

allow our national Government to provide training opportunities to the thousands upon thousands of police officers who live in rural communities and who work every day to protect the public safety of their communities.

I hope our colleagues will join in the passage of this legislation. Last year, this legislation enjoyed the unanimous support of the Senate. I am hopeful we will again have that same kind of support.

In conclusion, let me say that the forgotten America is, indeed, much of rural America. It is that part of rural America which we know is so important to us because of the values we find there, the bedrock values of what America is all about. It is a pioneering spirit of the West. It is the place where the food security of our Nation so depends.

If you walk into my office, for many years I have had on my desk a sign that says: No farms, no food. No farms, no food. I would hope, as we make that statement—as I make that statement—we recognize we should never compromise the food security of the United States of America. We, obviously, have done that in a very negative and disastrous way with respect to our energy dependence on foreign countries today. We ought not to do the same thing with food security.

Our ability to revitalize rural America and to enact a farm bill that will help us revitalize rural America is very much at the heart of how we take care of this forgotten America.

(The remarks of Mr. SALAZAR pertaining to the introduction of S. 583 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SALAZAR. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER (Mr. MENEZES). Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. I ask unanimous consent that the order for the quorum call be rescinded.

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

CONTINUING APPROPRIATIONS

Mrs. HUTCHISON. Mr. President, I rise to speak on the continuing resolution before the Senate, H. J. Res. 20, to point out some of the flaws in the bill. Because we have the potential for a Government shutdown, I believe it is my responsibility to vote for the legislation.

I am reluctant to be in the position of voting for a \$463 billion spending bill with no capability for amendment. We passed appropriations bills out of the Senate last year. They reflected the Senate's priorities. Yet this measure changes many of the priorities that

were set in last year's bills, and we haven't had the opportunity for hearings, committee markups, or to offer any amendments from the floor. That is not the way the Senate has done business, certainly not the Appropriations Committee. The Appropriations Committee has been quite bipartisan throughout the time I have been a member.

I don't like to see this type of precedent being set. The last time Republicans took over from Democrats, there were 11 appropriations bills not yet finished. We didn't do a continuing resolution and fill up the tree so there couldn't be amendments. We did an Omnibus appropriations bill. We debated it for 6 days. We timed it so that people had full access to amendments and the process. We had 100 amendments. That was 2003. I am very concerned about this type of process. But we are now 1 day before the end of the previous continuing resolution, which means we could see a Government shutdown if we can't come to agreement.

I said last week that we had time for amendments and to confer with the House. The amendment I put forward with 27 cosponsors, the Hutchison-Inhofe amendment, would have fully restored the \$3.1 billion that was taken out of military construction that was preparation for the movement of troops home from overseas, as well as many other base changes that were going to be made. I asked for the restoration of that with 27 cosponsors, and my amendment was ruled out of order.

I know there was bipartisan support for those many military construction projects. And since I am the ranking member and previously the chairman of that subcommittee, I know how important they are. I know they were so important that the chairman of all the services, plus the Chairman of the Joint Chiefs, wrote a letter saying: Please do not fund with a continuing resolution the military construction projects because there will not be enough to fully cover our needs. The Secretary of Defense said the same thing.

We are not going to be able to do what is right for our military because \$3 billion was taken out of the Senate-passed appropriations bill and converted to other projects. It was spread around throughout the other agencies, and the military construction was the pay-for. I tried to correct that, and I have to say that the distinguished majority leader did make an effort to work with the House to make my amendment in order. He was not able to do that. I accept that, and I accept that he tried. I do believe he tried. I think Senator REID did make an effort. But we have a process here which is not one anyone can be proud of; that is, a \$463 billion spending bill, taking \$3 billion away from military construction, putting it into other priorities, and not allowing amendments. It is not right, and I protested.

I am going to vote for the bill. I think we have to do it.

I am very concerned about the NASA funding. There is money taken out of the ongoing, very important priority of getting the crew return vehicle that is the successor to the shuttle online on time. I cannot imagine we would take money out of that program, which was done in this bill, which would potentially delay us years down the road from having the crew return vehicle that is set to replace the shuttle. The shuttle is set to go out of existence in 2010, possibly 2011. We need the shuttle to finish the space station. But the Administrator, Michael Griffin, has said we need to retire the shuttle as soon as possible. We have to finish the space station. The new crew return vehicle will not be able to carry big parts up to the space station. It will not be heavy enough. But we need to close the gap so we don't have a time when the United States is not able to send people into space, and that is what is going to happen if the crew return vehicle is not able to be produced when the shuttle goes out of existence.

I think we are putting NASA in jeopardy. I met with Senator BILL NELSON, the chairman of the NASA Subcommittee, of which I am ranking member. We met with Michael Griffin and members of the staff of the Appropriations Committee who assured Michael Griffin he would have the ability to transfer money out of other accounts to go there. But I am concerned about it. Why was the money moved out of that account in the first place? That doesn't seem like the proper way to do business. But we are going to watch that very carefully.

Senator NELSON and I are very bipartisan in our approach to NASA. We both believe it is most important for us to have human spaceflight capabilities for the United States of America. It is a national security issue as well as a scientific issue that we stay in the forefront of science, and the lead we have had by going into space early is unmatched by any other country. Our lead is so important for our national security and the dominance we have had in space. The ability we have had to guide missiles from space is a phenomenal advantage America has been able to achieve by conquering space. If we don't have the ability to put humans in space for some period of time—3 to 5 years—what are we going to do? Are we going to go and beg the Russians? Who knows, by 2010 or 2011, whether the Russians would even give us space on their shuttles, much less give us the accommodations we would need and perhaps the secrecy we would need.

I am concerned about this bill. If we were not facing a potential shutoff of the Government and many important programs, including benefits to veterans and military pay, I would vote no, just as I did vote against cloture because I thought we still had time to do this right. We should have had time

to do it right, but we didn't, so we are faced with the Hobson's choice of shutting down the Government or trying to do this bill in the right way with no amendments. I don't consider it a good choice.

Mr. President, I will vote for the bill. I do not think this is the Senate's finest hour. I do believe the Senate majority leader made an effort. I think he heard the merits of our bipartisan amendment with 27 sponsors. I hope he will, as he has promised, work with us to get the full funding of these military construction projects in the supplemental appropriations bill. However, we have the chance right now. I hate to give up the bird in the hand for one that might see some delays, that might see many changes. I will be right on top of it. As the ranking member of this subcommittee, I will certainly expect that we have the ability to amend the appropriations bill that comes forward as a supplemental, just as we have always had in this body. I hope we will not have to worry that we are going to have a filled up amendment tree and cloture filed on the supplemental appropriations bill.

We can do business the right way in the Senate. We have for most of the years of this great institution. I will be disappointed if we start seeing us bring bills to the floor and not allow amendments—there is no reason to have 100 Members if that is the way we are going to do business. We could just have 51 or we could just have 1 if all the decisions are going to be made in that fashion.

That is not what the Constitution intended, and I hope it is certainly not what the new majority intends as a way to do business.

I am going to hold out hope that the word is kept, that we can have the amendment process, that we can fund the military construction projects that are so important for quality of life and training capabilities for the great men and women who are serving our country and putting themselves forward to give up their lives, if necessary, for freedom for future generations of Americans.

Mr. President, I yield the floor, and 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. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

MAKING FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2007

The PRESIDING OFFICER. Under the previous order, the Senate resumes

consideration of H.J. Res. 20, which the clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res 20) making further continuing appropriations for the fiscal year 2007, and for other purposes.

Pending:

Reid amendment No. 237, to change an effective date.

Reid amendment No. 238 (to amendment No. 237), of a technical nature.

Motion to recommit the bill to the Committee on Appropriations, with instructions to report back forthwith, with Reid amendment No. 239, to change an effective date.

Reid amendment No. 240 (to the instructions of the motion to recommit), of a technical nature.

The PRESIDING OFFICER. The Senator from Iowa.

ALTERNATIVE MINIMUM TAX

Mr. GRASSLEY. Mr. President, I think it was 48 hours ago I opened a discussion with my fellow Senators on the alternative minimum tax. As I pointed out at that time, it is generally recognized that the alternative minimum tax is a policy failure.

Created in 1969, in response to the discovery that 155 wealthy taxpayers—and let me emphasize that I am talking about 155 wealthy taxpayers—were able to eliminate their entire tax liabilities through legal means, the AMT has now evolved into a place where, because it wasn't indexed, it has captured more than 3 million middle-class Americans as of 2004. The AMT was never supposed to affect anyone except the very wealthy people.

I am using 2004 numbers because 2004 is the most recent year we have completed data. Three million people in that year were hit by AMT, even though since 2001 we have had in place a tax policy that no additional people should be hit by the alternative minimum tax.

At the time I was visiting with my colleagues 2 days ago, I cited the widespread observation that the most significant structural flaw afflicting the AMT is the failure to index its rates and exemptions for inflation. This failure, then—and I alluded to this a minute ago—has resulted in the gradual encroachment of the alternative minimum tax to hit middle-class taxpayers who were never intended to pay this tax.

Despite the widespread agreement that something needs to be done with the alternative minimum tax, agreement on what exactly to do is not so widespread. A major factor in the disagreement relates to the massive amount of money the alternative minimum tax brings to the Federal Government. In 2004, from these 3 million taxpayers hit by this tax, more than \$12.8 billion was paid into the Federal Treasury. If we don't extend the most recent alternative minimum tax hold-harmless that actually expired at the end of 2006, the amount paid by those 3 million taxpayers is expected to balloon to a much greater amount. And, of course, when you go beyond that, into

the long-term budget forecast, it is going to continue to grow and grow, with middle-class taxpayers paying a tax that was meant to be for 155 wealthy people.

When forecasters put their projections together, they are working under the assumption that the hold-harmless that was extended in last year's tax bill will not be extended because they base their assumptions on current law. This means the hold-harmless provisions ended December 31, 2006, and money being earned right now is going to hit millions more people.

People who guesstimate how much money comes into the Federal Treasury—and we have people both in the executive branch and the legislative branch who have that as their responsibility, so we can make good tax policy—take into consideration what is current law, and they are planning on these millions of middle-class taxpayers paying this alternative minimum tax, even though they were never intended to pay it. Because of this, budget planners make the assumption that revenues will be much higher than everyone who is frustrated with the AMT thinks that amount of money ought to be, as well as the number of people who are going to be paying it.

The reason for that is the alternative minimum tax tremendously balloons the revenue base, as it is projected to increase revenues as a percentage of gross domestic product. There is a great deal of evidence to support this.

On a side note, a senior, well-respected tax lawyer on the other side of the aisle in the other body took exception to my use of the term "ballooning." The staffer wrote an article and criticized me for that term. Well, I am not used to staff writing articles criticizing Members of Congress, so I happened to respond to that staffer's criticism through my own staff. The essence of the senior staffer's criticism was that the term "ballooning" ignored the accounting for the interaction of bipartisan tax relief with AMT costs. As we pointed out, ballooning revenue from the AMT occurs in the outyears, whether the bipartisan tax relief is extended or made permanent. I will talk more about that in a few minutes.

The nonpartisan Congressional Budget Office has consistently forecast this ballooning year after year. This chart which I have before me now for you to look at, reproduced from the Congressional Budget Office's long-term budget outlook, was published in December 2005 and shows how Federal revenues are expected to push through the 30-year historical average and then keep going up.

You can take that historical average back 30 or 40 years for sure, and maybe longer than that, but the historical average is here and current law is actually going to bring in this much revenue, and that includes the ballooning of the alternative minimum tax.