 percent, that over a 5-year period there would be a \$3 billion loss. They used a static model. They used 1950 economics, they used Galbraith thought, Harvard thought, Princeton thought on what economics is, which basically says that if you just raise taxes, you get more revenues. They missed the Chicago school, I think, they missed the Kennedy school—I mean by that John Kennedy himself, the President—they missed the Reagan school, which has proven by fact that when you cut taxes on productive activity to a reasonable level, you create more productive activity. So instead of having a \$3 billion loss of revenue over that 5-year period, which was what we were told we were going to have, we have had a \$100 billion increase over the estimates over that period in capital gains revenue. Huge expansion. That is, quite honestly, why the deficit has come down dramatically. These are the numbers here.

Equally interesting—and we hear this on the other side: Well, the tax was for wealthy people; they are the ones who got the tax break. Well, yes, that is true. But why is that? Well, it is because the top 20 percent of Americans pay the taxes, for a large part. Eighty-five percent of American income taxes are paid by the top 20 percent—85 percent. Eighty-five percent of American income taxes are paid by the top 20 percent of income receivers in our economy. If you are in the top 20 percent, you are paying the taxes. So if there is a tax reduction, you are probably going to get that reduction. That is not the issue. The issue is, Are the top 20 percent paying a fair share?

Well, under the Clinton administration—and I do not think anybody on the other side of the aisle is going to argue that the Clinton administration was pro the high-income individual in the sense of tax policy—under the Clinton administration, 81 percent of the taxes in America were borne by the top 20 percent. But under the Bush administration, 85 percent of the tax burden of America is now borne by the top 20 percent. So the Bush administration has actually made the tax laws more progressive. Why is that? Human nature. If you create a fair tax policy, people will pay taxes. If you have an unfair tax policy, where taxes are too high, such as what is proposed by the other side of the aisle, in the area of dividends, capital gains, marginal rates, expensing, carry interest, you go on and on and on, people do tax avoidance, they invest in shelters, they go

out and buy cattle that do not exist or subways that do not exist. That is inefficient for the economy, it does not create jobs, and it reduces revenues. What the Bush administration understands, what the John Kennedy administration understood, what the Ronald Reagan administration understood, is that when you create a tax policy which is fair, high-income people pay more taxes, and that is the way it is today.

There is another interesting thing about the Bush tax policy. The bottom 40 percent, the people in the bottom 40 percent of incomes in this country, they actually do not pay income taxes as a group. Individuals obviously do, but as a group they do not pay income taxes. Under the Clinton administration, they got 1.6 percent of benefits back because they got the earned-income tax credit. Under the Bush administration, they are getting almost twice that back under the earned-income tax credit. So not only do you have the high-income people paying more in taxes as a percentage of the total, but you have the people in the moderate income and lower income levels actually getting more back from the income taxes. That is called progressivity. That is what you want in a tax system—progressivity that produces revenue, revenue at historic rates. So this argument that we do not have a reasonable tax policy in place that is generating revenues is a little bit—it flies in the face of fact, especially on the issue of capital gains and dividends.

Remember something else about capital gains and dividends: disproportionate benefiters from the capital gains rate and dividend rate are seniors. It is seniors who have capital gains income as they sell their homes in which they have lived all of their lives and move on to some other lifestyle; it is seniors who have dividend income because they have fixed incomes and they have left their earning jobs. So when these folks on the other side of the aisle who are being spoken for by their leadership who are running for President call for a dividend increase and the capital gains increase, they are calling for an increase of taxes on our seniors, no doubt about that.

Now, there have been some other arguments made here, returning to the scene of the crime, as I said, the Democratic budget. There has been a claim that they used pay-go as a way to discipline spending around this place; Pay-go. Pay-go. “Swiss-cheese-go” should be the term, “Swiss-cheese-go.” Every time they have a spending program around here that they want to spend money on, pay-go disappears. Where did it go? I do not know where it went. Maybe it went under this desk somewhere. Maybe it is under this desk. But it is not around here whenever we are trying to spend money. There is no enforcement. Look at these bills which have been brought out just this year which should have been sub-

ject to pay-go, which have not been subject to pay-go—bill after bill after bill, the worst being, of course, the SCHIP bill that was just brought out before we departed, but there are other ones. There is a whole series of them. I won’t go through them; they are too numerous to even mention any more. So let’s hear no more about this pay-go as being a budget enforcement mechanism. It is a nice phrase. It was used aggressively by all of the people who ran for the Senate in the last election on the Democratic side of the aisle as the way they were going to discipline spending around this place. It has not been used to discipline spending at all, and it won’t be in the future.

Now, what we are talking about here is very simple. The budget brought forward by the other side of the aisle increased taxes over what the President probably would have had to do because of the AMT issue by at least \$400 billion, probably closer to \$450 billion. It then turned around and spent those tax increases to the tune of somewhere around \$210 billion plus. In addition, it did not address entitlement spending, which is the key issue that confronts the United States as a nation. It did nothing about disciplining our own fiscal house by putting in place procedural mechanisms which would allow us to discipline.

I find the argument that the reason people are going to vote against Congressman Nussle to be Director of the OMB because of the fiscal policies of this President to be a bit disingenuous. Is it that they don’t like 23 quarters of fiscal expansion and growth? Is it that they don’t like 8.5 million new jobs? Is it that they don’t like revenues being at an historic increase over the last 4 years and now being up to about 18.7 percent of gross national product, which exceeds the norm? Is it that they don’t like the fact that seniors now have a reasonable tax rate on their capital gains and a reasonable tax rate on their dividends? It must be because that is the economic policy they are claiming has not worked and isn’t appropriate and, therefore, they are going to vote in protest against Congressman Nussle.

In my view, I hope Congressman Nussle continues these policies. I hope the President will move down the road of fiscal discipline and will continue to give us a tax policy which is fair, balanced, reduces revenue for the Federal Government, gives entrepreneurs a reason to go out there and work and take risks and thus create jobs for Americans and giant revenue increases for the Government.

I yield the floor and reserve the balance of our time.

The PRESIDING OFFICER (Mrs. McCASKILL). The Senator from North Dakota.

Mr. CONRAD. At this point, I yield 8 minutes to the Senator from North Dakota.

Mr. DORGAN. I ask unanimous consent that following my presentation, Senator SANDERS be recognized.

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

Mr. DORGAN. I thank my colleagues for their courtesy.

Madam President, I sat here enormously entertained by my friend from New Hampshire. It was an almost unbelievable presentation. I will deal with a couple of points in a few minutes.

Let me first say we have the nomination in front of us of former Congressman Nussle, who was part of the crowd who early on in this administration, as a new administration took shape, came to town with their allies in Congress, including Congressman Nussle, and said: We see at the end of the Clinton administration very large, proposed, projected budget surpluses. Let’s put in place very large tax cuts, mostly to wealthy Americans.

Some of us said: Maybe that is not the conservative way to do things. Maybe we should wait a bit and see whether the actual surpluses do materialize.

No, no, they said. We are going to stick in these big tax cuts, most to wealthy Americans, because that is the way things work. We believe in the trickle down theory.

Guess what. That crowd had their way. I didn’t vote for it, but they had their way. Mr. Nussle, the nominee, chairman of the House Budget Committee, the President, and others in the team had their way. The result, of course, we all understand: A \$5.6 trillion projected budget surplus was turned in to a projected deficit of \$3 trillion. That is during Mr. Nussle’s time.

There was actually one person in the crowd who didn’t go along with it. He got fired. His name was Paul O’Neill. Paul O’Neill said he tried to warn the administration that the growing budget deficits expected to top hundreds of billions of dollars posed a threat to the economy. The Vice President, Mr. CHEENEY, said, quoting from the book that was written about this:

You know, Paul, Reagan proves that deficits don’t matter.

That is the crowd we are talking about, deficits don’t matter. That comes from the Vice President, but it could have come from the nominee before us because it is all part of the same crowd, believing in the same thing.

It is fascinating to me that the previous speaker talked about how wonderful things are going. This economic engine of ours is purring just fine. I guess it is, if you live in the right neighborhood and drive the right vehicle. A whole lot of folks got up this morning to work hard all day, struggle to pay their bills. They are the kind of people who know about seconds. They know about second shifts, second job, second hand, second mortgage, and they take second place every single day when we have this debate on the Senate floor by people such as my colleague who said things are going well for everybody.

Let me describe what we have in our Tax Code. The second wealthiest man in the world, Mr. Warren Buffett, a man I greatly admire, said he thinks our Tax Code doesn't work at all. He said: If this is class war, my side is winning. The second richest man in the world says he pays a lower income tax rate than the receptionist in his office. He thinks that is wrong. So do I. Why? Because my colleague is describing his philosophy. We need to reward investment.

How about rewarding work for a change? The philosophy on the other side is, let's exempt income from investment and tax work. Why is work less worthy than investment? Tell me. You think this works well. You believe this system this crowd has put together makes sense? When the second richest man in the world says: By the way, this system allows me to pay a lower tax rate than the receptionist in my office, are you proud of that? That is what you are bragging about?

And spending, I keep seeing the disjointed fingers point to the Democratic side on spending. There is no one who has proposed more spending in the history of this country than the Bush administration. Certainly, no one has proposed higher and larger deficits in the history of this country than this administration. So it is a little tired for us to hear about big spending. No one can match the big spending habits of this administration.

One more point: We have in front of us in this Chamber a \$145 billion proposal for additional emergency funds for the Department of Defense for Iraq and Afghanistan. We read in the paper recently there is another \$50 billion expected on the way which means there will be in front of us \$195 billion in requested funding by this President for the war in Iraq and Afghanistan. Incidentally, he proposes it all be judged as an emergency so none of it has to be paid for. So we will continue to send soldiers to war and then ask them to come back to pay down the debt because we didn't as a country decide to do it. This President didn't want to do it. This President said: I want all of that money on an emergency basis. Talk about a fiscal policy that is out of balance, one that lacks values, one that I think shortchanges American workers, one that certainly shortchanges this country's future—this is the policy.

The fact is, this nominee is a significant part of the engine for that policy. He served as chairman of the House Budget Committee for 6 years during the period of the origination of this policy. Three of those 6 years they couldn't even get a budget together. Three of those years had the highest budget deficits in history, and we still hear people bragging about the content of that fiscal policy? Are they kidding? It is unbelievable. It is, I suppose, because we all get up and shower in the morning before putting suits on. Those people who shower in the evening after

a hard day's work, they don't have it quite so good. The fact is, they are the ones who pay the bills, pay taxes, struggle to make ends meet.

Talk about creating jobs in these years. The job creation is anemic with this administration. Take a look at the number of jobs created over the years of this administration and evaluate what we needed to create to keep pace. We are not anywhere close to that.

Finally, all this debt that has been racked up by this crowd with this fiscal policy, guess who holds a substantial amount of that debt. We borrow money from China and Japan to finance a war in Iraq. That is unbelievable to me.

From my standpoint, I don't intend to vote for this nominee. It is not so much about this nominee. I generally vote for a President's choices for the Cabinet. But in this case, it is time for us to decide to send a message, a message the American people already understand: This fiscal policy doesn't work. This fiscal policy is built on a foundation of quicksand. We already know the result. We see it year after year after year.

I intend to vote against this nominee. My hope is that, perhaps through this debate, we will decide there is a better fiscal policy, one that requires responsibility.

I yield the floor.

THE PRESIDING OFFICER. The Senator from North Dakota.

MR. CONRAD. Madam President, I ask unanimous consent that we now go to Senator WYDEN for 8 minutes, followed by Senator COLLINS for 10 minutes, Senator LIEBERMAN for 10 minutes, and then to Senator SANDERS for his time.

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

The Senator from Oregon.

MR. WYDEN. Madam President, a week ago there was a Government report that said more about what is ahead for the Federal budget than anything else. The Census Bureau reported a moral abomination. Here in the richest country on Earth, more than 2 million additional Americans are without health insurance. With many more citizens one health premium rate hike away from joining the ranks of the uninsured, the next Director of the Office of Management and Budget must face up to a stark fact. America's dysfunctional health care system, with its rising costs, hefty increases in chronic illness and unique hardship for employers, will drive the future of Medicare, Medicaid, and Social Security, our largest domestic Government programs.

At his confirmation hearing, the Washington Post reported that Jim Nussle repeatedly said how honored he would be to continue to discuss the issues raised that morning. My message today for the nominee is straightforward. If Jim Nussle wants the position of director of OMB to be more than an honorary title, he is going to have to work with the Congress on a

bipartisan basis on critical issues such as fixing health care, the premier domestic issue of our time. He cannot do that job without bipartisanship.

I suggest there are several opportunities for just that. Senator BAUCUS, Senator GRASSLEY, Senator ROCKEFELLER, and Senator HATCH have worked hard to expand coverage for our Nation's youngsters. The administration has indicated they would veto that legislation. I hope if Jim Nussle is confirmed as the head of the Office of Management and Budget, he will be a voice for bringing all sides together and bringing together all sides quickly to get that legislation passed and provide additional protection for our youngsters. If that is accomplished, then it would be possible late this fall to move on to broader legislation to fix health care. I and Senator BENNETT, in the first bipartisan health reform bill brought to the Senate in more than 13 years, have proposed legislation, which has also been sponsored by Senators NELSON, GREGG, and ALEXANDER, that addresses other key issues such as the Tax Code in American health care.

The Tax Code today disproportionately favors the richest and promotes inefficiency at the same time. We have largely sick care in America, not health care. Medicare Part A will pay thousands for seniors' hospital bills, and then Medicare Part B will pay hardly anything for prevention.

The administration would have the opportunity to work with Democrats and Republicans on a bipartisan basis to fix health care if someone such as Jim Nussle, confirmed as the head of Office of Management and Budget, wanted to change course with the administration's previous priorities.

In his hearing in the Budget Committee, I noted Jim Nussle was interested in a number of key domestic issues in working for reforms. In my fair flat tax legislation, for example, we take away the discrimination against work in the Tax Code. Jim Nussle indicated he would be willing to work on tax reform and maybe can convince an administration that has not given the issue the time of day to get back to it.

So it is my hope, having voted for the nominee in the committee because he pledged he would work on bipartisan issues such as health care and tax reform, to give him that opportunity. I have disagreed and disagreed profoundly with the administration's priorities, particularly as they relate to health care and taxes. It has been my sense—because in the Senate if you want to get anything done that is important, it has to be bipartisan—we need individuals to step up and say they are going to try to bring both sides together. My colleagues have mentioned that has not been the record, unfortunately, of Congressman Nussle in the past. But he told us at his confirmation hearing on key domestic issues—the domestic issues that are going to drive the future of America's

economy—he would be willing to work in a bipartisan kind of way. We have given him that opportunity. We have given him that opportunity on the CHIP legislation, with four Senators working in a bipartisan way to help America's youngsters. Senator BENNETT and I and Senators ALEXANDER and GREGG and NELSON are giving that opportunity for broader health care reform as well.

My hope is Jim Nussle will do what he pledged to do in his confirmation hearing, which is to work with both sides of the aisle so we do not waste another 2 years. That is really the alternative—just to say we are pretty much done until after the next election. Senator BENNETT and I do not want to do that on fixing American health care. We have Senators who do not want to do that on the CHIP legislation. Because it is my hope Jim Nussle will try to work in a bipartisan way on these issues, I intend to vote for the nominee this afternoon.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Madam President, I rise in support of the nomination of Congressman Jim Nussle to serve as the Director of the Office of Management and Budget.

The Congressman served his Iowa district in the House through eight Congresses, chairing the House Budget Committee for the last three. During that time and in his testimony before both the Budget Committee and the Homeland Security and Governmental Affairs Committee, the Congressman demonstrated an encyclopedic grasp of the Federal budget, skill in the legislative process, and an understanding of the importance of good relationships between the executive branch and Congress.

A spirit of cooperation has seldom been so needed as it is right now. Much unfinished work on the appropriations bills awaits us. Before the end of next year, the work of transitioning to a new administration will begin. Regardless of which party occupies the White House, America will have moved steadily closer to a looming fiscal crisis as baby boom demographics collide with unfunded entitlement obligations. Devising a fiscal policy that will honor our commitments and meet vital needs without throttling economic growth will be a huge challenge for the Federal Government. I believe Congressman Nussle can help us meet that challenge. With his blend of knowledge, experience, and personal engagement—he told our committee in July: “I love the budget”—Congressman Nussle can help us define issues, illuminate choices, and debate decisions. His endorsements by Senator TOM HARKIN and by House Democratic Budget Committee Chairman SPRATT, as well as the overwhelming votes he received from both the Budget Committee and the Homeland Security Committee, demonstrate a bipartisan consensus for this nominee.

As the Presiding Officer understands better than many people, budgets, of course, are not the only concern of the Office of Management and Budget. OMB also assists the President in developing and executing policies and programs. In particular, OMB is involved with legislative, regulatory, procurement, e-government, and management issues. It is not only a locus of authority within the executive branch but also a critical interface between the President and Congress, helping to set direction for the mechanisms of Government.

As Director of OMB, Congressman Nussle would have great influence on a number of important policy issues aside from helping to formulate and present the President's budget.

One of these critical issues is the amount of waste and the lack of effective oversight in Federal contracting. The committee which I was privileged to chair and now am the ranking member of, with Senator LIEBERMAN as our chairman, held extensive hearings last year on the disaster responses on the gulf coast and also on contracting operations in Iraq and Afghanistan. We found the problems of waste, fraud, and abuse in Federal contracting are enormous. Here are just a few examples:

We found that trailers bought to shelter disaster victims following Hurricanes Katrina and Rita were undeployable in the areas where they were most needed.

We found repeated pipeline-laying attempts in Iraq used techniques unsuited to the terrain. We found problems in Iraq and Afghanistan, such as \$2.3 million in contracts for the Babylon Police Academy in Iraq which was spent unnecessarily or without proper accounting and schools built in Afghanistan that collapsed under the weight of the first snow.

Unfortunately, the examples of poor process and outrageous outcomes in our contracting system are legion, and they are not confined to disaster response or operations in Iraq and Afghanistan. That is why several of us on the committee—Senators LIEBERMAN, AKAKA, CARPER, COLEMAN, McCASKILL and I—have joined in authoring legislation to improve our procurement system to obtain better value for taxpayers' dollars. I am hopeful our legislation, which was reported favorably by the committee on August 1, will soon be taken up by the full Senate. It would increase competition, transparency, and accountability in Government contracting and address the critical shortage of qualified Government procurement personnel.

This issue is obviously a high priority for me, and I am encouraged by the Congressman's responses to my questions. They demonstrate his commitment to working to resolve the concerns many of us have about wasteful spending in Government contracting.

He spoke of “a broad range of issues that are in need of careful attention, including enhancing competition,

strengthening the workforce, and improving transparency and accountability.” I view this response by Congressman Nussle as an encouraging sign of a shared viewpoint on the need to improve performance in an area that accounts for more than \$400 billion a year in spending.

I was, however, less heartened by Congressman Nussle's responses to questions about the Department of Homeland Security's grants for State and local programs, for assistance to firefighters, and for emergency management performance. These programs face great cuts under the budget proposed by the administration. Fortunately, we have acted to reject some of those proposed cuts and to respond in a more appropriate way.

The DHS defense of these proposed cuts noted that substantial unexpended funds from prior years are still “in the pipeline.” Congressman Nussle appears to share the DHS view that this factor mitigates proposed budget cuts. As the National Governors Association has pointed out, however, planning and coordination to deal with new grants and the procurement process all take time, so that not every granted dollar can be swiftly committed. The Governors further note that States are, in fact, meeting statutory deadlines for obligating and expending funds.

Homeland security grants are a critical factor in strengthening the Nation's security. These funds allow States and localities to fund planning, equipment, training, and exercises to prevent terrorist attacks; support intelligence gathering and information sharing through fusion centers; establish interoperable communications systems; prepare for mass-casualty incidents; and expand citizen involvement in all-hazards emergency preparedness.

I would encourage the Congressman, should he be confirmed—and I hope he will be—to reexamine the facts and figures on homeland security grants, particularly as we move into a new budget cycle for fiscal year 2008. States and communities must receive adequate assistance to conduct their critical roles in helping to prevent terrorist attacks and respond to emergencies of all types.

Turning from budget to management issues, I was also interested in Congressman Nussle's views on Federal agency performance as measured by the President's Management Scorecard. For most agencies, the weak spot is financial management. Indeed, poor financial management hobbles overall planning, management efforts, and the wise use of taxpayers' dollars in far too many agencies. At a time when making good use of every tax dollar is critical, it is simply intolerable for any agency to be unable to track how, when, for what purpose, and with what result it spends the taxpayers' money.

In March of 2007, the OMB scorecard showed that 14 of 26 agencies received unsatisfactory marks in financial performance. But here is what is perhaps

most ironic and most troubling: OMB itself, to my dismay, had the worst ratings of any agency surveyed, receiving unsatisfactory scores in four out of five areas.

While noting various agencies' improvements in issuing timely financial statements, reducing auditor-identified weaknesses, and obtaining clean audit opinions, Congressman Nussle told us, "We should not be satisfied if any Federal agency has unsatisfactory financial performance." Indeed, we shall not.

I would note that Congressman Nussle told our committee that he considers OMB's management-scorecard rankings as "unacceptably low" and he has pledged to work to improve them as Director of OMB. I welcome that commitment, not simply because OMB should stand as an example to other executive branch agencies but also because its critical work with those agencies and with Congress demands high levels of efficiency and effectiveness.

Madam President, I conclude by saying that the Homeland Security and Governmental Affairs Committee did an in-depth review of the Congressman's qualifications and experience and background for this important position. We grilled him on a whole range of issues: on matters ranging from pay-go principles and the alternative minimum tax to low-income heating assistance, to an issue of particular concern to my constituents, and that is the funding of Navy shipbuilding. While many policy disagreements will naturally arise in any such discussion, I believe there was broad agreement within our committee that Congressman Nussle has demonstrated, both in his long service in the House and in the nomination process, that he is well informed on the issues, highly qualified for the position, alert to other points of view, and will work closely with Congress as we tackle the enormous fiscal challenges facing this Nation.

I believe Congressman Nussle would be an effective Director of the Office of Management and Budget, and I urge my colleagues to support his nomination.

Thank you, Madam President.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Madam President, I rise today to express my intention to support the nomination of Congressman Jim Nussle as the next Director of the Office of Management and Budget.

I do so because Congressman Nussle, in my judgment, falls comfortably within the standard I have set as I have had the honor to dispatch my responsibility under the advice and consent clause of the Constitution. To state it in nonconstitutional terms, I have always felt the standard I should apply is not whether I would present this nominee to the Senate—because under the Constitution that is not the Senate's responsibility; it is the President's authority and responsibility—the question would be, in dispatching my re-

sponsibility under the advice and consent clause, Do I conclude this individual whom the President has nominated is within an acceptable range for the particular job for which he has been nominated? On that basis, I have reached a conclusion that I will vote to support Congressman Nussle's nomination.

I speak in my individual capacity, but I also obviously am honored to be the chair of the Homeland Security and Governmental Affairs Committee, and will note for the RECORD that there were no negative votes in our committee on this nomination, and there was one abstention.

This nomination would be a significant one no matter when it came before the Senate for a vote, because the Office of Management and Budget is a very significant and powerful office in our Government. But fate brings Mr. Nussle's nomination before us at a very important and challenging fiscal time in Washington and for our country. The fact is that in less than a month, Congress must enact 12 appropriations bills to fund the vital functions of the Federal Government for the fiscal year beginning October 1. We have much work ahead of us. It is difficult work, and it has been complicated by the numerous veto threats emerging from the White House about these appropriations bills. Some, as the Chair well knows, have even speculated that the ensuing confrontation will lead yet again to a shutdown of parts of the Federal Government. I hope not, because no one gains from such stalemate and such shutdowns.

To meet our obligations to the American people, in this, as in so much else, we must reach across the partisan divide—as voters have so often made clear they want us to do. In this case, that means we must have a new Director of OMB who is not just competent but who is constructive. He must be a consensus builder, a willing partner with Congress, a mediator between the executive and legislative branches, working to solve problems and to accommodate legitimate differences of opinion. He must be a fiscal expert, but he must in the weeks ahead also be a statesman.

I support this nomination of Congressman Nussle, but I do so with the understanding that the Congressman will have to exercise the full measure of his diplomatic skills at both ends of Pennsylvania Avenue to help bring the fiscal year 2008 budget and appropriations process to a satisfactory conclusion. There is a lot on the line in our achieving that end in a responsible and appropriate way. The Nation counts on it, but a lot of individual citizens of our Government who rely either on the security the Government provides or the services the Government provides count on us as well.

We are a nation at war. Our soldiers in the field need critical funding to ensure their safety and the success of their mission. We are a nation still

under threat of terrorist attack here at home. Resources for our homeland security and for our first responders must be sufficient—more sufficient, I would add, in joining with Senator COLLINS on this—than the administration has provided to date, to allow our first responders and homeland protectors to do the jobs we expect them to do for us with the proper equipment and the proper training. We are a nation with an aging infrastructure. The Minneapolis bridge collapse last month was a clear warning that we cannot ignore the highway and transportation systems that move people and commerce in our dynamic and complex society. We have children going to schools across this country who depend on the investment the Federal Government makes in their education. We have senior citizens who depend on the Federal Government to not only protect their security but to provide a decent minimum standard of living in so many different ways for them in their senior years. These are just a few of the obligations we have to meet for our Nation and for our future.

That is why it is so critical that on both ends of Pennsylvania Avenue, we come to this budget and appropriations task in the coming weeks with a sense of good faith and shared values as Americans who care about our future and our people. We cannot meet these obligations with confrontation or deadlock.

Let me be specific about this. The key difference between Congress's fiscal year 2008 budget plan and President Bush's plan is the discretionary spending level. Congress established a level of \$953 billion. The President set his level at \$933 billion. That is a \$20 billion difference. Now, \$20 billion is a very significant amount of money, but it represents only 2 percent of all discretionary spending of the Federal Government as proposed for the coming fiscal year, and it represents less than 1 percent of all Federal expenditures. In other words, as a percentage of the budget we are dealing with, the enormous budget we are dealing with, this is a difference—less than 1 percent—that reasonable people sharing a loyalty to our country ought to be able to resolve. It is not a difference that merits—2 percent, 1 percent—not a difference that merits a shutdown of the U.S. Government in whole or in part. It is a difference that can and must be bridged by people who understand the budget process and are willing to forge consensus in the public interest.

Congressman Nussle has considerable experience in budgetary matters, having served as chairman of the House Budget Committee from 2001 through 2006 and on the House Ways and Means Committee. During his confirmation hearing before the Homeland Security and Governmental Affairs Committee, I asked Congressman Nussle if he would be willing to advise President Bush to remain open to compromise on spending levels to avoid a governmental shutdown. Congressman Nussle

responded: "I will remain open and I need to remain open."

That is part of the reason why I voted to report Congressman Nussle's nomination out of committee favorably. I repeat what I said at the beginning: Based on his experience, based on his intelligence he is comfortably within in the range, in my judgment, of people who can serve as Director of the Office of Management and Budget, and he is the person whom President Bush has set before us. But I will say that to me, it is critically important that Congressman Nussle keep the promise he made to our committee—that he will do everything in his power as the next Director of the Office of Management and Budget to avoid confrontation as we proceed to fund the Federal Government and its operations for 2008.

Madam President, I ask unanimous consent for up to an additional 5 minutes, which I hope I will not use, from the time that has been allocated to me.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LIEBERMAN. I thank the Chair.

Achieving compromise on the fiscal year 2008 appropriations bills is only one of the OMB Director's many critical responsibilities. He also has to help the President prepare and execute the budget for the following year across 14 Cabinet departments and more than 100 executive agencies, boards, and commissions. The Director recommends where every taxpayer dollar is spent, oversees how each agency's programs are managed, and reviews vital roles for public health, worker safety, and environmental protection.

The OMB Director is also the chief management officer of the Federal Government—the largest entity of this kind, or any kind, in the world today—overseeing how agencies conduct procurement, handle their finances, manage information technology, and carry out their operations. The numbers here—and I want to pause for a moment to stress the "M" part of OMB—the management part, which is often overlooked because it is the budget—the budgeting—that is the most publicly visible. The numbers here are startling and, I would add, disturbing and demand our attention and will, if confirmed, demand Congressman Nussle's attention. Government spending on contracts has exploded, while the trained workforce that oversees them has shrunk. This has already caused widely publicized and, I would add, infuriating examples of waste, and the problem will only worsen in the years ahead if we don't act to better protect taxpayer dollars spent on Federal Government contracting.

Consider this: The U.S. Government is the largest buyer of goods and services in the world. I repeat: The U.S. Government is the largest buyer of goods and services in the world. Between 2000 and 2006, spending on Government contracts has grown from

about \$219 billion a year to \$415 billion, an astounding 89-percent increase. Yet the number of Federal acquisition specialists—the people who negotiate and oversee the contracts for this \$415 billion—these people in number have dropped dramatically. This is over a significant period of downsizing of the workforce in the 1990s and a small decrease in the last 6 years in response to an enormous increase in contracting. The numbers are particularly striking at the Department of Defense where the workforce has declined by nearly 50 percent since the mid 1990s. Governmentwide, the workforce is about to shrink even further if nothing is done, since roughly half the current Federal acquisition workforce is eligible to retire within the next 4 years. So it is imperative that Congressman Nussle, if confirmed, pay particular attention to this challenge: Federal Government buying, contracting, which involves more than \$400 billion of taxpayers' hard-earned dollars.

Let me conclude by saying some of what has been said in brief. I have had serious concerns about how budget responsibilities have been dealt with by the administration over the last 6½ years. While I understand that the next Director will not begin with a blank slate, his performance will be judged by how well he comes to grips with some of these inherited problems. The next OMB Director will likely be President Bush's last OMB Director. He will have the opportunity to craft policy that will be a lasting legacy, and let's hope it is a lasting legacy of responsibility and fairness. I urge that if confirmed, Congressman Nussle take a long view of that legacy and work to achieve both the fiscal soundness and fairness that has too often been absent from this administration's record to date.

For the past several years, we have wrestled with politics and partisan confrontation here in Washington, and generally speaking, not only have all of us lost, but more importantly, the American people and the public interest have lost. As the 2008 election season shifts now into high gear, we cannot let that increasingly partisan environment culminate in fiscal and governmental chaos. To meet our obligations, we must work together as voters demand for the greater good of our country. Jim Nussle will have a great opportunity and an equally great responsibility to see to it that we do that.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Vermont is recognized.

Mr. SANDERS. Madam President, let me begin by thanking the majority leader, Senator REID, and Budget Chairman KENT CONRAD for their strong statements in opposition to the Nussle nomination. I think that is the right position, and I appreciate them speaking out on it.

As a member of the Budget Committee, I placed a hold on the nomina-

tion of former Congressman Jim Nussle to become OMB Director and I voted against his confirmation at the committee level.

The reason I did that is not because I have any personal animus toward Mr. Nussle. I have known Jim Nussle for over 16 years. We served in the House together, and I like him. So this is not personal. The reason I strongly oppose Mr. Nussle becoming the Director of the Office of Management and Budget has, in fact, little to do with Mr. Nussle and everything to do with the failed economic policies of the Bush administration.

The problem is, the President and his advisers have become increasingly isolated and out of touch with the economic realities facing ordinary Americans. The simple truth is that the middle class continues to shrink, poverty has increased over the last 6 years, the gap between the rich and everyone else is growing wider, and millions of Americans are working longer hours for lower wages. Meanwhile, in the midst of all of this, President Bush continues to tell the American people day after day how great and how wonderful the economy is doing. This is an insult to American workers and is something that should end, and end now.

This President needs an OMB Director who can provide a sense of reality with regard to the economic conditions facing ordinary Americans and not continue to perpetrate a false mythology. That is what this debate is all about.

Year after year, President Bush, members of his administration, and his advisers, in almost an Orwellian sense, have sounded like a broken record on the economy. They have told the American people over and over again that the economy—I am now going to use quotes that come directly from the President and his administration—is "strong and getting stronger." The economy is "thriving." The economy is "robust." The economy is "vibrant." The economy is "solid." The economy is "booming." The economy is "powerful." The economy is "fantastic." The economy is "amazing." The economy is "just marvelous."

Those are quotes that come from the President, his administration, and his advisers. That is what the President and his administration are telling the American people.

Now, let's look at reality. How can President Bush and his advisers claim that this economy is robust when nearly 5 million Americans have slipped into poverty since the year 2000, including over 1 million children? We hear a lot about family values in Washington, and I hope when people talk about family values, they are talking about our kids, the weakest and most vulnerable people in our society.

How can a significant increase in poverty since Bush has been President among our children occur at the same time as he describes this economy as "robust"? This is absurd. This is insulting.

How can the President and his advisers claim the economy is vibrant when the median income for working-age families has declined by about \$2,400 since President Bush has been in office? The reality is, from 2001 through 2005, the bottom 90 percent of households experienced a 4.2-percent decline in their market-based incomes, representing a loss of over \$1,200 per household on average. How does that sound like a vibrant economy?

Madam President, how can the President of the United States and his advisers claim that “the economy is strong and getting stronger,” when the personal savings rate has been below zero for eight consecutive quarters—something that has not occurred since the Great Depression? What this means is, with increased energy costs, increased health care costs, increased education costs, and other increased expenses, the average American is now spending more money than he or she is earning. More money is going out than is coming in. In other words, people are going deeper and deeper into debt. This doesn’t sound to me like an economy that is “strong and getting stronger.”

How can the President and his advisers claim that the economy is “healthy”—that is another word they have used—when 8.6 million Americans have lost their health insurance since the year 2000, and a record-breaking 47 million Americans are uninsured, with millions more underinsured? That doesn’t sound too healthy to me. All over this country we find workers who are losing their health insurance. We find people who are paying more and more for, in many instances, inferior coverage, and you have a President out there saying this economy is “healthy.” Well, I am sure many of those people who just lost their health insurance this last year would be quite surprised to find that this economy is “healthy.”

How can this President and his advisers claim that the economy is “thriving,” when, according to the U.S. Department of Agriculture, 35 million Americans in our country struggled to put food on the table last year, and the number of the hungriest Americans keeps going up? How do you have an economy that is thriving when more and more people are hungry and when millions of our fellow citizens have a difficult time putting food on the table? This is not a thriving economy. Hunger in America is a national disgrace.

Madam President, how can the President of the United States and his advisers claim that our economy is “booming”—that is another word they have used—when college students today are graduating deeper and deeper in debt, with the average student now owing a \$20,000 upon graduation. Even more disturbing, some 400,000 qualified high school students don’t go to college in the first place because they cannot afford it and because they do not want to come out of school tens and tens of

thousands of dollars in debt. Does this sound like a booming economy to you? Well, tell that to the young people in this country who can no longer afford to go to college. Tell them about how the economy is “booming.”

How can the President of the United States and his advisers claim that our economy is “fantastic” when home foreclosures are now the highest on record, turning the American dream of home ownership into an American nightmare for millions of families?

How can the President and his economic advisers claim that the economy is “powerful” when the number of working families paying more than half of their limited incomes on housing has decreased by 72 percent since 1997? So you have people working hard, 50, 60 hours a week and, because of the high cost of housing and their limited incomes, they are spending more than 50 percent of what they earn on housing.

How can the President of the United States and his economic advisers claim that our economy is “the envy of the world” when the U.S. has the highest rate of childhood poverty, the highest infant mortality rate among major countries, the highest overall poverty rate, the largest gap between the rich and the poor, and we remain the only country in the industrialized world that does not guarantee health care to all people through a national health care program? How is that economy the “envy of the world”?

How can the President and his advisers claim that the economy is “amazing” when we have lost over 3 million good-paying manufacturing jobs since the year 2000, mainly due to our record-breaking \$765 billion trade deficit? Well, tell workers in the State of Vermont and all over this country about how amazing the economy is when their plants are shut down, when their jobs go to China, and when, if they are lucky enough to find a new job, in most cases that job will pay substantially less than the job they used to have. Tell the white-collar information technology workers whose jobs are going to India how “fantastic” the economy is, when their new jobs pay less than the jobs they used to have.

How can this President and his economic advisers claim the economy is “vibrant” when the number of college graduates earning poverty-level wages has more than doubled over the past 15 years?

My goal this afternoon is not to engage in a major debate on the economy or what proposals we need to improve the economic life of working people. That is an enormously important debate and one that I hope we have sooner than later, but it is not really today’s debate. My goal today, and the reason I put a hold on the Nussle nomination, is simply to make the point that the Bush administration is completely out of touch with the economic reality facing tens of millions of Amer-

ican families, and that we need an OMB Director and an economic adviser who will make this President understand what the ordinary American family is going through.

Let me give you an example of why we desperately need an OMB Director who can do this. While the President of the United States and his advisers tell us how “robust” and how “vibrant” and how “strong” the American economy is, well, the people of our country, the people who live in that economy, the people who work in that economy have a different perception of reality than the gentleman in the Oval Office.

In a Wall Street Journal/NBC News poll, published last month, more than two-thirds of the American people said they believe the U.S. economy is either in recession now or will be in recession next year. That is what the American people are saying, the people who are living the economy. They are saying that despite the daily assertions of President Bush and his advisers. Further, 72 percent of Americans surveyed in a mid-August Gallup poll said the economy was “getting worse.” That is the most pessimistic outlook on the economy since Gallup began asking that question in the early 1990s.

Madam President, we have a real disconnect. We have a situation in which the American people are experiencing a certain reality, telling us about a certain reality, and a President who is living in a very different world.

The President keeps telling us how great the economy is doing, but the American people who work every day, who pay their bills every month, who are trying to provide health care for their families and a college education for their kids are not buying it. In other words, the people who are living in this economy have a very different perspective on reality than does this President and his advisers, and that creates a very dangerous situation which must be corrected by an OMB Director who lives in the real world and who can give this President some real-world advice.

What people understand in their guts and what they fear the most is that if economic trends continue along the same path they have been going for the last many years, we will see for the first time in the modern history of this country that our kids, the next generation, will have a lower standard of living than we do.

What the American dream has always been and what my family, which never had much money, experienced and what millions of American families have experienced is that if you work hard and you save your money, your children will have a better economic life, more opportunities than you do. That is what every parent’s dream is: That their kids will do better than they did.

But I am afraid this American dream is rapidly disappearing. I am afraid that with so many American families, the American dream has become an

American nightmare. To cite one source—and there are many others—a recent joint study by the Pew Charitable Trust and the Brookings Institution found that men in their early thirties earned on average 12 percent less in 2004 than their fathers did in 1974 after adjusting for inflation. In other words, for millions of families, despite a huge increase in worker productivity, we are moving in exactly the wrong direction. Workers are producing more but, in many cases, they are worse off than their parents.

President Bush desperately needs an OMB Director who is not afraid to tell the President the truth about these harsh economic realities and not be an echo, not repeat the mythology that this President and his advisers are bringing forth. President Bush needs a Budget Director who will make him face the facts and not his fantasies. Perhaps most importantly, President Bush needs a Budget Director who is willing to compromise with those of us in Congress who are fighting for the needs of working families and are not here to represent the wealthiest people in this country and the largest corporations.

Unfortunately, there is nothing in former Congressman Jim Nussle's background to suggest he is that person. Quite the contrary. I must say, I am amused to hear some of my colleagues say: Well, we were at a hearing with Mr. Nussle and we asked him a question and he said he is open to doing this and doing that. That is wonderful at a confirmation hearing. I worked with Mr. Nussle for 16 years in the House. He was chairman of the House Budget Committee for 6 years. His record is clear. Pay attention to the record rather than what someone might or might not say in a confirmation hearing.

Let me suggest where I think the confusion in this whole discussion lies, where the disconnect lies. That is that when President Bush tells us the economy is doing great, that it is robust, that it is vibrant—all of his adjectives—the truth is he is right in one sense. He is right in one sense. The economy is not doing well for the vast majority of our people who are in the middle class. The economy is certainly not doing well for working families who, in many cases, work longer hours for low wages. The economy is not doing well for our lower income citizens. Poverty has increased significantly since President Bush has been in the White House. But the economy, we must admit, is doing well and, in fact, doing very well for the wealthiest people in this country, and that is true.

So I think the confusion lies in that when the President says the economy is doing great, what he means is that the economy is doing great for his wealthy friends and for the CEOs of the largest corporations in America. I admit he is right in that regard.

If you look at the world from the perspective of CEOs of large corporations

who now make over 350 times what their workers make, if you look at the economy from the perspective of hedge fund managers, some of whom make hundreds of millions of dollars a year, if you look at the economy from the perspective of people who have more money than they know what to do with, who are literally building yachts that are longer than a football field, I can understand how one could come to the conclusion that the economy is doing very well because from their point of view, from their reality, the economy is doing very well.

Today the simple truth is the upper 1 percent of families in America have not had it so good since the 1920s. So I concede, President Bush, you are right. For all your friends who are in the top 1 percent, the economy is doing very well. But some of us—maybe not all of us but some of us—are here not to represent the richest 1 percent; we are kind of worried about the bottom 90 percent, the bottom 50 percent, the ordinary people who go to work every single day and are struggling hard to keep their heads above water and to provide the necessities of life for their kids.

In 2005, the last available figures I have, while average incomes for the bottom 90 percent—that is where most of the folks are—the bottom 90 percent of Americans declined by \$172, the wealthiest 1/100th of 1 percent reported an average income of \$25.7 million, a 1-year increase of \$4.4 million. Let me repeat that because I think this deals with the confusion of why the President thinks the economy is doing so good.

The income of the bottom 90 percent of Americans declined by \$172 while the income of the wealthiest 1/100th of 1 percent increased by \$4.4 million.

In 2005, the top 1 percent of Americans received the largest share of national income since 1928. Today, rather incredibly—and I was interested in hearing a colleague of mine talking about, oh, my goodness, the wealthy are paying so much in taxes. Well, there is a reason, because today, incredibly, the top 300,000 Americans—300,000—now earn nearly as much as the bottom 150 million Americans combined; 300,000 earning almost as much income as the bottom 150 million Americans combined.

This constitutes by far the most unequalled distribution of income in any major country on Earth, and that gap continues to grow wider and wider. This is an issue this Congress must address. It is not acceptable. People keep talking in a general sense about the economy while ignoring the people in the economy. We have to focus on this growing income in wealth disparity in this country.

While millions of Americans—it is true in my State of Vermont and it is true all over this country—are working two and three jobs trying to cobble together an income and perhaps some health insurance, the collective net

worth of the wealthiest 400 Americans increased by \$120 billion last year to \$1.25 trillion, according to Forbes magazine.

Let me repeat that statement because it is an astounding fact. The collective net worth of the wealthiest 400 Americans—400 is not a lot of people—increased by \$120 billion last year to \$1.25 trillion. Remember, at the same time as the personal savings rate is below zero and millions of Americans are going deeper and deeper into debt, the collective net worth of the wealthiest 400 Americans increased by \$120 billion.

That is what this economy is doing. The top 1 percent now owns more wealth than the bottom 90 percent, and the reality is the rich are getting richer, the middle class is shrinking, and the gap between the very wealthiest people in our society and everyone else is growing wider and wider. We are becoming very different countries—people on top live in a certain world, and the vast majority of people are living in another world entirely.

What does all of this have to do with the next Director of the Office of Management and Budget, which is what we are here this afternoon to discuss? In my opinion, it has a whole lot to do with who should become the next Director of the OMB.

A Federal budget—and our budget is now almost \$3 trillion—is more than a long list of numbers. The Federal budget, as any family budget, is a statement of our Nation's values and our priorities. It is not any different, except the numbers are astronomical, that every family has to deal with: How do they spend their money? Where do they spend their money? What are their priorities? It is the same debate we have in the Senate. The Federal budget is a statement about what our country is about, what we stand for, and who we are as a people.

We would all, I believe, find it irresponsible and counterproductive if a family whom we knew, whom we observed, went out and bought a great big car and they bought a great big boat and went on fancy vacations to Las Vegas, all the while neglecting their kids at home. The kids were ill clothed, ill fed, ill taken care of. We would say that family is irresponsible.

We need to use those same values when we look at the budget of the United States of America. Preparing the Federal budget encompasses the same set of values. It is about spending taxpayers' dollars where we should be spending them and not spending them where we should not be spending them. It is about taking a hard look at the needs of all our people, especially those who are most in need, and prioritizing that budget in an intelligent, fair, and rational way. That is what an OMB Director is supposed to do. That is what his or her job description is.

In February, the President told us about his values and his priorities when he submitted his fiscal year 2008

budget to Congress. Fortunately, thanks to the excellent work of Chairman CONRAD, the Senate rejected the President's budget and passed a budget resolution that was much more responsive to the needs of ordinary Americans, and I thank Chairman CONRAD for doing that. I had the opportunity of working with him as a member of the Budget Committee. But as we in the Senate all know, even though the budget resolution conference report passed the House and the Senate in May, that is a first step. It is the annual appropriations bills that actually provide the funding which keeps our Federal Government running. Unlike the budget resolution, which cannot be vetoed, the President has the opportunity to veto each and every appropriations bill that comes across his desk, and with very few exceptions, this is exactly what the President has threatened to do unless Congress accepts his overall spending requests.

In other words, the President has said to Congress: It is my way or the highway. We will do it my way or I will veto what you are proposing to do. This is the wrong way to negotiate with Congress on the appropriations process. The President needs someone to advise him that a budget should address the needs of all the American people and not just the wealthiest people in our country. The President needs an adviser to tell him that it is more important to pay attention to working families all over this country, many of whom are falling further and further behind—to pay attention to those families rather than a handful of billionaires. Frankly, based on his record in Congress, I am afraid Mr. Nussle will not do that. He is the wrong man for this position at this particular moment in American history.

Now, let me say a few words about the President's budget that he is so adamant that Congress adopt. Let's look at the values and the priorities this President is proposing. The President has proposed in his budget, despite the growing health care crisis in this country, that he wishes to cut Medicare and Medicaid by \$280 billion over the next decade, lowering the quality of health care for approximately 43 million senior citizens and people with disabilities who depend on Medicare, and more than 50 million Americans who rely on Medicaid. That is his priority—cut Medicare, cut Medicaid.

Even worse—and to me this is a deeply moral issue in a nation that already has the disgrace of having the highest rate of childhood poverty in the industrialized world; over 18 percent of our kids are in poverty—at a time when 8.7 million children have no health insurance, the President has refused to adequately fund the Children's Health Insurance Program in his budget. Now, here is where the President needs some good advice. But I have listened and I haven't heard that advice coming from Mr. Nussle. He has had the opportunity. He was nominated a while back.

Last month, as we all know, the Senate voted by a 68-to-31 margin to expand the SCHIP program to provide an additional 3 million children in our country with health insurance. Eighteen Republican Senators thought this was a good idea, and virtually everybody on our side of the aisle voted for it. Although I believe the Senate should have done much more—I believe all of our children should be covered—this is clearly a step in the right direction. The House passed an even more generous bill to expand SCHIP, with the support of some Republicans. But instead of working with the Senate and the House, the President issued veto threats on both of these bills.

What will Mr. Nussle's advice be on this issue? Will he tell the President that it is an international disgrace that we are the only major country on Earth that doesn't provide health care to all of our people and that we have to address that immediately? Will he tell the President to rescind his veto threat? I doubt it. I doubt it very much. Based on his track record of chairmanship of the House Budget Committee for 6 years, I don't think that is going to happen.

While the President does not believe we have enough money to increase health insurance coverage for children, it has been reported that the President will be asking for another \$50 billion for the misguided war in Iraq. Fifty billion dollars in additional funding for the Iraq war, but we don't have \$5 billion to \$10 billion a year to provide health insurance to millions of uninsured kids. It is time the President had a budget director who is willing to say: Excuse me, Mr. President, but that is wrong. That is not what this country is about. It is time to get our priorities straight. I am afraid Mr. Nussle will not be the OMB Director who does that.

What else does the President's budget have to say about the priorities of this country? What about our kids? What about childcare? Every psychologist understands, and many books and papers have been written on it, that the most formative years of a person's life are from 0 to 3. That is when their intellectual capabilities develop; that is when their emotional capabilities develop. Now, what are we doing for our kids in general and what are we doing with regard to childcare? At a time when working families in Vermont and all across this country are searching desperately for quality, affordable childcare, the Bush budget reduces the number of children receiving childcare assistance by 300,000 kids. Mr. Bush tells us he believes no child should be left behind. By this proposal, however, he is not only leaving 300,000 children behind, but, because of inadequate funding for childcare, he is denying millions of children the opportunities they need so they can succeed in school.

Amazingly, childcare fees today are higher than college tuition at a 4-year

public university in 42 States in this country. In other words, we have a major childcare crisis in America. The President needs an OMB Director to tell him and explain to him that you don't cut childcare when working families all over this country are desperately searching out affordable childcare. Will Mr. Nussle be doing that? I doubt that.

Madam President, what I wish to do at this time is reserve the remainder of my time. There are some other issues I want to raise regarding the nomination of Mr. Nussle, but I think the key point I want to make is that what this debate is about is do we need another OMB Director who continues to support and push policies which benefit the wealthiest people in this country at the expense of the vast majority of working families or do we need an OMB Director who will speak truth to power and who, in fact, explains to the American people the reality facing the economic lives of working families in this country.

There are some other points I want to make, Madam President, but I am going to reserve the remainder of my time at this point.

Mr. CONRAD. Madam President, Senator LIEBERMAN has indicated he wishes to give back his time and that I might consume it, so I ask unanimous consent at this point that be done.

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

Mr. CONRAD. Madam President, I am going to take a few minutes, but I will state for the information of my colleague, Senator ALLARD of Colorado, who is going to then take some time, that Senator SANDERS has said it very well. First, I want to say he is a valuable member of the Senate Budget Committee. He is thoughtful, he does his homework, and he has come here with a message that I think is very clear.

I think of my own family. I think of growing up in Bismarck, ND. My parents were killed when I was young, so I was sort of a group project. I was raised by my grandparents and my three uncles and aunts and their families, so I was raised in four families. When I was growing up, we had a middle-class family. We were in the newspaper business, the printing and publishing business, and my family were middle class. In every case, the woman of the household stayed home until the kids were away in school. And we had a lot of kids. We had 13 kids in our family, and that includes cousins of mine. Every one of them got a college education. Every one of them got an advanced degree, and that was on middle-class income.

Now, you think about that today. There is no middle-class family who could have the things we had, who grew up the way we grew up, who had the opportunity to get an advanced education. And every single one of these—my two brothers and my cousins—every single one of them got an advanced degree on middle-class incomes,

and yet the women stayed home. They did not work in the workplace. They did not work for a wage. They worked at home. They worked very hard raising these kids. They did a spectacular job of that. But that can't happen today. The woman or the man can't stay home while raising the kids before they go to school because they need the income to get by, to pay the mortgage, to pay for the car, and to save some money to help kids go to school.

Our society has been transformed. Talk about family values. Those were family values, because there was a value on being able to raise kids and give them a happy and healthy home life and have the resources to go to school.

Now I heard some claims here by the other side earlier that are truly astounding—absolutely astounding. They are talking about how successful this fiscal policy has been. Where have they been? Here is the result of the fiscal policy of this administration, and the fiscal policy for which Mr. Nussle was a key architect. It is a policy of debt, deficits, and decline—the three Ds. Here is the record on debt. They took the debt after the President's first year, \$5.8 trillion, and at the end of this year it is going to be almost \$9 trillion. Now this is a fact. This is no projection. This is what has happened.

Then I heard, well, the Democratic budget has got the biggest tax increase in history. It was remarkable to listen to some of the comments. We heard variously that the tax increase in the Democratic budget was \$200 billion, then it got to be \$700 billion, and then it was \$900 billion. Well, whoa. Talk about variation. We had a \$200 billion tax increase, a \$700 billion tax increase, and a \$900 billion tax increase. Which is it?

I tell you the reason they can't tell you is because there is no tax increase. There is no tax increase proposed in this budget. None. In fact, there is substantial tax relief, tax relief for middle-class families, because they are the ones who truly need it.

Here are the facts. This is the revenue over 5 years in the budget resolution that passed the Senate—\$14,828 trillion. It is a big number, isn't it? How much do you think the President said his budget would raise over that same period? Here is what he said his budget would raise—\$14,826 trillion. Do you notice there is almost no difference? The President said his budget would raise \$14,826 trillion. That is not my claim about his budget, that is his claim about his budget. Our budget, according to the Congressional Budget Office, will raise \$14,828 trillion. Where is this huge tax increase? Where is it?

If we look at the Congressional Budget Office to evaluate both budgets, here is what we see. The green line is the revenue of our budget. The red line is the President's. There is a small difference—a 2-percent difference. A 2-percent difference. That is according to the Congressional Budget Office. Now,

let us assume for a moment their way. Let's say there is 2 percent more revenue. Where would we get it without a tax increase? Well, the first place we would go is the tax gap. The IRS estimates that the tax gap for a single year, the difference between what is owed and what is paid, is \$345 billion. That is for 1 year. If we got just that, we would completely eliminate the difference between the revenue in our proposal and the revenue in the President's. Of course, this is a 5-year budget. We just need 1 year of the tax gap.

The Senator from New Hampshire says we cannot get that much. Let's assume he is right. Let's say you can't get that much. Is that the only place you can look for revenue without a tax increase? Oh, no.

There is a place down in the Cayman Islands called the Ugland House. It is a five-story building. It is the home to 12,748 companies. Isn't that amazing? All those companies, 12,748 companies, claim they are doing business out of this little five-story building. Does anybody believe that the 12,748 companies are engaged in business out of this little building?

They are not engaged in business. They are engaged in monkey business, and the monkey business they are engaged in is avoiding taxes here. What are they doing? Here is what they are doing. They are engaged in offshore tax haven scams. Here is what they say. Go on the Internet and you know what you will find? You put in the words about tax havens, here is what you get—1.2 million hits. A lot of people out there are being inventive about how to avoid taxes. Hear is what they say.

Your money belongs to you and that means that it belongs offshore.

Why do they want to put the money offshore? Because they don't want to pay any taxes here. Here is my favorite:

Live tax free and worldwide on a luxury yacht—moving offshore and living tax free just got easier.

Come on, do you know how much money the Government of the United States says is being lost to this kind of scam? Here is the Senate Homeland Security and Governmental Affairs Permanent Subcommittee on Investigations from February of this year. They said:

Experts have estimated that the total loss to the Treasury from offshore tax evasion alone approaches \$100 billion per year.

Some of us say we ought to shut it down and stop this outrage. That is tax increase? No. That is no tax increase. That is requiring people to pay taxes they already owe. If we got just half of this money, half of it, we could meet our budget numbers with no tax increase.

Some don't want to do a thing around here. They want these scams to continue. Let them stand up and defend them. And while they are at it, defend this. Abusive tax shelters—what is this a picture of? That is a sewer system in Europe. What does that have to

do with the budget of the United States? It turns out it has a lot to do with it because we have companies in the United States and wealthy investors who have bought sewer systems in Europe. Why? Do they want to run sewer systems in Europe? Oh, no, they don't run the sewer system. They buy it and depreciate it on their books for U.S. tax purposes and lease it back to the European cities that built it in the first place.

Do you know that is costing us \$40 or \$50 billion a year, tax shelter scams? If we shut those down, we could meet our budget with no tax increase. So please don't come out here and give me this about the biggest tax increase in history. There is no tax increase. Is there more revenue? According to the President there is no difference in revenue between our plan and his plan. If you look at what he would claim his revenue system would produce, it is virtually identical to what we say ours will produce.

But let's accept Congressional Budget Office numbers. They say there is 2 percent more revenue in your plan. Let me say, I believe you could achieve that by closing down these abusive tax shelters, closing down these offshore tax havens that the Permanent Subcommittee on Investigations says is costing us \$100 billion a year, or at least reducing the tax gap, the difference between what is owed and what is paid. The vast majority of us pay what we owe. How are we allowing \$340 billion a year to go unpaid by others?

When I hear people say this is the biggest tax increase, that is just not true. There is no proposed tax increase in the budget that we offered—none. And that is a fact.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Madam President, I rise today to speak in support of Congressman Jim Nussle, the President's nominee to be Director of the Office of Management and Budget, referred to commonly as OMB.

I am pleased the President chose someone with such an extensive knowledge of the Federal budget process to succeed the very able Director, Rob Portman. I had the pleasure of serving under Congressman Nussle when he was chairman of the House Budget Committee. I came into the House the same time he did, so I have had an opportunity to work extensively with what I think is an outstanding individual. There I witnessed firsthand his expertise in the budget process.

As chairman of the House Budget Committee, Congressman Nussle worked effectively with fellow House Members, Senators, and the President to shape the Federal budget—much like he will be required to do if confirmed as Director of OMB. Moreover, throughout his service in Congress, Congressman Nussle demonstrated a firm commitment to fiscal responsibility, restoring and maintaining fiscal

discipline, starting with this year's appropriations process.

It is essential to keeping our economy strong and growing. The fact is, today's economy is strong. More than 8 million jobs have been created since August of 2003, unemployment is at historical lows, and paychecks are rising. One of the reasons we are enjoying a strong economy today is because the Republican Congress and the President created conditions for individuals and small businesses to thrive. These progrowth economic policies included reducing income tax rates, reducing capital gains and dividend tax rates, reducing the estate and gift taxes, and increasing incentives for small business investment.

If we neglect extending all these taxes that I just ran off—they all have a termination date on them. If we neglect extending these tax reductions, the end result is it is going to be the largest tax increase in the history of this country by neglect. The chairman of the Budget Committee is right. They don't have any overt proposal to increase taxes. But by neglect and refusing to renew these taxes that are going to be expiring in a few years, the net result is that the tax rates are going to increase on our progrowth, economic tax reduction provisions that we put in place, which was reducing the income tax, reducing capital gains and dividend taxes, reducing estate and gift taxes, and increasing incentives for small business investment.

My view is in this country, if you really want to see economic growth, you target the small business sector. That is what the proeconomic growth policy did, and we saw the results of that, resulting in sizable revenue increases to the Federal Government as well as our States throughout this country. The economic growth stimulated by these policies not only led to more money in the pockets of the American people, it has led to increased Federal revenue and reduced deficits. Since 2003, revenues have rebounded sharply, following several years of decline. Last year, revenues were up almost 12 percent, to \$2.4 trillion, the highest in our Nation's history. As a result, we cut the budget deficit in half several years ahead of schedule and put ourselves on a path toward balancing the budget. That is important to me, and I think it is important to the American people to have us on a path toward balancing the budget. I think it is important to the American people that we continue our progrowth policies. After all, that means more jobs.

In addition to its well-known budgetary function, the Office of Management and Budget is also charged with an equally important, albeit I would say lesser known function, and that is management responsibility. President Bush, with initiatives like the President's Management Agenda and the Program Assessment Rating Tool, referred to by many as PART, has given

the Office of Management and Budget and the Congress the management tools they need as overseers of a large and complex and sometimes cumbersome bureaucracy. In fact, if the American people want to see how these various agencies are performing, all they need to do is get on the Internet and go to expectmore.gov. You are going to find an assessment of the agencies and how they are doing, whether they are operating efficiently, spending taxpayer dollars in a responsible way, or whether they are being ineffective, and various grades in between that, or are they absolutely ignoring any attempt to be accountable to the way in which the taxpayer dollars are being spent.

As a result, on that Web page you are going to see "no results demonstrated." They just kind of thumbed their noses at the taxpayers and the President and anybody out here trying to build accountability to agency spending. This program helps Members of Congress, helps members of the administration, and helps the taxpayer out here if they want to take the time to look it up on the Internet, just to see how the various agencies are performing. You might be surprised as to which agencies show up as not even making an effort to be accountable to the taxpayers as to how their tax dollars are being spent.

OMB's management tools are critical to Congress's ability to hold agencies and programs accountable and ensure that taxpayer dollars are being spent wisely. Congressman Nussle has assured me that he will give due deference to the "M" which stands for "management" in the OMB. I have impressed upon him how important it is that we encourage the agencies to continue to try to demonstrate results on their effectiveness and not ignore it because it is what we need to responsibly put forward legislation in budgets and appropriations bills.

I think this vote is a referendum on the economy, but let's look and see what is happening with the economy. It is doing well. New jobs are being created. Income is coming in at record high rates. America is doing well.

I encourage my colleagues to join me in supporting Congressman Nussle who, I believe, is a highly qualified nominee who is deserving of Senate confirmation. I am pleased the Budget Committee favorably reported Congressman Nussle with broad bipartisan support. I urge my colleagues to vote in favor of this confirmation today.

It is important that we move forward with budget accountability. We need to confirm the Director of the OMB quickly, so he can get moving forward with his responsibilities. I am here to strongly endorse my good friend and colleague, Congressman Nussle. I hope the other Members of this body will join me in voting to support his confirmation.

Mr. LEVIN. Madam President, this nomination of Congressman Nussle as

Director of the Office of Management and Budget will put him at a critical place at a critical time. The OMB has been a powerful part of this administration, making key decisions on revenue, spending, transparency and regulation. And the new Director will play a major role in shaping both the remainder of this President's term as well as the outlook of the next.

One of OMB's most important functions each year is to help generate the President's budget request. With unprecedented levels of debt mounting ever higher, the Nation's budget blueprint must begin to reflect wise choices.

Unfortunately, the pattern of this administration so far has been one of fiscal recklessness. The President's tax cuts have reduced revenue to the Treasury by \$1 trillion and will cost an additional \$300 billion in 2007 alone. Over the past 5 years we have spent half a trillion dollars in Iraq, and we are continuing to spend \$10 billion a month for that war.

Our current total debt is closing in on \$9 trillion, which means that each American's share is nearly \$30,000. And the budget President Bush submitted to Congress in February would continue that trend. It would increase the gross Federal debt by nearly \$3 trillion to \$11.5 trillion by 2012. That means each American's share of the debt would rise to a whopping \$38,000.

The administration needs to turn over a new leaf of fiscal responsibility, and the new Director of OMB must be at the forefront of that effort. Digging out of this ditch of debt will take serious bipartisan cooperation and it will require Congress and the administration to work together. This includes deciding how to most fairly raise revenue and on which priorities to spend it. And it will mean putting aside partisanship of the moment to tackle the long-term economic challenges. We need an OMB Director who is fully committed to working with Congress to tackle this difficult and pressing problem.

Another critical function of OMB for which Congressman Nussle will be responsible is the management side. OMB plays an important role in the Federal Government's efforts to prevent waste, fraud, and abuse by pursuing management reforms, evaluating the effectiveness of Federal programs, and providing oversight of agency reports, rules, testimony and proposed legislation. OMB can exert great influence on public policy and I believe it is imperative that the person selected to run OMB be willing and able to work with both parties in Congress to face the extraordinary challenges ahead.

I will support this nomination, and I am hopeful that Congressman Nussle can meet the many challenges OMB faces at this critical time.

Mr. FEINGOLD. Madam President, I will vote for former Congressman Nussle to be Director of the Office of Management and Budget. As a former

Chairman of the House Budget Committee, he is clearly qualified, and as I have indicated in the past, the President is entitled to great deference when it comes to executive branch nominations, especially those for positions which are so close to the President himself. In this respect, the President's nomination for Director of Office of Management and Budget should receive even greater deference than a Cabinet position. Of course, this deference decreases as the position is more distanced from the policymaking functions of the administration.

Given the emphasis I have placed on the need to budget more responsibly, however, I want to make clear my strong disagreement with the administration's budget policies that have featured an unbroken record of massive deficits and increased debt. And while I hope this nominee represents a new period of better relations with Congress on budget matters, I do not vote for Congressman Nussle with the expectation that the President will finally see the light and adopt a more fiscally responsible budget.

When his term of office is complete, this President will leave behind a fiscal mess so massive that it may take decades to clean up. I will continue my efforts during the remaining 15 months of this administration to make sure that it does not make matters even worse.

Ms. MIKULSKI. Madam President, I come to the floor today to voice my opposition to Mr. Nussle's nomination to be head of the Office of Management and Budget. This nomination is another effort by President Bush to obstruct Congress from doing its job and to prevent us from passing fiscally responsible budget and appropriations bills.

We need an OMB Director who can help the President understand that the fiscal problems our country faces are too important and too big for political gamesmanship. And we need an OMB Director who understands that past policies have failed and that the time for change is now. Unfortunately, Mr. Nussle is not the man for the job.

As chairman of the House Budget Committee, he repeatedly failed in his biggest responsibility—to pass the annual budget resolution, which protects the integrity of the appropriations process and provides the blueprint for how we spend taxpayer dollars. Not passing a budget puts the healthy functioning of the Federal Government at risk. Before the nominee took control of the committee, Congress had only failed to pass the budget resolution once since 1974. When Mr. Nussle was chairman of that committee, it happened 3 out of his 6 years leading that committee.

Given the President's refusal to cooperate so far during this year's appropriations process, we need an OMB Director who can build consensus. Mr. Nussle's inability to manage the budget resolution process shows that he clearly lacks this essential skill.

Mr. Nussle also presided over a runup in debt unprecedented in our Nation's history. In 2001, when President Bush came to office and Congressman Nussle took over the Budget committee, there was a projected \$5.6 trillion surplus. But today, huge tax cuts for the rich and reckless spending have left America \$9 trillion in debt. To cover this debt, President Bush has had to borrow more than \$1.1 trillion from foreigners, more than the previous 42 Presidents combined.

This means that our grandchildren will have to pay part of their wages and salaries for our tax cuts. This is not only bad policy, it is immoral.

To this day, Nussle continues to support these and other failed Bush fiscal policies that, for the sake of the next generation of Americans, we need to reverse.

The Bush administration has threatened to veto almost every one of our spending bills. These threats are stopping us from doing what the American people want us to do—from working together on the important issues facing our country and changing the priorities and tone of debate in Washington.

As a member of the Appropriations Committee, I pride myself on making sure taxpayer dollars are wisely spent on programs that make a difference. The spending bills we wrote in the spring are built on these values. They are fiscally responsible and support the programs that protect our country and improve the lives of American citizens.

But because we reject President Bush's harmful cuts to housing, law enforcement, education and other critical programs, this administration and some Republicans accuse Democrats of wasteful spending. That is outrageous.

Democrats passed a budget that reflected Americans' priorities: no new taxes, restored funding for critical domestic programs, balance the budget by 2012 and contained pay-go for fiscal discipline. We fought to increase funding for education, children's health care, veterans benefits, and crime reduction.

President Bush says he wants to veto our appropriations bills because we increase funding for critical domestic programs. Democrats increased funding for the Department of Education when the President wanted to cut 44 education programs. Democrats increased funding for the National Institutes of Health when Bush wanted to cut it by more than \$300 million. The President wanted to cut first responder grants and we wanted to increase them. We proposed increasing domestic spending by just 1.4 percent over last year. That is lower than the growth rate of the economy and the growth rate in taxes collected.

These appropriations bills fund every single Federal education, law enforcement, transportation, and housing activity in our country and they were passed out of the Appropriations Committee with bipartisan support. Despite this bipartisan support, the President

refuses to negotiate with Congress and is threatening to veto our bills and bring this Nation into a state of gridlock.

It is past time for the President to start facing the facts and to realize that the only way forward is by working together. Ours is the richest country in the history of the world and we have more than enough to provide decent public services on a balanced budget. My Democratic colleagues and I are eager to come to the table and hammer out our differences for the sake of the American people but progress takes political leadership and a willingness to compromise.

November's election showed that Americans want Congress to change the direction and change the tone of politics. Democrats got the message and in May we passed a bipartisan budget that funded the programs America needs while balancing the federal checkbook over 5 years. Our budget provides the blueprint for extending middle-class tax cuts, expanding children's and veterans' health care, and investing in education. We also provided funds to protect our homeland and fully support our men and women serving in the Armed Forces.

We've had 6 years of undisciplined and unprincipled budget leadership from the White House and congressional Republicans. Representative Nussle does not seem to understand that the time for a major change is now and he doesn't seem likely to push President Bush to come to the table. For this reason, I oppose his nomination and I urge my colleagues to do the same.

Ms. LANDRIEU. Madam President, I rise in support of the nomination of Jim Nussle to be our Nation's next Director of the Office of Management and Budget. My support comes, however, with serious reservations about the administration's financial commitment to rebuilding the gulf coast in the wake of Hurricanes Rita and Katrina.

While the President repeatedly speaks of his commitment to rebuilding the gulf coast, at every turn, this administration places financial roadblocks to the region's recovery. For months, the administration refused to waive the Stafford Act requirement that hurricane-ravaged States and localities match 10 percent of the funds that they receive. Similarly, the Office of Management and Budget has refused to allow the State of Louisiana to use the Hazard Mitigation Grant Program to fund its Road Home Program. Finally, the administration has threatened to veto the Water Resources Development Act, which takes the first vital steps towards creating a comprehensive program for the restoration of the Louisiana coast.

Notwithstanding the administration's claims of financial support, we still have a long way to go in rebuilding the gulf coast. The Government Accountability Office, for example, recently concluded that of the \$110 million that the Federal Government has

committed to reconstruction, only a small portion of the Federal assistance has been targeted toward long-term needs such as the restoration of the gulf coast's infrastructure. In fact, the Brookings Institution has concluded that only \$35 billion of the \$110 million has been dedicated to long-term rebuilding efforts. Only a small portion of this amount is dedicated to reconstructing the gulf coast's levees and floodwalls.

The bottom line is that the rebuilding is nowhere near complete and neither is the need for Federal aid. The people of the gulf coast appreciate the generosity of the American people. We all know where we'd be without the Federal Government lending a hand to help bring back the gulf coast. That being said, the President promised in his speech at Jackson Square in New Orleans that the Federal Government would be there until the job is complete. While it is a reality that no one enjoys facing, the fact that the rebuilding of the gulf is only in its infancy—is reality nonetheless. More needs to be done and it is critical that the Director of the Office of Management and Budget recognize that fact.

In conclusion, I will support the nomination of Jim Nussle but with the caveat that the administration must grapple seriously with the long-term financial needs of the gulf coast.

I thank the Chair and ask that my entire statement appear in the RECORD.

Mr. BYRD. Madam President, I oppose the nomination of Jim Nussle to be the Director of the Office of Management and Budget.

During his tenure as chairman of the House Budget Committee, he not only embraced but helped to enact the woefully misguided and disastrous budget policies of this administration, which have resulted in massive deficits, including the highest three on record. Those dangerous policies have resulted in the loss of hundreds of billions of dollars from the Social Security trust funds, and draconian cuts in domestic investments that have left the infrastructure of our Nation to deteriorate, and agencies, such as the Federal Emergency Management Agency, FEMA, unprepared to protect the American people.

When I met with Mr. Nussle in July, I also was taken aback by his lack of knowledge about funding the military operations in Iraq, suggesting that it is common and routine to fund such operations through supplemental appropriations bills. He asserted that the United States has always funded its wars through supplementals. This is simply not true, and certainly something that the nominee for the White House budget office ought to have known. Many times the Congress has passed supplemental war funding bills at the beginning of a conflict, but then budgeted for that war spending as part of the regular appropriations process. That is something that this administration has stubbornly declined to do,

despite overwhelming votes in the Senate calling for regular budgeting for the Iraq war. Instead, the administration continues to ask the Congress to rubberstamp its emergency supplemental funding requests.

I have repeatedly warned against this administration's budget and spending policies. I have watched the disastrous results that they have brought about. I am not about to endorse a continuation of that kind of record today. I am heartened by Mr. Nussle's pledge to work in a cooperative way with the Congress and the Appropriations Committees. However, I do not foresee any real change in policy in the offing, and so I must oppose this nomination.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa seeks recognition. Who yields time?

Mr. CONRAD. Madam President, might I ask the Senator from Maine if she might give 5 minutes to the Senator from Iowa for a statement in support of the nominee?

Ms. COLLINS. I will be happy to yield that time. I note Senator GRASSLEY also is requesting time. Perhaps I can find out from Senator GRASSLEY how much time he needs as well so we could accommodate both of the Senators from Iowa.

Madam President, how much time is remaining of the time that I have been allotted?

The PRESIDING OFFICER. The Senator has 11 minutes remaining.

Ms. COLLINS. Madam President, I will be happy to yield 5 minutes to Senator HARKIN. I will yield the remainder of my time to Senator GRASSLEY, but I hope we can only find an additional few minutes so he could complete his statement.

Mr. CONRAD. Madam President, we will ask another Senator who controls time if we can get additional time for Senator GRASSLEY. We will do that while Senator HARKIN and Senator GRASSLEY are speaking.

Ms. COLLINS. Thank you, Madam President.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Madam President, I thank the Senator from Maine for yielding me this time.

In July, in testimony before the Senate Homeland Security and Governmental Affairs Committee, I spoke strongly in favor of President Bush's nomination of former Congressman Jim Nussle to serve as the Director of the Office of Management and Budget.

In his testimony before the committee and in a subsequent appearance before the Senate Budget Committee, Congressman Nussle impressed all of us with his forthrightness and his obvious expertise on budget issues. This should come as no surprise. The fact is that Congressman Nussle is superbly qualified for the job of Budget Director. First elected to represent Iowa's First Congressional District in 1990, he served honorably for eight terms. He

joined the House Budget Committee in January of 1995 and was elected chairman in January of 2001, a position he served in for the next 6 years.

Congressman Nussle is a genuine expert and a recognized expert on the budget and a master of the budgeting process. I have known Jim Nussle and worked with him for more than 16 years. I can tell you that he is a skilled and savvy operator. He is a straight shooter whose word is his bond and who can be counted on to follow through with the commitments he makes. As chairman of the Budget Committee, he reached out to majority and minority members and he gave everyone a fair hearing.

In addition, Congressman Nussle will bring to the job an impressive array of political skills. As Senators saw firsthand during his appearances before the two committees this summer, he is open and responsive. He is an excellent communicator, and he is a formidable advocate for the causes in which he believes.

As members of different political parties, Congressman Nussle and I have often disagreed on principles and priorities. But in Jim Nussle, the President has chosen a person of exceptional intelligence, competence, and experience.

As we enter the final month of the fiscal year, we face enormous challenges with regard to the budget. I have had and continue to have sharp disagreements with President Bush over his budget priorities, in particular his shortchanging of children's health insurance, education, and biomedical research. And, of course, I believe we need to work to eliminate abusive tax breaks enjoyed by multinational companies and the very wealthy, as was just outlined by the Senator from North Dakota a few moments ago. Now, we all understand that the Director of the Office of Management and Budget is not the initiator but the implementer of the President's agenda. However, it is my hope that in Congressman Nussle, we will have a voice of moderation and corporation.

Finally, I would add that those of us who represent rural America, rural areas, small towns and communities, could have no better advocate for rural America, for our farmers, our farm families, and those who live in small towns and communities than Congressman Jim Nussle. He has always been there fighting for their interests, and it is kind of good to have someone like that in the position of Director of the Office of Management and Budget.

I intend to vote yes on Congressman Nussle's nomination. I urge all of my colleagues to do likewise.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. CONRAD. Madam President, I ask that the Senator withhold.

How much time does Senator GREGG have remaining?

The PRESIDING OFFICER. Thirteen minutes.

Mr. CONRAD. Thirteen minutes. If the Senator would be willing to reserve 10 of his minutes and give the additional 3 minutes to the Senator from Iowa so the Senator from Iowa can have a total of 9 minutes? At least that gets us close to the Senator's request.

Mr. GRASSLEY. I am pleased the Senate is considering the nomination of Jim Nussle to be Director of the Office of Management and Budget.

I thank Chairman LIEBERMAN and Ranking Member COLLINS of the Homeland Security and Governmental Affairs Committee for their quick action on the nomination, and I also thank Chairman CONRAD and Ranking Member GREGG of the Budget Committee for helping to move this nomination along very quickly. Also, of course, I thank the majority leader, Senator REID, for making time in the Senate's hectic schedule for the consideration of this most important nomination.

I have known Jim Nussle for nearly 27 years. I first met him when, as a student at Luther College, he drove me around the State as I campaigned in my first run for the Senate. He was elected to the U.S. House in 1991 at the age of 30. Congressman Nussle quickly rose through the ranks as chairman of a committee, and he excelled in that very important leadership role as chairman of the Budget Committee.

Congressman Nussle and I share a strong belief that we here in Washington hold a great responsibility to be wise stewards of the taxpayers' money. He took this responsibility very seriously and acted on it early in his congressional career. Few have worked as hard as Congressman Nussle to ferret out wasteful and unnecessary Federal spending. If confirmed for the OMB Director, I am certain he will continue to be one of the taxpayers' advocates there in that new position.

When he was chairman of the House Budget Committee, Jim Nussle did not just focus on short-term goals; he looked down the road at long-term challenges. As an example, in the Deficit Reduction Act, with Jim's leadership at the Budget Committee, Congress took an important first step in reforming our entitlement spending. This step saved taxpayers nearly \$40 billion over a 5-year period of time.

Jim Nussle also understands that the Federal budget process can and needs to be improved. He chaired a bipartisan task force in the late 1990s and developed a bipartisan initiative termed the "Comprehensive Budget Process Reform Act of 1998," and he did it in a bipartisan way with then-Congressman and fellow Senator BEN CARDIN. In working with then-Congressman CARDIN, he demonstrated his abilities to work across the aisle and develop bipartisan products.

This respect for the other side continued during his time as Budget chairman. During the Senate Budget Committee's hearings to consider his nomination, House Budget Chairman SPRATT attested to the respectful man-

ner in which Congressman Nussle handled the Budget Committee under his chairmanship. Chairman SPRATT, then the ranking member, spoke to the fair and collegial treatment the minority received while Jim Nussle was its chairman and to Congressman Nussle's knowledge of the budget process.

I believe it is Congressman Nussle's qualifications and respect from all sides that led to a unanimous vote in favor of his nomination by the Homeland Security Committee and by the 22-to-1 vote in the Budget Committee. Yet some have chosen to use Congressman Nussle's nomination to take issue with the President's fiscal and economic policies. So I would point out to my colleagues that while they portray the economy as nothing but doom and gloom, the facts suggest otherwise.

Unemployment remains at historically low levels. Most recently, the unemployment rate stood at 4.6 percent. July was the 47th consecutive month with job gains, and over 8.3 million new jobs have been created during those 47 months. The fact is, the economy is resilient and growing. We have had 23 consecutive quarters of growth in the gross domestic product.

Contrary to the arguments of some of my colleagues, the budget deficit has been coming down year by year. This year's deficit is estimated to be 1.5 percent of our gross domestic product, and that is lower than the 40-year average of 2.4 percent of GDP. The reduction in the deficit is largely due to the higher than anticipated revenues coming into the Federal Treasury, and this increase in Federal revenue has occurred since the bipartisan tax relief plans passed in 2001 and 2003.

While those on the other side may argue that we are undertaxed, I would like to point out that this year's receipts are projected at 18.8 percent of gross domestic product. That is higher than the historic norm over a 30-year average of 18.3 percent. So while Congress and the President acted in a bipartisan way in response to the economic effects of the tech bubble burst and the attacks of September 11, 2001, we are still generating the necessary revenues to operate the Federal budget at historic levels.

Where would our economy be today if Congress had not enacted a bipartisan economic stimulus tax package? Would our economy have weathered the crash of the NASDAQ in 2000 when it lost 50 percent of its value or the economic shock after the 9/11 attacks in 2001? Would we have come out of it with such resilience as we have without those tax bills having passed? Would we have such low unemployment, strong GDP growth, or the creation of those over 8 million jobs without that tax relief? Now, these are fair questions that the critics of the President's economic policies ought to consider.

Regardless, we are here today to consider the nomination of Congressman Nussle to be Director of the Office of Management and Budget. However you

feel about the President's economic policies, I think we should all agree that the President has the right to choose his Director for the Office of Management and Budget. Rather than delay and object to considerations of this nominee, I believe it makes more sense to confirm the President's highly qualified choice and get to the work of finishing the peoples' business.

We have a serious challenge ahead of us. With only 1 of 12 annual appropriations bills having even been considered by the Senate, we find ourselves less than 4 weeks away from the end of the fiscal year. In order for this process to get underway in earnest, it is important that the President has his choice of Budget Director in place. Given Congressman Nussle's experience, knowledge, and commitment to public service, it is fitting that he has been nominated to be the Director of the Office of Management and Budget.

Jim Nussle is highly qualified. He knows the budget. He understands Congress, and he is a decent, honorable public servant. So I hope the Senate will see fit to confirm Jim Nussle to OMB Director.

I think the people who gave me the additional time ought to have it back.

The PRESIDING OFFICER. Who yields time? The Senator from Vermont.

Mr. SANDERS. I yield 6 minutes to the Senator from New York.

Mr. SCHUMER. I thank my friend and colleague from Vermont for yielding me time. I will speak for a brief moment on this nomination and then talk a little bit about Iraq.

First, I will oppose the nomination of Jim Nussle to OMB Director. Why? Because our country is in a new world and a new time and a new place. Our health care system, our education system, and our infrastructure are lagging, and those who put continued tax cuts for the very wealthy above rebuilding America are at the wrong time, in the wrong place. That is what Jim Nussle has done. I understand it is a heartfelt belief of his.

We Democrats have adopted a more responsible position of pay-go. We Democrats believe, yes, we must restore our infrastructure, both physical and human, in America to stay great. And with an OMB Director who remains rigidly wedded to the policies of the past, tax cuts to the very wealthy above everything, above rebuilding our schools and restoring health care and getting our bridges and roads built—we are headed in the wrong direction. So I must vote against him and urge my colleagues to do the same.

IRAQ

Now, I rise today to discuss the situation in Iraq and the continuing efforts of this administration to paint a rosy picture, to cling to straws when the situation on the ground suggests just the opposite.

I first thank my colleague, JACK REED, who has done great work on MILCON, veterans affairs, which we

have just considered, and for his work on Iraq.

Some have argued that the surge in Iraq is working, but all you have to do is look at the facts to know that is not the case. The President went to Anbar Province, which at the moment he is touting as a measure of success, but we all know what has happened in Iraq. You push on one end of the balloon, and it pops out on another. Anbar may be a little better; other places are worse. And the fallacy of Anbar is just amazing. Are we placing our faith in the future in Iraq on a handful of warlords who at the moment dislike al-Qaida more than they dislike us? And they certainly dislike us. What kind of policy is that? What are the odds that 6 months from now, the fragile and perilous situation in Anbar will reverse itself and collapse? We heard about success in Baghdad, we heard about success in Fallujah, and we heard about success in this province and that province, and it vanishes. Success vanishes like the wind. Why? Because the fundamentals in Iraq stay the same. That is, that there is no central government, that the Shiites and the Sunnis and the Kurds dislike one another far more than they like any central government, and that dooms our policy in Iraq to fail. When the President began the surge he said it was to give the Government breathing room, to strengthen the present Government. We have more troops there, more military action, more deaths this summer, more than any other, and the Government is weaker. So why isn't it apparent to the President and my colleagues on the other side of the aisle that the stated goal of the surge is failing? Because the goal is not a military goal but, by the President's own words, it is to give the Government of Iraq greater strength, breathing room, as he put it. That Government, by just about every standard, is worse off than it was before.

Again, Anbar Province? Because a few warlords, tribal leaders are now on our side for the moment, even though they are not loyal to us, they don't like us and they dislike the central government, that is why we should continue the present course in Iraq? It makes no sense.

What happened to the great call for democracy in Iraq? Are the tribal leaders in Anbar Province our apostles of democracy? Of course not. I admit that is realpolitik. That is fine. But it is not going to solve the problem.

If you look at the benchmarks, today the independent GAO report due to be delivered to Congress showed little progress being made in meeting the 18 military and security benchmarks set out by the Congress. A draft report showed that only three of the benchmarks had been met. However, over the weekend, the Pentagon revised the draft GAO report and now, miraculously, an additional four benchmarks were "partially met." Despite the apparent efforts by the Pentagon to edit

this independent report, it will take much more than a red pen to correct the failures of the President's Iraq policy. So the surge by the President's own stated goal is failing. The Government is weaker. The fundamentals on the ground are the same. There is no loyalty to a central government.

The temporary stasis in Anbar Province is not because of the surge but because the surge was unable to protect these tribal leaders from al-Qaida.

The PRESIDING OFFICER (Mr. SALAZAR). The time of the Senator has expired.

Mr. SCHUMER. I ask unanimous consent for an additional 30 seconds.

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

Mr. SCHUMER. The bottom line is very simple. We are worse off today in Iraq than we were 6 months ago. The position of America, democracy, stability continues to deteriorate. If there were ever a need for a change in course in Iraq, it is now.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Vermont.

Mr. SANDERS. Mr. President, we have heard over the last few moments from some of our Republican friends, again, the assertion of how strong this economy is doing and how we have to continue going along this same path with an OMB Director who is supportive of these policies. Let me reiterate, I do not believe the economy is stronger when, over the last 6 years, 5 million more Americans have become poor, slipped into poverty, including a million children. I do not believe this economy is strong when median income for working age families has declined by about \$2,400 since the year 2000. I do not believe this economy is strong when the personal savings rate has been below zero for eight consecutive quarters. I do not believe this economy is strong when 8.6 million Americans have lost their health insurance since President Bush has been in office. I do not believe this economy is strong when 35 million Americans struggled to put food on the table last year and hunger in America is growing. I do not believe this economy is strong when home foreclosures are now the highest on record, turning the American dream of home ownership into a nightmare.

We need a new direction in economic policy, policies which protect the interests of ordinary Americans and not just the wealthy and the powerful. We need an OMB Director to tell this President the reality of economic life for tens of millions of our families rather than continue a mythology which essentially represents the interests of the people on top who, in fact, are doing very well. Maybe government should represent all rather than just the wealthy and the powerful.

When I talked before about the budget priorities of President Bush, we should continue that discussion and

talk about how he treats our veterans. The war in Iraq, something which I strongly opposed, has given us now over 27,000 soldiers who have been wounded, many of them seriously. Studies tell us that many of the soldiers returning home from Iraq are coming home with post-traumatic stress disorder, PTSD. How did the President's budget, a budget which we turned around, how did his initial budget treat the veterans? His budget proposed cutting the VA by \$3.4 billion over 5 years after adjusting for inflation. That does not say thank you to our veterans and their families and all they have gone through.

We have a President who in his budget has said we don't have enough money to address the needs of the middle class, working families, senior citizens, children, and veterans. We don't have enough money to do that, to pay attention to the people who are hurting. But amazingly enough, President Bush has told us we do have enough money to provide \$739 billion in tax breaks over the next decade to households with incomes exceeding \$1 million per year. Under President Bush's proposal, the average tax break for this group of millionaires would total \$162,000 by the year 2012. So if you are a millionaire or a billionaire, the good news is, we have enough money for you. But if you are a veteran coming home from Iraq with PTSD, if you are a mother trying to find quality childcare for your kids, if you are a worker trying to find health insurance, sorry. This country does not have enough money for you.

Let me be very blunt. In my view, it is wrong to be giving huge tax breaks to the very wealthiest people, the people who need them the least, while cutting back on the needs of the middle class and working families. I should say that Mr. Nussle's record as chairman of the Budget Committee tells us clearly he supports these tax breaks for the very rich while, at the same time, he has been prepared over the years to cut programs for those who need them the most. That is wrong. That is why I will be voting against Mr. Nussle's confirmation.

Included in President Bush's budget is the complete repeal of the estate tax which would take effect at the end of 2010. The complete repeal of the estate tax, we should be clear, because sometimes people have not been quite so clear about it, would benefit the wealthiest three-tenths of 1 percent of our population, the top three-tenths of 1 percent, and 99.7 percent of the American people would not benefit, their families would not benefit by one nickel from the repeal of the estate tax. Obviously, if you are in the top three-tenths of 1 percent, you are already a millionaire or a billionaire, and you are already in a family which is doing very well and has been doing well in recent years. In other words, 99.7 percent of Americans would not receive one nickel. The wealthiest people, who are

doing very well, would get all the benefits.

According to the President's budget, this repeal of the estate tax will reduce receipts for the Treasury by more than \$91 billion over the next 5 years and more than \$442 billion over the next decade. But the long-term damage to our fiscal solvency is even worse. According to the Center on Budget and Policy Priorities, repealing the estate tax would cost over \$1 trillion from 2012 to 2021, all of which benefit goes to the wealthiest three-tenths of 1 percent. In other words, if the President's plan to permanently repeal the estate tax succeeds, the children and family members of the most privileged families in America will reap a massive tax break. Paris Hilton, you are in luck, if the President gets his way. You are going to do very well. But for other Americans, the deficit will go up, and the argument will be raised that we don't have enough money to take care of our kids, our seniors, and our veterans.

What has Mr. Nussle's position been as chairman of the Budget Committee on repeal of the estate tax? He is there alongside the President. So we have every reason to believe he will be recommending to the President that we continue this extremely unfair and disastrous policy.

When we talk about repealing the estate tax, which the President wants to do, which Mr. Nussle wants to do, which many of our Republican friends want to do, I think we should see who benefits in a more specific sense. Yes, it is the wealthiest three-tenths of 1 percent who will get all of the benefits, the people who need it the least. Let's look at one particular family who does have the best. Let's put this thing into perspective. The reality is the big winner, the people who need this money the most—not the kids, not our seniors, not low-income people, not our veterans, no, they get at the end of the line—the people who receive a significant amount of the benefits from repeal of the estate tax is the Walton family that owns Wal-Mart. In fact, today—and these things change; they go up and down—the estimated net worth of the Sam Walton family is about \$83.2 billion. From where I come, that is pretty good, \$83.2 billion. You are a family that is doing fine. You will probably be able to pay the rent next month. If the estate tax is repealed for this one family, they will receive a benefit of \$32.7 billion, one family, \$32.7 billion.

We do not have enough money, says the President, to increase health insurance for our children. Oh, he is going to repeal that \$32 billion to take care of 3 million more kids? We cannot afford that, but we can afford to give \$32 billion in tax breaks to a family worth \$83 billion.

Those priorities are wrong. In my view, they are immoral. We need an OMB Director who begins to explain to the American people this is not what

America is about, who begins to explain to the American people we need a budget that reflects the needs and deals with the needs of millions of families, where people are working longer hours for lower wages, that deals with the problems of our senior citizens, deals with the problems of our crumbling infrastructure, deals with the problems of kids who cannot afford to go to college, deals with all of the problems our people face every single day. That is the kind of budget we need. That is the kind of OMB Director we need. What we do not need are policies which give obscene benefits to the very wealthiest people in this country.

Let me simply say at this point that in fact what this debate is about is whether we are going to have an OMB Director who can advise the President about the reality facing our working families or will we continue the same failed policies?

Having said that, Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Maine.

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

The PRESIDING OFFICER. 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.

Mr. GREGG. Mr. President, I rise to discuss a little bit what has been talked about at length in this debate. I think it has been a very helpful and good debate. It has not been about Congressman Nussle and his qualifications. That seems to be universally agreed upon. It has been about the issue of policy and how we approach fiscal policy in this country.

The other side of the aisle, for whatever reason, seems to think 24 quarters of economic growth, with the addition of 8.4 million new jobs over the last few years, a tax law which was put into place which has caused us to generate more receipts as a Federal Government than we ever received before over a 3-year period relative to growth and as a percent of gross national product, is something we should not have, that this is bad policy for some reason, that giving people jobs, creating economic activity, having a tax policy that is fair, is not good. Therefore, they are attacking Congressman Nussle for him being proposed to become OMB Director and for the fact he happens to ascribe to those approaches.

Now, I would say to my colleagues on the other side of the aisle, I am not sure what they expect. Maybe they are sort of like Claude Rains in "Casablanca," where he comes out of the room and says: I'm shocked—shocked—to find out that there's gambling going on in Rick's. What? Are they shocked to find out the President nominated a

Director of OMB who agrees with him? I mean, really. Obviously, he is going to nominate a Director of OMB who agrees with him. For as much as I admire the Senator from Vermont, his philosophies, which he of his own accord has described as socialist—although he affiliates with the Democratic Party—are not necessarily the philosophies of the President. So I do not expect he is going to nominate somebody with the philosophy of the Senator from Vermont. Even France, quite honestly, has rejected the philosophy of the Senator from Vermont. So I do not think the President is going to subscribe to it.

What is hard to accept, however, is this argument that for some reason the tax cut the President has put in place has been regressive, that it has been unfairly distributed.

Let's go back to the record. The simple fact is today the top 20 percent of earned income or taxable income under the income tax laws—the top 20 percent of earners in those categories is paying 85.3 percent of the burden of Federal taxes. That is more than was paid under the Clinton administration when those same people, the top 20 percent, were paying 81 percent of the burden of Federal taxes.

People of lower income or moderate income who do not pay income taxes basically—individuals do, but as a group they do not pay a net income tax—the bottom 40 percent of income earners in this country is actually getting more back from the Federal Government in the form of earned income tax credit and other benefits than they received under the Clinton years—almost twice as much back.

So you have the highest income people in this country paying more than under the Clinton years, who are bearing a larger share of the burden, and you have the lower income people or the moderate income people getting more back from the Federal Government. That, ladies and gentlemen, is called progressivity. That is a tax law that is working.

Why is it working? Why are the people with higher incomes paying more taxes? That is called human nature. It is called human nature. If you say to someone: 'I am going to take the next 90 cents of the \$1 you earn, and take it to the Federal Government and the State Government and the local government'—I do not know that Vermont reaches 90 percent. They are probably pretty close. That is why people come to New Hampshire to buy liquor and other goods; they are not subject to a sales tax. That is just a bit of PR for our State. But if you say that to a person, they are not going to go out and make the effort to earn that extra dollar, whether it is 90 percent, 70 percent, or 50 percent.

Why? Because they do not want to pay the taxes. They do not want to work for the Government half the year. Actually, everybody is working for the Government half the year, but they

don't want to work for it for two-thirds of the year.

So if you put in place a tax law that is fair, where you say to a person: "You go out and invest, you take a risk, you become an entrepreneur, and as a result you create jobs, and we are going to tax you fairly," then you get more economic activity that is taxable. As a result, you get more money to the Federal Government. That is what has happened over the last 3 years. We are now receiving more revenue than we have historically. In fact, we have had the largest increase in the history of our Government in the last 3 years as a percentage, and we are getting more in than what has been the historical norm. Usually, we have been getting, since World War II, about an 18.2-percent raise in revenues from the gross national product. Now we have gone up to 18.6 percent and 18.7 percent, and those are big increases.

Why are we getting those increases? Because people are willing to participate in the taxable economy. Because there is a fair tax rate that is in place today. What is the other side of the aisle suggesting? Let's raise those taxes. Let's raise those taxes way up so we can spend the money—not to put it to debt reduction, as the Senator from North Dakota talks about—so we can raise taxes on the American people to spend the money.

Their budget suggests we increase taxes by somewhere between \$400 billion and \$900 billion over 5 years. Their budget suggests we increase spending on the discretionary side by around \$200 billion over the next 5 years. Their budget suggests we increase spending on the entitlement side by a number that is so astronomical I cannot even calculate it, but I think it is around \$1 trillion. It is a classic tax-and-spend approach. Its purpose is not to make the economy stronger. Its purpose is not to reduce the debt. Its purpose is to raise taxes, to spend the money on interest, which the other side of the aisle finds attractive.

Well, that is reasonable if you do it in a way that is fair. But what they are suggesting is you raise taxes on working Americans, and specifically on seniors. Do you know who most benefits from the capital gains rate? Senior citizens. Do you know who most benefits from the dividends rate? Senior citizens. Logic tells you that; also statistics do. The fact is, when you are a senior citizen, you do not have earned income. You are probably not subject to the income tax rate for the most part, but you might have dividend income from one of the pension funds you invested in or that the company you worked for invested in. And you probably have capital gains income because you probably sold some asset such as your house to move into another lifestyle.

So not only are they suggesting we raise taxes in a manner which will undermine what has been a clear economic benefit to this country, in that

we have seen 24 months of economic expansion and we have added 8.4 million jobs, we have seen revenues jump dramatically. In fact, the capital gains revenues are now \$100 billion over what they were estimated to be—\$100 billion. Why is that? Because people are willing to take risks. They are willing to take their capital out that was locked up and put it into more productive activity, the result of which is to create jobs.

People are investing in starting new restaurants and starting new software companies, starting new small businesses all across this country because there is a reasonable tax rate on doing that. As a result, we are creating jobs. What is the result of that? We generate revenues to the Federal Government. The other side of the aisle does not like that, I guess. The only way they want to generate revenue to the Federal Government is to raise taxes on people. Well, it doesn't work very well, quite honestly. President Kennedy showed the best way to do it is the way we have done it. President Reagan showed us the best way to do it is the way we have done it. And now President Bush has shown it one more time.

It is hard to accept this philosophy which continues to be paraded out by the other side of the aisle, which we, regrettably, in New Hampshire are hearing a great deal of—actually, we do not regret it. We love it. We love to have the folks come to New Hampshire who are running for President and listen to their positions. But as you listen to people, your head has to spin as to the number of new programs that are being proposed by the front runners of the Democratic Party. It is program after program after program. If you listen to one of their speeches—and I have listened to all the major candidates on their side of the aisle give speeches in New Hampshire over the last few weeks—it is a litany, more or less like a merry-go-round, of ideas of how to spend money, followed by ideas as to how to tax people.

The list goes on and on, but right at the top of the list is raise the capital gains rate, raise the dividend rate, raise the taxes on earning Americans, raise the taxes on productive Americans, which will result in a reduction of job activity, a reduction of revenues to the Federal Government, and it will be an unfortunate decision to reverse some very good economic news we have had over the last few years.

Mr. President, at this time I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GREGG. Mr. President, I believe we sort of agreed casually on an order that the Senator from Vermont will speak, then I will speak, and then the Senator from North Dakota will wrap up.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. SANDERS. Mr. President, the Senator from New Hampshire talks

about program after program. Yes, we want to take care of our veterans, we want to provide health insurance to our children, and we do not want to give tax breaks to billionaires.

Mr. President, I yield 1 minute to my friend from California.

Mr. CONRAD. Mr. President, I also yield 1 minute to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank my colleagues.

I have never seen the Senator from New Hampshire so emotional and so excited. You would think the record we have seen in terms of this economy has been stellar. It reminds me of the expressions: "He doth protest too much" and "the best defense is a strong offense. Get excited and wave your hands." Let's talk about what has happened here. This President and the Republicans in this Senate are trying to claim the mantle of fiscal responsibility. In fact, they turned a \$236 billion surplus inherited from the Clinton administration into a \$248 billion deficit. They oversaw the three largest budget deficits in U.S. history, and they are responsible for a \$3 trillion increase in the national debt. Now, let me say this: Who owns that debt? Foreign countries—China, Japan. I don't hear the Senator from New Hampshire bemoaning the fact that they can hold us hostage.

We need a change here. We need fiscal responsibility. We need investments in things that help our children, education, for one, and help our families, health care, for two, and a way to make sure our veterans truly get what they need. Instead, the President gives us as head of the OMB Mr. Nussle, who is closely associated with all of these policies and failed as chairman of the Budget Committee three out of six times to get a budget and work with Democrats. This is an absolute outrage.

Now, I voted for so many of the President's appointees. I didn't vote for Alberto Gonzales, but I did vote for most.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. BOXER. I will not vote for a man who put a bag over his head in the House of Representatives. That, to me, shows complete hostility to this great democracy. I urge a "no" vote.

The PRESIDING OFFICER. Who yields time? The Senator from Vermont has 1 minute.

Mr. SANDERS. Mr. President, let me conclude by applauding Majority Leader HARRY REID, Chairman KENT CONRAD, and Senators SCHUMER, DORGAN, and BOXER for publicly expressing their opposition to the Nussle nomination.

The bottom line is today the economy is doing very well if you are in the top 1 percent, if you are a millionaire or a billionaire. But if you are in the

middle class, if you are a working person, the likelihood is you work longer hours for lower wages.

We need a change in economic policy. We need an OMB Director who can advise the President about the reality of the vast majority of the people, and not just the very wealthiest people in our country.

I yield the floor.

Mr. CONRAD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. There is 1½ minutes remaining.

Mr. CONRAD. Does the Senator from New Hampshire ask to speak for an additional 30 seconds?

Mr. GREGG. I thought I had some time reserved. I don't. I ask unanimous consent for 30 seconds.

Mr. CONRAD. Without objection.

The PRESIDING OFFICER. Without objection, the Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I simply wish to note we are about to vote on the nomination for the Director of OMB, who is a man of high integrity and high quality, and who has the expertise to do this job well. I think we should presume that the President should have the right to appoint the person of his choosing to this office which is so uniquely part of the White House to begin with.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, let me end where I began. This is not about a personality; this is about policy. The fiscal policy of this administration has exploded the debt of our country at the worst possible time—right before the baby boom generation retires. Here is the record. It is undisputed. It is uncontradicted. It is a simple fact. The debt of this country under this policy—and Mr. Nussle is one of the architects of this policy—has skyrocketed from \$5.8 trillion at the end of the President's first year to \$8.9 trillion at the end of this year. So much of that debt is now held abroad. When this President came into office, there was \$1 trillion of U.S. debt held by foreign interests. That has now reached over \$2.1 trillion, a more than doubling of U.S. debt held abroad. That puts this country at risk.

We saw during the last few weeks the Chinese Minister indicate they might start to diversify out of dollar-denominated securities. Economists said if they chose to do that, they would push the United States into recession. In many ways, our economic future is now less in our hands and more in the hands of the people who hold our debt.

I ask my colleagues on the basis of policy to reject this nomination.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. All time has expired.

Mr. CONRAD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The question is, Will the Senate advise and consent to the nomination of Jim Nussle, of Iowa, to be Director of the Office of Management and Budget?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Connecticut (Mr. DODD), the Senator from South Dakota (Mr. JOHNSON), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. LOTT. The following Senators are necessarily absent: the Senator from Kansas (Mr. BROWNBACK), the Senator from Idaho (Mr. CRAIG), the Senator from Arizona (Mr. McCAIN), and the Senator from Alaska (Ms. MURKOWSKI).

The PRESIDING OFFICER (Mr. MENENDEZ). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 24, as follows:

[Rollcall Vote No. 311 Ex.]

YEAS—69

Akaka	Dole	Lugar
Alexander	Domenici	Martinez
Allard	Durbin	McCaskill
Barrasso	Ensign	McConnell
Baucus	Enzi	Murray
Bayh	Feingold	Nelson (NE)
Bennett	Feinstein	Pryor
Bond	Graham	Roberts
Bunning	Grassley	Salazar
Burr	Gregg	Sessions
Cantwell	Hagel	Shelby
Cardin	Harkin	Smith
Carper	Hatch	Snowe
Casey	Hutchison	Specter
Chambliss	Inhofe	Stevens
Coburn	Isakson	Sununu
Cochran	Kohl	Tester
Coleman	Kyl	Thune
Collins	Landrieu	Vitter
Corker	Levin	Voinovich
Cornyn	Lieberman	Warner
Crapo	Lincoln	Webb
DeMint	Lott	Wyden

NAYS—24

Biden	Inouye	Nelson (FL)
Bingaman	Kennedy	Reed
Boxer	Kerry	Reid
Brown	Klobuchar	Rockefeller
Byrd	Lautenberg	Sanders
Clinton	Leahy	Schumer
Conrad	Menendez	Stabenow
Dorgan	Mikulski	Whitehouse

NOT VOTING—7

Brownback	Johnson	Obama
Craig	McCain	
Dodd	Murkowski	

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

The majority leader.

TRIBUTE TO SENATOR EDWARD KENNEDY ON CASTING HIS 15,000TH VOTE

Mr. REID. Mr. President, earlier this morning, I made a very brief statement indicating that in the rush of business

when we went home for the summer work period, the last vote cast that day was Senator KENNEDY's 15,000th vote. There was a lot going on here at that time, and no one said anything. But I think it certainly is noteworthy—and that is an understatement—to recognize that this good man has passed everyone, except Senator BYRD, in the number of votes cast. Senator BYRD has cast over 18,000 votes, but there is no close second other than Senator KENNEDY.

We all recognize the tremendous work this man has done. As I said this morning, what a family. They have done so much for our country. Two of his brothers were assassinated. One of his other brothers was killed in the line of duty during World War II. Senator KENNEDY has done so much to leave a legacy in the Kennedy name that is remarkable.

We all admire the work he has done. As I said this morning, one of my pleasures in life is being able to come to the Senate and work with this great man. Working with him is such a pleasure because he can get on this floor and speak very loudly, and we all listen. But when you are working with him on legislation, he has so much humility, never wanting to take the limelight, always willing to step back and let those who are his junior move forward, and I include myself in that lot.

So congratulations to Senator KENNEDY.

(Applause, Senators rising.)

The PRESIDING OFFICER. The Republican leader.

Mr. McCONNELL. Mr. President, more than half a century ago, a right end—this is in the days before a tight end was invented—on the Harvard football team caught the eye of the head coach of the Green Bay Packers. The coach wrote the young man to ask if he might consider a pro career. But EDWARD MOORE KENNEDY had other ideas. He responded that he was flattered by the attention, but that he had already decided to go to law school and then go into another contact sport—politics.

I rise this afternoon in tribute to a man who is known to most people for his famous name but who is famous among his colleagues in the Senate for his warmth, good humor, and his simply astonishing ability and will to get things done.

Senator KENNEDY, as the majority leader just indicated, cast his 15,000th vote just before we broke for recess, solidifying his place as the third most prolific voter in the history of this body.

It was just the latest milestone in a storied 45-year career marked by countless others. And it surprised no one who has ever witnessed him speaking on the floor or off on the issues he cares about. The Senate has been his arena for more than four decades, and in the course of pushing thousands of pieces of legislation, he has worn out hundreds of staffers, committee members, and stenographers. He ignites