

I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

DEMOCRATIC BUDGET

Mr. REID. Mr. President, the only thing we haven't heard about the Republicans' plan to take care of the world is tort reform. That is usually part of the mantra. We have a situation where everything that should be going up is going down. We have an economy that is spiraling down. We have a housing market that is in crisis. We have gas prices that are predicted, by early summer, to be an average of over \$4 a gallon. We have a war that is now starting its sixth year, and it is costing us \$420 million a day. We have an economy that has gone from good to terrible. And we have a budget that has been put together with a tremendous soft touch. What does that mean? It means we are recognizing the problems we have in our economy, and we want to return to those days where we were paying down the national debt.

This isn't pie in the sky. We have actually done it. This is a blueprint for how we need to proceed with our economy. I commend and applaud Senator CONRAD for putting this budget together. There is nothing in this budget that talks about increasing taxes. In fact, what this budget does is decrease taxes for the middle class. In fact, that is what the Baucus amendment which is now pending is all about.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2009

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. Con. Res. 70, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 70) setting forth the congressional budget for the United States Government for fiscal year 2009 and including the appropriate budgetary levels for fiscal years 2008 and 2010 through 2013.

Pending:

Baucus amendment No. 4160, to provide tax relief to middle-class families and small businesses, property tax relief to homeowners, relief to those whose homes were damaged or destroyed by Hurricanes Katrina and Rita, and tax relief to America's troops and veterans.

Graham amendment No. 4170, to protect families, family farms, and small businesses by extending the income tax rate structure, raising the death tax exemption to \$5 million, and reducing the maximum death tax rate to no more than 35 percent; to keep education affordable by extending the college tuition deduction; and to protect senior citi-

zens from higher taxes on their retirement income, maintain U.S. financial market competitiveness, and promote economic growth by extending the lower tax rates on dividends and capital gains.

The ACTING PRESIDENT pro tempore. The majority leader.

TO EXTEND AGRICULTURAL PROGRAMS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. 2745.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2745) to extend agricultural programs beyond March 15, 2008, to suspend permanent price support authorities beyond that date, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. I ask unanimous consent that the bill be read three times, passed, the motion to reconsider be laid on the table, there be no intervening action or debate, and any statements relating to this matter be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (S. 2745) was ordered to be engrossed for a third reading, read the third time and passed, as follows:

S. 2745

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AGRICULTURAL PROGRAMS.

(a) EXTENSION.—Except as otherwise provided in this section and notwithstanding any other provision of law, the authorities provided under the Farm Security and Rural Investment Act of 2002 (Public Law 107-171; 7 U.S.C. 7901 et seq.) and each amendment made by that Act (and for mandatory programs at such funding levels), as in effect on September 30, 2007, shall continue, and the Secretary of Agriculture shall carry out the authorities, until April 18, 2008.

(b) CONSERVATION PROGRAMS.—

(1) FARMLAND PROTECTION PROGRAM.—Notwithstanding any other provision of law, the Secretary of Agriculture (referred to in this subsection as the "Secretary") shall continue the farmland protection program established under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838h et seq.) at a funding level of \$97,000,000 per year.

(2) GROUND AND SURFACE WATER CONSERVATION.—Notwithstanding any other provision of law, the Secretary shall continue the ground and surface water conservation program established under section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa-9) at a funding level of \$60,000,000 per year.

(3) WILDLIFE HABITAT INCENTIVES PROGRAM.—Notwithstanding any other provision of law, the Secretary shall continue the wildlife habitat incentive program established under section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb-1) at a funding level of \$85,000,000 per year.

(c) EXCEPTIONS.—This section does not apply with respect to the following provisions of law:

(1) Section 1307(a)(6) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7957(a)(6)).

(2) Section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)).

(3) Section 25 of the Food Stamp Act of 1977 (7 U.S.C. 2034).

(4) Section 601(j)(1) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(j)(1)).

(5) Section 231(b)(4) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621note; Public Law 106-224).

(6) Section 9002(k)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102(k)(2)).

(7) Section 9004(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8104(d)).

(8) Section 9006(f) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106(f)).

(9) Subtitles A through C of title I of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911 et seq.), with respect to the 2008 crops (other than the 2008 crop of a loan commodity described in paragraph (11), (12), (13), or (14) of section 1202(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7932(b))).

(d) SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITIES.—The provisions of law specified in subsections (a) through (c) of section 1602 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7992) shall be suspended through April 18, 2008.

(e) RELATION TO CONSOLIDATED APPROPRIATIONS ACT, 2008.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section does not apply to the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008 (division A of Public Law 110-161; 121 Stat. 1846).

(2) REPEAL OF SUPERSEDED EXTENSION.—Section 751 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008 (division A of Public Law 110-161; 121 Stat. 1883) is repealed.

(f) EFFECTIVE DATE.—This section and the amendment made by this section shall take effect on March 15, 2008.

Mr. REID. Mr. President, there has been progress made on a farm bill. We can't leave here without doing a farm bill. I think it is something we need to do. We worked hard. We have agreed on how much money it is going to take. I had a meeting yesterday with Senator HARKIN and Senator BAUCUS on our side. They have had good working relationships with their counterparts, Senators GRASSLEY and CHAMBLISS. They are working well with their House counterparts. We have had a little setback because Chairman RANGEL has been hospitalized. We were hopeful that he would be out today. In fact, we had a meeting scheduled today. But he is not going to be back to work today. That has slowed us up a little bit. But we all look toward doing a farm bill. It is something we need to do, and we are going to work very hard on a bipartisan basis, which is the only way we can have a farm bill.

The ACTING PRESIDENT pro tempore. The Republican leader.

Mr. MCCONNELL. Mr. President, let me add to the remarks of the majority leader that I, too, believe it is important to have a farm bill. It has been a challenging process, to say the least, for our negotiators, but they continue to make progress. I, too, am optimistic that we can get there. I think it is important to the country that we do get

there. This extension we just passed was regretfully necessary, but it doesn't lessen in any way the need to get a farm bill, a 5- or 6-year extension, depending upon what is negotiated. We are continuing to work along those lines and hope to get there.

I yield the floor.

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2009—Continued

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the leaders for the action they have taken for a short-term extension of the farm bill so that we can conclude action on it. It has been a negotiation that has gone on well over a year. That is not unusual for a farm bill which is extremely contentious.

I wanted to comment briefly on the Republican leader's statements this morning about our budget. As I was driving in this morning, I heard another Republican on the air saying that we have a trillion-dollar tax increase in this budget. I don't know what budget they are talking about because it certainly is not the budget we have presented here. There is no trillion-dollar tax increase here. There is no tax increase assumed here. Honestly, if I would go down to the Senate dining room and come to this floor and introduce the dining room menu as the budget for the United States, our Republican colleagues would say it was a trillion-dollar tax increase.

This is what they said last year, and we hear the same mantra again this year: It is a trillion-dollar tax increase. When they said it last year, we didn't have a record of a Democratic Congress to refute their claim. Now we do. We can look back and see precisely what happened with Democrats in control. How much did taxes increase after the Republicans asserted repeatedly we were going to increase taxes a trillion dollars? What happened? What happened on the record, not a projection, not a forecast, not rhetorical, what is the fact? It is very interesting. Democrats controlling the House, controlling the Senate, cut taxes \$194 billion—not a tax increase, a tax cut that overwhelmingly has gone to the middle class. That is the Democratic record.

Let me say about this budget, we don't have the vast spending increases they are talking about. For this year, if you look at total spending, we have 1 percent more than the President's budget. Where is that money going? We put it into energy, to reduce our dependence on foreign oil. We put it into education, and we put it into infrastructure because we don't want any more bridges, like the one in Minnesota last year, collapsing into the river with people driving home from work. That is a fact.

In terms of revenue, the truth is that over the 5 years, we have 2.6 percent

more revenue than in the President's budget. We believe that can be obtained not with a tax increase—don't need a tax increase to get it—you can go after the tax gap, the difference between what companies and people owe versus what they are actually paying. You can go after these offshore tax havens which the Permanent Subcommittee on Investigations has told us are costing this country \$100 billion a year. You can go after these abusive tax shelters where we have the spectacle of companies in the United States, banks buying foreign sewer systems and depreciating them on their books in the United States to reduce their tax bill here, and then they lease the sewer systems back to the European cities that built them. My goodness. We are better than that as a nation, better than letting people abuse the vast majority of us who are honest. That is not right. That is not fair.

I have shown on this floor many times a picture of a five-story office building in the Cayman Islands called Ugland House. That 5-story building is home to 12,800 companies. I would say that is the most efficient building in the world.

Mr. President, 12,800 companies claim they are doing business out of this little five-story building in the Cayman Islands. They are not doing business there. The only business they are doing is monkey business. What they are doing is evading their taxes.

Now we have seen, according to the Boston Globe, another building down in the Cayman Islands—this time a four- or five-story building too—and we know KBR, who is the biggest contractor for security forces in Iraq and additional workers in Iraq for the U.S. military effort there, is running an operation out of that building to evade the Social Security taxes and the Medicare taxes of thousands and thousands of workers they have employed for Iraq—another tax scam.

It is exactly the kind of thing we on this side think should be closed down. Over and over, when we have tried, this President said: No, you can't do that. That would be a tax increase. Really? Is that a tax increase? I do not think so. Making people pay their fair share, like the vast majority of Americans already do—I do not think that is a tax increase. I think that is making those folks pay like all the rest of us do. That is fair.

Mr. President, we have Senators on the floor ready to offer an amendment. I want to go to that at this moment.

I ask Senator BINGAMAN, how much time—

Mr. GREGG addressed the Chair.

Mr. CONRAD. Mr. President, I will withhold. Senator GREGG is seeking recognition.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire is recognized.

SENATOR CONRAD'S 60TH BIRTHDAY

Mr. GREGG. Mr. President, I rise this morning to say this is a big, big, big

day for the chairman of the committee, and I know he would not want this day to go unacknowledged after having made such an eloquent statement. But it is the chairman's 60th birthday today. So I congratulate him and say, on his 60th birthday, we appreciate all he has done for the last 60 years, and we hope he will be here for another 60 years.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank the ranking member for his continuing courtesy and graciousness. This is my 60th. As I left the house this morning, I told my wife and our son, who is there visiting, I have to question: What have I done wrong in my life to have my 60th birthday spent here managing the budget? But I will get over it.

I appreciate the many courtesies of the ranking member. This is a special day for me, and I am looking forward to a good debate.

With that, we want to go to the next amendment, unless the Senator—

Mr. GREGG. Mr. President, I ask unanimous consent that after Senator BINGAMAN has spoken on his amendment, and to the extent Senator ALEXANDER wishes to speak, that we then, after that, go to our side for the next amendment.

Mr. CONRAD. Fair enough.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I say to the Senator, if you can give us a heads up at some point what your next amendment will be, that would be helpful as well.

Now we will turn to Senator BINGAMAN and Senator ALEXANDER, who I think have a very constructive amendment. We welcome their description of it.

I ask unanimous consent that the time come off the resolution.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I thank the managers of the bill and all colleagues. Let me mention, I believe Senator KENNEDY wishes to speak in favor of the amendment after Senator ALEXANDER speaks. So I believe he will be coming to the floor. I hope there is an opportunity for him to do that before we proceed too far this morning.

AMENDMENT NO. 4173

Mr. President, I call up amendment No. 4173 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. ALEXANDER, Mr. KENNEDY, Mr. DOMENICI, Ms. MIKULSKI, Mr. ENSIGN, Mr. DURBIN, Mrs. FEINSTEIN, Mr. LIEBERMAN, Mr. SCHUMER, Mr. BIDEN, and