PN1476 ARMY nominations (61) beginning ROBERT B. ALLMAN III, and ending RICHARD F. WINCHESTER, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1527 ARMY nomination of Barry L. Shoop, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1528 ARMY nomination of Brian J. Chapuran, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1529 ARMY nomination of Gregory T. Reppas, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1530 ARMY nomination of Vanessa M. Meyer, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1531 ARMY nominations (2) beginning THOMAS E. DURHAM, and ending DANIEL P. MASSEY, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1532 ARMY nominations (3) beginning CHARLES L. GARBARINI, and ending JUAN GARRASTEGUI, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1533 ARMY nominations (2) beginning MILTON M. ONG, and ending MATTHEW S. MOWER, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1534 ARMY nomination of Craig A. Myatt, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1556 ARMY nomination of John C. Kolb, which was received by the Senate and appeared in the Congressional Record of April 7, 2008.

PN1568 ARMY nomination of Kenneth D. Smith, which was received by the Senate and appeared in the Congressional Record of April 15, 2008.

PN1569 ARMY nomination of John M. Hoppmann, which was received by the Senate and appeared in the Congressional Record of April 15, 2008.

PN1570 ARMY nominations (38) beginning AMY M. BAJUS, and ending ROBERT P. VASQUEZ, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 2008.

IN THE COAST GUARD

PN1561 COAST GUARD nomination of Trevor M. Hare, which was received by the Senate and appeared in the Congressional Record of April 15, 2008.

PN1562 COAST GUARD nomination of Susan M. Maitre, which was received by the Senate and appeared in the Congressional Record of April 15, 2008.

IN THE FOREIGN SERVICE

PN1452 FOREIGN SERVICE nominations (138) beginning Andrew Townsend Wiener, and ending Troy A. Lindquist, which nominations were received by the Senate and appeared in the Congressional Record of March 5, 2008.

IN THE MARINE CORPS

PN1571 MARINE CORPS nominations (3) beginning DAVID G. MCCULLOH, and ending PAUL W. VOSS, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 2008.

IN THE NAVY

PN1251 NAVY nomination of Thomas M. Cashman, which was received by the Senate and appeared in the Congressional Record of January 23, 2008.

PN1302 NAVY nomination of Kelly R. Middleton, which was received by the Senate and appeared in the Congressional Record of February 5, 2008.

PN1477 NAVY nomination of Theresa A. Fraser, which was received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1478–1 NAVY nominations (23) beginning LEE R. RAS, and ending ELIZABETH M. SOLZE, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1535 NAVY nomination of Aaron J. Beattie IV, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1536 NAVY nominations (3) beginning KRISTIAN E. LEWIS, and ending LUTHER P. MARTIN, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1587 NAVY nominations (3) beginning SAMUEL G. ESPIRITU, and ending PAUL G. SCANLAN, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 2008.

PN1588 NAVY nominations (31) beginning TERRY L. BUCKMAN, and ending THOMAS M. WILLIAMS, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 2008.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

EXTENDING THE PROGRAMS UNDER THE HIGHER EDUCATION ACT OF 1965

Mr. CASEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2929, introduced earlier today by Senator KENNEDY.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2929) to temporarily extend the programs under the Higher Education Act of 1965.

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

Mr. CASEY. Mr. President, I ask unanimous consent that the bill be read three times and passed; the motion to reconsider be laid upon the table, with no intervening action or debate; and any statements related to the bill be printed in the RECORD.

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

The bill (S. 2929) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2929

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

SECTION 1. EXTENSION OF HIGHER EDUCATION PROGRAMS.

(a) EXTENSION OF PROGRAMS.—Section 2(a) of the Higher Education Extension Act of 2005 (Public Law 109–81; 20 U.S.C. 1001 note) is amended by striking ''April 30, 2008'' and inserting ''May 31, 2008''.

(b) RULE OF CONSTRUCTION.—Nothing in this section, or in the Higher Education Extension Act of 2005 as amended by this Act, shall be construed to limit or otherwise alter the authorizations of appropriations for, or the durations of, programs contained in the amendments made by the Higher Education Reconciliation Act of 2005 (Public Law 109–171) or by the College Cost Reduction and Access Act (Public Law 110–84) to the provisions of the Higher Education Act of 1965 and the Taxpayer-Teacher Protection Act of 2004.

RECESS

Mr. CASEY. Mr. President, I ask unanimous consent that the Senate now stand in recess until 2:15 p.m.

There being no objection, the Senate, at 12:24 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

FAA REAUTHORIZATION ACT OF 2007—MOTION TO PROCEED

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A motion to proceed to the bill (H.R. 2881) to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Wyoming is recognized.

Mr. BARRASSO. Mr. President, I ask unanimous consent to speak as in morning business.

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

GASOLINE PRICES

Mr. BARRASSO. Mr. President, today I rise to speak about the price of gasoline and the price of diesel fuel, which is affecting every driver in America. My principal message is that Washington policies should not drive up the prices at the pump. At an absolute minimum, Federal practices should not be making prices any worse.

According to the American Automobile Association, the average retail price for regular unleaded gasoline is $3.60 a gallon. The average price of diesel fuel is $4.24 a gallon. This is before this summer's driving season has even started.

Consumers all across America are hurt by the inflationary pressures at the pump. My constituents in Wyoming know firsthand the huge impact that $110 or $120 per barrel of oil has on their wallets. I visit with them every weekend. The price at the pump in Casper, WY, just 3 weeks ago was $2.91. This past weekend, it was $3.31. Wyoming ranks at the top of all States in terms of vehicle miles traveled on a per capita basis. Because of my State's sparse population and great distances, that means it is not uncommon to commute 20, 50, or even 100 miles round trip to work, to school, or just to buy groceries.

Today's current oil prices are primarily due to supply and demand fundamentals. At close examination, there are really several different underlying contributors to today's high prices: rising world demand, especially in India and China; geopolitical tensions in the Middle East, in Venezuela, in Nigeria; limited options for acquiring additional supply; the weakness of the U.S. dollar; environmental regulations; and perhaps even excessive market speculation and manipulation. Recognizing this, Federal Government practices should not—should not—drive prices even higher. That is why I am announcing legislation today, S. 2927, that provides for a temporary suspension of Federal oil purchases for the Strategic Petroleum Reserve.

This Strategic Petroleum Reserve was initially created in the mid-1970s. It was set up to protect the Nation from oil supply disruptions that followed the Arab oil embargo. I support the goal of protecting America's energy security. The Strategic Petroleum Reserve has served our Nation well. This legislation, though, says enough is enough. At today's high prices, this legislation tells the Government to stop putting any more oil into the Strategic Petroleum Reserve—to stop doing it whenever the average price of gasoline is over $2.50 a gallon. This chart clearly shows when we went above the red line, above $2.50, and when it has come below and when it is above. This has been in the last 3 years. This legislation also tells the Government to stop putting oil into the Strategic Petroleum Reserve when the price of diesel fuel exceeds $2.75 a gallon.

Currently, the United States is buying about 70,000 barrels, 70,000 barrels of oil each and every day to save and inject underground. The Government keeps buying it every day, regardless of price. When the prices of fuel go up, people try to use less. They carpool, they use public transportation. Not the U.S. Government—70,000 barrels every day regardless of need, regardless of price. The Strategic Petroleum Reserve already contains 700 million barrels of oil.

The Administrator of the Energy Information Administration recently testified to the Senate Energy and Natural Resources Committee. He said taking this much oil out of the market every day does drive up the price for American drivers. He wasn't sure of the amount. He estimated it could be $2 per barrel of oil, maybe a nickel per gallon. A private analyst has argued that continuing to fill the Strategic Petroleum Reserve could add as much as 10 percent to the price of gasoline—10 percent. While there appears to be a disagreement on the magnitude, it is clear that when the Government is competing with the American driver, it does have an impact. Every day, the Government is pulling 70,000 barrels of crude oil from the market. This is oil which could otherwise be used by airlines, by trucks, or by our neighbors.

My bill would also impose fiscal responsibility on future oil purchases. When the Federal Government buys oil at today's prices, it is an expensive proposition for all taxpayers. At current prices, it will cost over $8 million a day for the Government to purchase these 70,000 barrels of oil. Well, that equates to about $250 million a month, nearly $3 billion a year. The impact to the Treasury and to the American driver is real. Currently, the goal is to fill the Strategic Petroleum Reserve with up to 1.5 billion—billion—barrels of oil. At the current rate of putting in 70,000 barrels a day, it will take another 30 years to achieve this level—70,000 barrels a day for 30 years.

I recognize that a temporary suspension by itself is not going to bring down the price of gasoline to $2.50 or even $3 a gallon overnight. But I made a commitment to the people of Wyoming. I made a commitment to do what I can to help when it comes to Washington policies that just don't seem to make sense. As a physician, I took an oath to do no harm. As a Senator, I am committed to a philosophy of Government accountability and fiscal responsibility.

In addition to temporarily stopping the stockpiling of oil at these high prices, there is a second component to this bill: commonsense steps for fiscal responsibility. This legislation includes simple recommendations put forth by the Government Accountability Office.

This bill would require dollar cost averaging when it comes to purchasing oil in the future. We could save taxpayers money if we just purchased the same dollar amount of oil each month rather than the same volume of oil each month. This means you end up buying more oil when the prices are low and less oil when the prices are high. The practice works for individual investors. It is what millions of Americans do every month with their retirement plans.

There is an article in this week's Fortune magazine. It is entitled ''Where to Put Your Money Now.'' The article says: With the markets giving off so many mixed signals, use dollar cost averaging. The Federal Government should operate with that same prudence. If the Department of Energy had used this approach in recent years, it could have saved American taxpayers over $590 million.

The Federal Government could also save taxpayer dollars by storing heavier grades of crude oil. The Government Accountability Office has pointed out that such a strategy would be more cost-effective and provide more refiners with the kind of oil the refiners can actually use.

These are two fundamental steps to improve Government accountability and fiscal responsibility. Many of us complain about Government waste. In this legislation, we have a chance to do something about it.

I fully recognize that our energy problems are complex. This body recently adopted new corporate average fuel economy requirements to improve long-term efficiency in our cars and in our trucks. Increased energy efficiency and conservation must be an important part of any long-term energy solution. Other policies worthy of debate include expanded domestic production of energy, and we have also held hearings on excessive speculation and market manipulation. More recently, some have called for a holiday on the Federal gasoline tax. All of these efforts are worthy of debate. A temporary halt on adding more oil to the Strategic Petroleum Reserve is really the low-hanging fruit. If we can't agree on these simple steps for fiscal responsibility, how will we come to an agreement on the more complex solutions to energy security?

I urge my colleagues on both sides of the aisle to support this legislation without delay. With gasoline prices at an alltime high, the American driver—the American driver—should not have to compete with Washington policies that are driving up the price at the pump.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WEBB. Mr. President, I wish to take some time today to address a certain portion of H.R. 2881. Before I begin those remarks, I also wish to mention that there are a number of communities in Virginia that experienced some pretty devastating weather effects yesterday as a result of high winds and tornadoes. I want the people in those communities to know we have been in continuous contact from my office with the Governor's office and we have people from our office down in these communities, and we are committed to ensuring that appropriate governmental assistance be made available and remain available until the effects of this unfortunate weather occurrence are remedied.

I wish to thank the chairman for bringing this bill to the floor, and in general, I support the bill. Our Nation's air traffic control systems are in serious need of modernization. We all know that. This bill in most ways is the right step in addressing those challenges. But I would like to take a few minutes today to talk about an issue that is vitally important to a lot of communities in and around Reagan National Airport in northern Virginia.

I am deeply troubled by a provision in this bill that would add 20 additional slots at Reagan National, including several potential amendments that could further harm that airport as well as Dulles International Airport and their neighboring communities.

We should recall that in 1987, Congress created the Metropolitan Washington Airports Authority in order to run Reagan National and Washington Dulles International Airports. The creation of the Airports Authority established a professional organization to operate the airports efficiently and represented a commitment to the surrounding communities regarding aircraft noise and traffic. I think that bears repeating. Congress made a commitment to the residents of Alexandria, Arlington, and Fairfax County on the operation of Reagan National Airport when it transferred authority on these issues over to the Airports Authority. Those commitments were codified by Congress in the so-called perimeter and slot rules. Changes to these rules threaten to seriously degrade service to the airports, and they break the promises that were made to these surrounding communities.

In an ideal world, it sounds appealing to have more flights to Reagan National Airport, but the fact is that there are basic physical constraints to that airport that simply cannot be ignored. If anyone has ever tried to fly out of Reagan National during peak hours, they know that parking can be extraordinarily difficult, that ticket counters can be incredibly congested, and that the number of gates that park the jets is limited. I am told that an increase of just four airplane slots, for example, could result in an additional 400 to 500 passengers going through this airport an hour.

Nearly 10 years ago, the Airports Authority rebuilt much of Reagan National, transforming it into one of the most efficient airports in the Nation, as the facilities constructed were matched to the number of flights established by law. Any increase in the number of flights will overburden critical airport facilities and infrastructure, causing serious disruptions. New flights, obviously, would create greater demand for parking at a time when parking is difficult, affect gate access, and all these other areas I mentioned before.

When the Airports Authority upgraded their facilities in the 1990s, it did so with these slot and perimeter restrictions in mind. These were carefully crafted rules that work in harmony to manage this airport's capacity. Adding more flights would quickly exceed the physical capacity of the airport.

Importantly, the slot rules created an airport in balance with its surrounding neighborhoods. Because Reagan National is convenient to many air passengers, it is appreciated and well used. But this convenience comes at a heavy price for many of the airport neighbors in the form of aircraft noise and related traffic situations on the roads in these areas. Adding flights beyond what was agreed to in this legislation breaks the bond that was created with the neighbors of the airports. It unfairly burdens them for the sake of the convenience of others.

I note that the city of Alexandria, Arlington County, the McLean Citizens Association, the Mount Vernon Citizens Association, the Washington Council of Governments, and Virginia Governor Tim Kaine all oppose these changes.

I am particularly concerned that there is a tipping point with these matters. We have to be concerned about quality of life in these communities as we measure them against the convenience of using the airport.

It strikes me that the desire to change the slot and perimeter rules at Reagan National is not being driven by market demand but rather by a few airlines seeking a competitive advantage over others. By allowing existing rules to be altered further for a select class of airlines, Congress would be allocating this scarce resource for the convenience of a few and, again, in contradiction to the larger community need.

The bottom line question is, How many more additional aircraft and how much more noise should local citizenry have to endure before we have crossed this important threshold?

Congress added 24 new slots in 2000 and another 22 slots in 2003. If we continue to allow more flights this year, how many more are we going to have to continue to allow the next time this bill comes up?

The communities of Northern Virginia should not have to continually suffer for the convenience of a relative few.

I close by saying that the Congress made a commitment to these Virginia communities when it ceded control to the Airports Authority. It should honor those commitments. Let's allow the Airports Authority to run Washington's airports. I urge my colleagues to reject any changes to the slot and perimeter rules at Reagan National.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRAIG. 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. CRAIG. Mr. President, I ask unanimous consent that following my remarks, Senator SCHUMER from New York be allowed to speak for 10 minutes.

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

The Senator from Idaho.

Mr. CRAIG. Mr. President, before us is H.R. 2081, which is the reauthorization of the Federal Aviation Administration and, of course, that is the authority tied directly to America's airlines and the body of public policy under which they operate. It comes at a time when all of us are frustrated by what was once a great American industry, and that, of course, is the airline industry. We set the records, we established the world standards in all respects to aviation, and now our industry is in great trouble. It is in great trouble for a lot of reasons, but one of the underlying reasons today is the substantial cost in aviation fuel that all of these large carriers must acquire on a daily basis and the inability to simply pass it through to the consumer.

Of course, that is exactly what is going on in nearly every industry in America today. We are experiencing an energy shock to our pocketbook—whether it be my private pocketbook or an Idahoan's private pocketbook or a corporate private pocketbook—in a way that leaves us with no ability to assume it, to consume it in a way that does not damage our choices on staying alive as a major air carrier or our choice as a consumer where we put our money—with what few discretionary dollars we have left.

In that context, it is so easy to blame somebody else for a problem that largely this Congress has observed, talked about, and denied action on for nearly 20 years. Those of us on energy committees in the Congress who said the answer to a looming problem was going to be conservation, new technology, increased development, and production of existing energy sources over the last two decades—and we have largely denied ourselves those options—are now today wringing our hands in frustration about the phenomenal cost of energy to the American consumer.

So what do we do? We reach out to blame someone when we cannot find it easy to blame ourselves. So to whom do we turn? We say it has to be ExxonMobile's fault; look at all of their profits. Or it has to be Chevron's fault or it has to be Marathon's fault or, if you read in the paper today, British Petroleum has record profits, a 12-percent increase in return on investment. Gosh, we have to blame those big oil companies because surely they are in control of the market, surely they demand the price, and it seems it has to be their fault.

I have brought before us today a chart that might change our minds just a little bit. When we talk about ExxonMobile as it relates to their position in the world, well, my goodness, they don't control the oil supply of the world. They have a very small piece of it. Chevron, oh, my goodness, they don't control the oil supply of the world. They have a very small piece of it.

Who owns the oil of the world today from which we buy? Not U.S. companies but world countries—Saudi Arabia, Saudi Armco, the largest producer by a magnitude of three or four times. Then walk right on down to 11, 12 of the leading major producers are not companies, they are countries, and it does not happen to be the United States of America that is in that top 12 group. We should be, but we are not because we have denied ourselves the ability to develop our oil reserves in Alaska, offshore United States, offshore west coast, offshore east coast, oh, all in the name of the environment even though it is our technology today that is the world-class, environmentally proven and sound technology for deep sea oil development. So then we blame corporate America for our own fault. Now our consumers are angry. And listen to the speeches given on the floor of this body accusing or blaming someone else for the problem we, in large part, created.

What are we experiencing today? I believe we are experiencing something that is simply called petronationalism. The Saudis have it figured out. They got the oil, we got the bucks; they sell us their oil, they get our bucks. That is pretty simple, isn't it? Sixty-four percent of the energy consumed out of the pump at the local gas stations on the corners of America today comes from somewhere else in the world, not the United States. We are spending over $1 billion a day somewhere else in the world to buy their oil. And if Americans want to be mad, they ought to be mad at their politician or politicians who, for the last 20 years, have denied the reality of the marketplace, all in the name of being supergreen or all in the name of just not liking big corporations, and so we couldn't let the Exxons, the Chevrons, or the Marathons do something about it.

Several years ago, I met with the president of American Oil before it merged. He was opining that they were never going to develop in the United States anymore because they could not afford to because of the regulations and the cost to produce a barrel of oil in the United States when they could go to the Caspian area of Central Europe or when they could go to Saudi Arabia or anywhere else in the Middle East. So today we suffer the reality of our own politics, and we ought to be able to do something about it.

Some of you who might have been listening a few moments ago heard the Senator from Wyoming making good common sense that we ought to quit buying oil out of this current market and putting it in our Strategic Petroleum Reserve. We have enough there for the time being in case something happened in the Middle East that created a crisis. It would not last very long because we would suck it out of the ground and put it in our pumps to avoid an oil shock. But the reality is quite simple. When you have a world with a growing demand for the consumption of oil and its products and you are not producing more, the price is going to go up.

Ten years ago the Chinese were not in the market. Ten years ago the Indians were not in the market. They are in the market today and they are increasing their demand out of the world's supply at a rate of 8 or 9 percent per year.

Is the world's supply increasing? No, it is not. Is the world's refining capacity increasing? Very little. So Americans are competing against the Chinese and the Indians and everybody else for their gallon of gas. That is the reality of the market today.

Oil is not a national commodity. It is a world commodity. As the dependency went up 60 percent over the last three decades, the overall consumer demand went up. Do ExxonMobil and Chevron and every other American company control it? No, they do not. Foreign nations control it and they are getting wealthy off of American's great ability to create wealth. If we do not get this under control as quickly as possible, we will simply spend ourselves broke and the rest of the world will have all of our money and then—guess what. They are now coming to the great banks of our country and saying: We see you have a financial problem. We would like to buy an interest in your bank and give you a big chunk of cash that we got by selling you oil.

They no longer own their oil because they sold it to us and we burned it. But they have our money and they are now coming back and buying our financial institutions. Isn't that an interesting cycle? The wealth we once sent overseas to Saudi Aramco and to all of these other national companies is now coming back to the United States in the form of them owning our financial institutions. Does that make good sense?

Right now we are going to look for any amount of cash we can get to bolster our financial institutions that are in trouble—possibly because of the housing industry or some other kind of large investment. So you might say that is a pretty good deal. I suggest the bad deal started 20 years ago when we began to progressively deny our country and its companies the right to produce and supply the marketplace. That is what we have done. Today we are paying the price.

I am going to be spending a good deal of time over the next several months talking about every segment of the energy portfolio of our country, not only gas and oil but electricity in all other forms and conservations and photovoltaics, wind, and cellulosic. All of that is going to be terribly important for the American consumer in the years ahead.

The bad news is what we have to say to the American consumer today is none of it is going to be ready for 4 or 5 or 6 or 8 or 10 years. In the meantime, your energy bill is going to become an ever larger part of your overall cost of living and your family budget. There is not much a politician can do about it because they have already damaged the marketplace in which you have to live.

I yield the floor.

The PRESIDING OFFICER. By unanimous consent, the Senator from New York is recognized.

Mr. SCHUMER. Before I get into the substance of my remarks on Medicaid regulation, I compliment my colleague on his speech. I do not agree with all of it; I agree with some. I note one of the reasons he pointed out on his chart is it was foreign countries that owned most of our oil supply. That is true. I would note and commend to him to look at the Saudis, who have the largest number of oil fields and are the largest producer. Actually at a time of increasing demand, as my colleague from Idaho well knows, Saudi Arabia has cut back on production. It was higher in 2005 than it was in 2006, and it was higher in 2006 than it was in 2007. I will be coming to the floor, either later today or, more likely, tomorrow, to talk about that.

The Saudis are, No. 1, the short-term answer. We can talk about increasing production here, whether it is alternative energy or fossil fuels. We can talk about increasing conservation. They are vital, necessary, and cannot be avoided. They are long-term answers. But the quickest short-term answer to the problem would be for the Saudis to increase production.

They have cut back. They talk a good game. We see pictures of President Bush arm in arm with the Saudi leader, the Saudi King, yet we get nothing in return. Yet we are considering selling them some of the most advanced weapons we have. So stay tuned tomorrow, where some of us are going to be talking about that and augmenting in a certain way what the Senator from Idaho was talking about.

MORATORIUM ON MEDICAID REGULATIONS

Mr. President, today I rise to speak about the moratorium on Medicaid regulations. Last week the House passed a bipartisan bill with overwhelming support to block the ill-advised Medicaid cuts the Bush administration has proposed. The House bill introduced by Chairman JOHN DINGELL passed by a vote of 349 to 62. By definition, that had to have a majority of both parties—128 Republicans and every Democrat voted for this bill. It was an incredible victory—at least a first step toward a victory for American patients who are served by hospitals, for hard-working physicians and other health providers as well as case managers and social workers who do so much to help those in need. It would extend all the way to those who work in hospitals at 2 a.m., sweeping the floors, mopping, to make sure the hospital is spick and span for the next morning.

Later today Majority Leader HARRY REID will ask for unanimous consent that H.R. 5613, protecting the Medicaid Safety Net Act—the same bill as passed the House—be approved. I hope my colleagues on the other side of the aisle will go along with this vitally needed piece of legislation. The bill is now on the Senate calendar, thanks to the majority leader and Chairman BAUCUS. Many of us on this side and I believe many on the other side hope we will have a chance to take it up this afternoon. These proposed Medicaid rules the administration proposed could not come at a worse time. State budgets are already worsening due to the weakening of the economy, and few States can absorb these massive and unvetted cuts. The administration did not look here or look there at specific places where they might save. Oh, no, it was a meat-ax, an almost across-the-board cut at a time when our hospitals, our economy, and most of all our people who are sick cannot take it.

If the Congress does not act, the States will face terrible choices—to cut their Medicaid Programs or cut other programs to free up more funds for Medicaid. In a sense it will undo much of the stimulus package, putting money in the hands of people so they can spend it and then requiring the States to cut back.

We need a moratorium so the next administration can make things right. We need a moratorium so this administration will not be able to succeed in its meat-ax approach to health care and to Medicaid in particular.

Let me tell you a little more about the eight Medicaid regulations this administration has proposed. I am sure many of my colleagues on both sides of the aisle have heard from their hospitals, their Governors, and constituents, that these rules are a disaster for our health care system.

The expiration of moratoria on two regulations, GME—that stands for graduate medical education—and the IGT, intergovernmental transfers, is fast approaching. It reaches us on May 25, 2008. That is a little less than a month away.

We have two additional moratoria that are expiring on June 30: the ''rehabilitation'' and ''school-based health'' rules. Then, if that is not enough, there are at least four other rules that have no moratoria, and they go into effect shortly, piling on the people and an industry that at this point is in bad enough shape.

What would happen if we didn't pass H.R. 5613 is that our States, our hospitals, our public providers who do so much important work for American patients would be devastated. Right now they are in a terrible state of panic—and that is not an exaggeration—over these proposed changes that will cost billions more dollars.

Like so many of my colleagues, I believe the integrity of the Medicaid Program is extremely important, but I think a large majority of the Senate agrees these rules go way too far and will end up hurting patients and the very system that serves them. With close to 50 million Americans uninsured in my own State of New York, the estimate is there are over 2 million adults and kids who do not have health insurance. We are penny wise and pound foolish to allow reductions in the critical safety net funding that currently exists.

The Medicaid GME, or graduate medical education rule, is one I am particularly worried about. This proposal represents a major shift in administration policy. By proposing not just to cut but to eliminate Medicaid GME, the Government is essentially forcing the Medicaid Program to shirk its responsibility to cover its share of training physicians. The GME regulation would pull the Federal rug out from underneath the Medicaid support for training physicians at a time when across the country, in rural and urban areas alike, we are experiencing a shortage of physicians in every specialty and in primary care.

For example, a community in New York State's southern tier, the area that borders Pennsylvania, experienced a 20-percent decline in general surgeons from 2002 to 2006. In 6 rural counties in the Mohawk Valley, there was a 33-percent loss in general surgeons over that same time period.

The impact of the GME proposal is estimated to be a $3 billion loss over 5 years to New York State teaching hospitals alone. The public hospitals in New York State have told me how devastating the cuts would be if these rules are implemented.

For instance, Coney Island Hospital, a hospital that tends to the poor, tells me they would no longer be able to offer smoking cessation programs for pregnant mothers. What a terrible shame. What a wrongheaded approach. These hospitals are using these funds in a cost-effective way that will improve health, but this administration is saying no to them and no to patients.

We talked about the sacredness of life, and we know a baby in vitro should be given, if not a head start, at least an equal chance. But if that baby's mother is smoking, the health of that child is impaired.

''Smoking cessation programs work. Let's cut them out.''

No rationale, no discussion saying they do not work, just cut them. That is wrong. Prevention is important. Yet these rules make prevention efforts, such as smoking cessation programs, impossible.

They also hurt medical and dental residents. I recently heard from a dentist trainee, a dentist who was training in a New York public hospital, who said the wait for an appointment is already way too long. With these unwise regulations, that wait increases tenfold, and what was originally a minor dental treatment could end up a huge problem and end up costing the Federal Government and the State government more.

This dental trainee said these rules will increase emergency visits for situations that could have been prevented. It will increase unnecessary antibiotic prescriptions and reduce our ability to reach out and educate the community about dental care.

One of the hallmarks, and why the European systems are more cost efficient, is they focus more on education and prevention. We are cutting it out here. Instead of moving it forward and becoming more cost efficient by focusing on prevention, we are saying, Prevent it? Why would we want to do that?

We should be expanding prevention and expanding dental care in the early phase, not rolling it back.

With health care costs rising and health care reform the No. 1 issue on our constituents' minds, how can we allow these rules to go forward and make things so much worse? We need to vote on this legislation. We need to take this important step for health care.

I urge my colleague, the minority leader, to let this bill move forward. I urge all of my colleagues to do what the House did, a broad, bipartisan vote in favor.

We need to take this important step for health care. The list of supporters of the bill H.R. 5613 is a virtual who's who of health care: the American Medical Association, the American Hospital Association, the National Governors Association, the National Association of Mental Illness, the American Federation of Teachers, the National PTA, and the list goes on and on. More than 2,000 national and local groups have called for passage.

I urge all Members of the Senate to join the list of supporters when Senator REID asks for unanimous consent later this afternoon to allow us to move to H.R. 5613. I hope that will be met by unanimous accord on the other side. Our health care system demands no less.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CARPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SANDERS). Without objection, it is so ordered.

ENERGY INCENTIVES

Mr. CARPER. Mr. President, there has been a fair amount of discussion here on the floor today about what to do with respect to rising costs of gasoline and a discussion about what we should do in response to this runup of prices. I heard the Presiding Officer speak earlier today—I thought with passion and with wisdom—on an appropriate course of action. I wish to mention a few things that I think we ought to do.

No. 1, we should be investing tax dollars in basic research and development to make a reality the lithium ion battery that is going to provide power for a flex-fuel plug-in hybrid vehicle called the Chevrolet Volt over the next 24 months or so, a vehicle that will run for 40 miles on a charge of its battery and use auxiliary power on board the vehicle to raise fuel efficiency well beyond that, maybe as high as 70, 80 miles per gallon. That is what we ought to be doing, and we are.

Another thing we ought to be doing is using the Government's purchasing power to help commercialize the new technologies. Whether it is flex-fuel plug-in hybrids, whether it is very low emission diesels, whether it is fuel cell-powered vehicles, we should be using the Government's purchasing power to bring them to the marketplace. And we are doing that too. This year, there is a requirement that 70 percent of the cars, trucks, and vans the Federal Government purchases, both on the civilian side and on the military side, have to be advanced-technology vehicles.

That includes vehicles purchased by the Postal Service.

We also ought to be providing tax credits to encourage consumers to buy highly energy efficient hybrid vehicles, highly efficient, low-emission, diesel-powered vehicles when those are produced and when they come to the marketplace. And we are doing that. That is part of our law. We provide a tax credit for folks who buy highly energy efficient hybrids and very low emission diesels, a tax credit that is worth up to close to $3,500 per vehicle. When the Chevrolet Volt or other flex-fuel vehicles, plug-in hybrids come on the marketplace in the next couple of years, we should provide an even greater tax credit to encourage American consumers to purchase those.

Several years ago, we voted here in this Chamber to create a commission. We create a lot of commissions around here. But this was an infrastructure commission, a transportation infrastructure commission. It was part of our major 5-year, 6-year bill that we pass every so often on transportation projects, a lot of it roads, highways, and so forth, but transit is included in there too.

When we passed the last bill, several years ago we said we want to create this commission, and we want the commission to go out and look at our infrastructure needs, transportation infrastructure needs across the country, quantify those for us and tell us what you think it is going to cost to bring our roads, highways, bridges, and transit systems to a state of good repair, and tell us how you think we ought to pay for those improvements. That commission was formed, worked hard for a year or so, and then came back to report back to us earlier this year as to how bad the situation is and what it is going to cost to fix it. They came back and said: We need to spend, to bring us out of the 20th century and into the 21st century, something like $225 billion a year—$225 billion a year; I think that is what they suggested—over 50 years, over the next 50 years. They called for actually increasing the gasoline tax by I think a nickel a year for 5 years, 6 years, something like that.

We have seen suggested to us a number of ideas for providing for a holiday for the gasoline tax, to suspend collecting the gasoline tax in this country, maybe for the summer. Now we are hearing from people: Let's extend it not for 3 months over the summer but for 3 months beyond that—which, ironically, would take us through the election, just past the election.

Let's think about that. In a day and age when we know our roads, highways, bridges, and our transit systems are falling further and further out of a state of good repair, making our transportation system and our economy even less efficient, we know we are not raising enough money to begin to catch up with the backlog, much less to address the new needs. The notion of diminishing the revenues that are available to try to improve our transportation system suggests to me that we are focused more maybe on the election than we are on the needs of our country.

A friend of mine used to say: Leadership is staying out of step when everybody else is marching to the wrong tune. Leadership is staying out of step when everyone else is marching to the wrong tune.

I used to say, when I was Governor of Delaware: Things worth having, whether it is health care, whether it is education, whether it is transportation—roads, highways, bridges—if they are worth having, we ought to pay for them. If we are not willing to pay for them, we should not have as many of them.

I mentioned a few minutes ago how we are providing tax credits to encourage consumers in this country to buy more energy-efficient vehicles. Wonder of wonders, the big three are beginning to produce them. After years of building these behemoths and the gas guzzlers, Ford and Chrysler are actually displaying and engineering and selling vehicles that Americans ought to be buying. The quality is vastly improved over what it was 10 or 20 years ago. I will mention a couple of them.

GM sells hybrid vehicles, not just the big SUVs like the Tahoe and the Yukon but also midsized sedans like the Saturn Aura and the Chevrolet Malibu, both of which were actually ''Cars of the Year'' this year and last year. Ford has a number of hybrid products on the road as well, not just the Escape but another as well. Chrysler joins the parade this summer by launching the hybrid Dodge Durango and the hybrid Chrysler Aspen. I understand from a friend of mine who is driving the Chrysler Aspen that in the city it is getting about 22 miles a gallon and on the highway it is expected to get close to 30 miles a gallon. Is that where we want to be and need to be? No, but that is a huge difference over the vehicles it replaces. Chrysler is launching, this fall, in the 2009 model year, very low emission, highly energy efficient diesel-powered vehicles.

We are, through our Tax Code, encouraging Americans not just to buy Toyota Priuses and Hondas but to buy hybrids, low-emission diesels that are manufactured by Ford, Chrysler, and GM. They are making them and we ought to buy them, and in doing that we begin to reduce the demand for oil that threatens to engulf us.

I ride the train back and forth most days. I live in Delaware, and I go back and forth. As my colleague, the Presiding Officer, knows, I go back and forth almost every night to Delaware. A strange thing is going on with respect to passenger rail ridership in this country.

I used to serve on the Amtrak board when I was Governor of Delaware, and every year we would see ridership go up by a couple of percentage points. We would struggle, try to raise money out of the fare box to pay for the system and the expansion of the system. Well, the first quarter of this fiscal year, ridership at Amtrak is up 15 percent. Revenues are up by 15 percent. People are starting to realize that maybe it makes sense to get out of our cars, trucks, and vans and take the train or take transit. Transit ridership is up again this fiscal year more dramatically than it has been in some time.

Americans are beginning to literally buy homes in places that are closer to opportunities for transit—for rail, for bus, for subways, for the metro systems. As we have seen the drop in home prices across the country—in some cases, very dramatic—among the surprises, at least for me, is to see housing prices stable and in some cases actually going up in places where people can buy a home and live and get to work or wherever they need to go to shop without driving to get there.

I don't know how gullible we think the American voters are to suggest to them that we are going to have this holiday on gas taxes, Federal gas taxes, for 3 months or for 6 months, maybe to get us through the next election, and then when the elections are over we will go ahead and reinstate the gasoline tax to what it has been even though in doing that we might be depleting further the money available for transportation improvements. I don't know how foolish we think the American voters are. They are a lot smarter than that. They are a lot smarter, maybe, than we give them credit for being.

I think in this country people are crying out for leadership. They are calling out for Presidential leadership, whether it is from our side of the aisle or the Republican side. People want leaders who are willing to stay out of step when everybody else is marching to the wrong tune, and I would suggest that the wrong tune is to suspend the Federal gasoline tax and at the same time not replace the dollars that would otherwise go into the transportation trust fund to fix our dilapidated, our decaying transportation system. Voters in this country deserve better leadership from us. I am determined, I am committed to making sure we provide and pay for that.

Before I close, there are a lot of good ideas for things we ought to do. I mentioned, tongue in cheek, that we ought to provide more R&D investment for a new generation of lithium batteries for plug-in hybrid vehicles. I say, tongue in cheek, we ought to use the Government purchasing power to commercialize advanced technology vehicles. We are doing that. I said with tongue in cheek we ought to provide tax credits to encourage people to buy highly efficient hybrid vehicles and very low diesel-powered vehicles that are efficient. We are doing that.

There other things we need to do too. We need to invest in rail service. We can send from Washington, DC, to Boston, MA, a ton of freight by rail on 1 gallon of diesel fuel. I will say that again. We could send from Washington, DC, to Boston, MA, a ton of freight by rail on 1 gallon of diesel fuel. But we as a government choose not to invest in freight rail and, frankly, to invest very modestly in passenger rail. It is a highly energy-efficient way to move people and goods.

One of my colleagues spoke a little bit ago and talked about why, as has Senator DORGAN, at a time when gasoline prices and fuel prices are so high, when the cost of a barrel of oil is 120 bucks a barrel, we are buying oil and putting it in the Strategic Petroleum Reserve when we are almost up to 100 percent capacity. That is a good question. It is foolish for us to continue to buy as much oil as we are right now to further drive up prices. We should stop filling the Strategic Petroleum Reserve as long as prices are at this level. One of my colleagues raised the question of speculators. If you go back a year ago, almost a year ago from today, the cost of a barrel of oil was something akin to $60, $63 a barrel. The price today is about $53 more than that. We have seen an increase of probably 75 percent in the price of a barrel of oil from last year to this. As somebody who studied some economics when I was in school, I believe in the law of supply and demand. But the law of supply and demand is not driving up the price of a barrel of oil from roughly $65 a barrel a year ago to almost twice that today. Speculation is going on that I don't fully understand. Maybe others do, but I don't. But I know something beyond the law of supply and demand is driving these prices of oil through the roof.

The investigative committees in this Congress, along with the Government Accountability Office and the administration, need to be all over that. Find out what is causing it and how we can stop it. It is difficult for the Congress. We write a lot of laws. I don't know how we can repeal the law of supply and demand, but more than the law of supply and demand is in effect in driving up oil prices.

Some have said: Why don't we have a holiday for the gas tax for this summer or for 3 months or 6 months and replace that with some kind of windfall profit tax on the oil and gas industry. I would suggest, if we are going to take away some tax advantages enjoyed by the oil and gas industry, the smarter thing is for us to use the revenues that would be generated in that way to extend the soon-to-be-expiring tax credits for the production of electricity from wind, solar, geothermal. Those tax credits expire at the end of the year. Businesses, individuals who are thinking of putting in place systems, small and large, to provide for alternative energy need some certainty. They need to know what the Tax Code is going to be. The sooner the better. To be fiscally responsible, we can't extend the tax credits without paying for them. The extension of the tax credits reduces revenue to the Treasury and makes the deficit bigger. We need to pay for it. I would suggest, if we look carefully at some of the tax credits enjoyed by the oil and gas industry, we could probably find something there that is not fair or reasonable or productive. I suggest we use those revenues, not to offset the revenues that would be lost from suspending the Federal gasoline tax until after the election but to use those revenues to make sure we extend tax credits for renewable energy, wind, solar, geothermal, and so forth.

I will have a chance to come back later in the week and talk about this some more. Sometimes we underestimate the wisdom of the voters. I think it was Thomas Jefferson who said: If you tell the American people the truth, they won't make a mistake. I will do my dead level best to make sure, during the course of the debate on this notion of waiving the gasoline tax or having a holiday on the gasoline tax until after the election, I am going to make sure, I hope with a number of my colleagues, the American people understand the truth and the full picture and that they will make the right decision. Hopefully, we will too.

I yield the floor.

Mrs. HUTCHISON. 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. SUNUNU. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. MCCASKILL). Without objection, it is so ordered.

Mr. SUNUNU. Madam President, I rise this afternoon to speak for a few minutes on the bill before the Senate, the FAA modernization bill. It is an extremely important reauthorization. At the end of the day, as we pass this legislation, it will be the kind of bill that we look back on and wonder why we were not able to work out the differences a little bit faster, and get it signed into law a little bit more quickly because this is a bill that is of great importance to our transportation infrastructure, to those who rely on the aviation system every day for business travel, for family travel, and for their jobs, their livelihood.

This is an important piece of legislation because it lays the foundation for modernization of our aviation infrastructure and the technology, the air traffic control systems that we depend on every day to keep our skies safe. Technology continues to evolve, that is a good thing. It improves efficiency, improves safety, and can really have a positive impact in the skies. But at the same time, we all understand that technology costs money. To purchase new systems, to install them, to train our traffic controllers to make sure they are in the strongest possible position to use that equipment costs money.

There is no question that one of the debates that delayed this legislation was over how to fund the infrastructure improvements that are in the bill, not whether to fund, and I suppose that is good news. There was general consensus that there needed to be a strong and clear funding commitment, but there was some debate over the exact mechanism.

I certainly want to give credit to Chairman BAUCUS and Chairman INOUYE of the Finance and Commerce Committees; the Ranking Member GRASSLEY and Vice Chairman STEVENS; and, of course, Senator HUTCHISON and Senator ROCKEFELLER for the work they did on the Aviation Subcommittee.

There was a lot of disagreement as to whether we should create a new fee system, whether we should create a new bureaucracy for assessing fees on general aviation. I am pleased to see that we did not go that route. We have a system for collecting aviation taxes in place, taxes on aviation fuel and jet fuel. There was a recognition on all sides that that tax burden needed to be increased to keep pace with the needs of the aviation system. It is an efficient system. It is one that works. It is one that is well understood. I think it would have been a mistake to try to create a new bureaucracy when we have such a system in place.

So this legislation will increase the taxes on general aviation jet fuel pretty significantly from about 22 cents a gallon to 36 cents a gallon, but there is a recognition that so long as that money stays in the aviation trust fund, so long as it is used to upgrade the aviation system, it will be well spent.

This tax increase on general aviation jet fuel will provide nearly $290 million annually in additional funding for the NextGen air traffic system, and that is something to be commended. It addresses the impact of air traffic growth because it increases the system's capacity and, at the same time, improves the efficiency and, of course, our focus at all times has to be safety.

One of the points that is most impressive about our aviation system, both on the commercial aviation and general aviation side, over the last couple of decades is the improvement in safety. The improvement in performance and safety per thousand miles flown or 100,000 miles flown has been significant, and everyone benefits from that improvement. Consumers benefit from a safer system and, of course, a safer system, a safer workplace, a safer environment is less costly and less expensive.

This legislation also provides increases to the Aviation Improvement Program, AIP. That is a program that is important to airports, large and small, across the country. In New Hampshire, the Manchester Airport has undergone tremendous levels of growth during the past decade, and much of that improvement, infrastructure, and investment at Manchester has been funded through the AIP, including the airport's noise reduction enhancements.

Today in New Hampshire, everyone benefits from the improvement in that infrastructure, the expansion at Manchester. The improvement in efficiency, not just in New Hampshire but across northern New England, creates a different choice for consumers, for businesses, and for tourism as well. That makes a difference, a real difference, in our northern New England economy.

This bill is not perfect. Rarely does anyone stand on the floor of the Senate and announce that a piece of legislation is perfect, but it is a good bipartisan effort. We will have opportunities to improve it, perhaps on the Senate floor during this debate, perhaps in conference, but it is important that we not bog down this legislation with amendments that will derail the bill, that will kill the bill, that will create a controversy that will make it difficult, if not impossible, to complete work on it in the coming weeks. It is a bill that needs to get done. It is a bill that needs to be sent to the President, not least of all so that the funding commitment for new technology can be implemented as quickly as possible.

Madam President, I again commend the work of the Senator from Texas as the ranking member of the Subcommittee on Aviation. I serve with her on the Commerce Committee, and I have really enjoyed working on this legislation. We had an exciting markup, to say the least, several months ago, but I am pleased to see we have been able to work through those differences and bring a very strong product to the floor.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Madam President, I commend the Senator from New Hampshire. He was, indeed, a very important part of the negotiations on this bill. It is a complicated bill. He represents a State that has general aviation. It is very important to the service in his State. He spoke up for that service. In fact, in the bill, there are some very important components that are strong for general aviation, and also cities that have lost service in the past after deregulation we want to try to help get back in service with some incentives for service by smaller, maybe startup airlines.

The Senator from New Hampshire, Mr. SUNUNU, has been a very important part of helping us negotiate this bill that we have brought to the floor.

I know my chairman, Senator ROCKEFELLER, is going to be here soon. I hope we will be able to come to closure on the aviation part of this bill. I have very strong concerns about some of the provisions in the Finance Committee part that is going to be put into this bill. I hope the Finance Committee will work with us to take away some of the extraneous tax provisions that have nothing to do with aviation so that we can pass a good, solid bill that addresses aviation safety, which every consumer is interested in doing, that addresses the need for better service to our smaller communities, that increases the modernization of our air traffic control system, and that assures that passengers are taken care of when there are inordinate delays, and especially when they are on an airplane, maybe sitting on a runway for several hours at a time, and there are some very important parts of the bill that address the rights of passengers and the needs of passengers.

I hope we can get an aviation bill passed. I hope we can move out the extraneous provisions out and let the Finance Committee do those separately, which they certainly have the capability to do. But I do not want to hold up this good consumer bill.

I look forward to working with my colleagues, Senator ROCKEFELLER, Senator INOUYE, and Senator STEVENS on the committee, and Senator SUNUNU who just spoke, to get a good bill on which we can then go to conference with the House.

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. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

FEDERAL DEFICIT

Mr. GREGG. Madam President, I rise to speak briefly about where we are headed as a government and specifically what we are passing on to our children, which is regrettably a lot more debt than they deserve. This year the Federal deficit is projected to be close to $400 billion. That is up from last year, where it was under $200 billion. That is not a good trend, to be driving up the deficit.

It is also not a good trend to be putting on the books program after program which will end up costing our children a lot of money, and which we borrow from our children to pay for.

This bill, which is brought forward today, has in it, unfortunately, a couple of items—at least one specifically—actually a couple that are questionable, in which we are spending money which could much better be used to reduce the debt on our children. As I said, this year alone we are going to add $400 billion of debt to our children's backs. Probably the most significant in this account is something that has nothing to do with air transportation. You can call it the train to nowhere or the fast track to waste. It is the train they are proposing to build somewhere in New York to go somewhere in New York which is going to cost $1.7 billion.

Clearly this is not the right bill for that proposal. But even if it were the right bill, this would be not an appropriate proposal. This is a situation where folks from New York, who are good and decent people, have decided to raid the Federal Treasury to get some money to pay for something—in a very questionable way, by the way; by basically waiving FICA taxes, which they are not paying to begin with, for town employees—State employees. They have decided to raid the Federal Treasury for the purposes of building this train to nowhere.

We have seen this before, these specific projects, which benefit a specific place, which are not defensible. This certainly falls into that category. But in the broader context it becomes even less defensible because we are facing such a large deficit. We are not only facing this very significant deficit of almost $400 billion, we are constantly adding to that deficit. There are now, within the framework of the walls of this Capitol building—there are not four walls, there are lots of different walls in this Capitol building, but within this Capitol there is a series of ideas which is being promoted, which is also on a fast track, regrettably, a fast track of spending, which is also going to end up ballooning that deficit further than $400 billion.

There is, for example, a proposal being floated which has merit in concept but, when it comes to paying for it, nobody is willing do that, which will cost close to $60 billion. That is a proposal to dramatically expand the GI bill, as it is known. There is a proposal to expand unemployment insurance, even in States where unemployment has not hit numbers where it represents an immediate problem. Traditionally, unemployment under 6 percent or 5.5 percent is deemed to be full employment. In much of this country today, many States have their unemployment rates under 5.5 percent. But there is a proposal to expand the number of weeks a person can claim unemployment, even in States where there is essentially a number that represents full employment and that is going to cost $15 billion.

There are proposals in the farm bill, which has all sorts of gimmicks and all sorts of machinations to cover its costs and claim that it is paid for, which will cost billions and billions of dollars. The farm bill itself is a $285 billion bill. Huge expenditures are coming down the pike here, which are going to have to be paid for by our children.

There are proposals for further relief for Katrina of $5 billion. There are food stamp proposals of billions of dollars. There are Byrne grants, competitiveness grants, county payments, Bureau of Prisons—all of these ideas are floating around this Capitol as ideas on which we should spend more money. Most of them have good and reasonable arguments behind them. But the problem is they also, almost in every case, end up passing more debt on to our children.

In many instances, especially the train to nowhere in New York, you cannot justify it. It is wasteful spending at the expense of our children and it is inappropriate because this debt is building up and up. As a result, paying off this debt is going to mean the taxes on our children are going to have to go up and up as they move into their earning years.

The practical effect of that is that the next generation, our kids and our children's children, are not going to be able to afford as high quality a lifestyle as our generation has because they will have to be paying so much to support the Federal Government and the debts of the Federal Government. They will not be able to afford to send their kids to college, assuming college is even affordable at that time. They will not be able to buy that first home. They will not be able to live the high quality of lifestyle that has become the nature and character of American life, because the cost of the government, which we have incurred today, will have to be paid for by them tomorrow.

It is not fair. It is not right. It used to be around here people talked about the deficit a lot. They used to point to it as a failure of our Government and there used to be genuine efforts to try to reduce the deficit—on the spending side of the ledger from our side of the aisle and on the other side of the aisle by raising taxes. But that discussion has waned. There is no focus right now on the deficit, I suspect in large part because we now have a Democratic Congress and deficit spending is justifiable if it meets an interest group's claims that they have a right to this money or they believe should have a program, such as the train to nowhere in New York, which is promoted by our colleagues from the other side of the aisle who represent New York.

In the end, if we do not return to the basic concept that every family in America has to confront, which is you need to pay your bills as they come in and you cannot put too much money on the credit card because that means down the road you are not going to be able to pay that credit card and you are going to have to suffer significant contraction as a family—if we do not face up to that real fact of day-to-day existence that most Americans must realize, as far as how their spending meets their income, or if we do not as a government face up to that, we are going to fundamentally undermine our Nation. We are certainly going to do significant damage to our children and their future.

We talk a lot now about the weakness of the dollar and how that has caused the price of gasoline to jump dramatically, which it has. The weak dollar has caused energy costs and costs of commodities which are not produced in the United States to be driven up in large part because the dollar has weakened so much. One of the drivers of the weak dollar is a belief in the international community that we are not going to put our fiscal house in order, that we are going to continue to run deficits that are excessive, and that is what we are doing as a Congress.

We have some responsibility here. You can't make great progress unless you begin somewhere. A good place to begin might be to take this $1.7 billion that is proposed in this bill to spend for the train to nowhere, or the fast track to waste, and eliminate that program and take the revenues that are alleged to be used to offset that program and use them to reduce the debt on our children's heads. Reduce that debt by $1.7 billion. That is progress. Granted, in the overall scheme of things it is not a huge amount of money compared to the total debt that is being incurred, even this year, the $400 billion, but you have to start somewhere. This would be a good place to start.

Let's stop the wasteful spending which is adding to the Federal debt, which inevitably will undermine the quality of life of this Nation and especially pass on to our children obligations which there is no reason we should ask them to bear.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DURBIN. Madam President, when the Senate considers the Federal Aviation Administration Authorization Act, I will offer a bipartisan amendment to strike section 808 of the substitute to this bill. The section I wish to strike would impose a significant competitive disadvantage on airlines that have done the most to protect their employees and provide for the secure retirement of those employees and current retirees. It would increase the pension obligations of these airlines above what is required of the airlines they compete with. It is fundamentally unfair. Such a move would undermine the ability of these airlines to maintain their commitments to their workers, particularly in today's struggling economy.

In 2006, with several airlines facing the prospect of bankruptcy, the Pension Protection Act adjusted how struggling airlines that had frozen their defined benefit pension plans could calculate their pension obligations. Those airlines were allowed to devote significantly less funding than their competitors toward payments to their pension plans. Understand, airlines facing bankruptcy that were on the cusp of losing defined benefit retirement plans were given better treatment under the Tax Code than those that didn't file bankruptcy and tried to keep their word to their employees under their defined benefit plans. Airlines that maintained their pension plans weren't given this benefit. As a result, American, Continental, Hawaiian, Alaskan, and US Airways were placed at a significant competitive disadvantage, only because they continued to offer their workers defined benefits for retirement. Those are the benefit plans, incidentally, that workers like the most. They are the ones that guarantee what you will receive when you retire, as opposed to a defined contribution plan, for example, that says a certain amount of money will be set aside, and maybe it will earn a lot before you retire, maybe it will not. The defined benefit plans—which, incidentally, Federal employees and Members of Congress have—are the best. These airlines that had similar plans for their employees and retirees and avoided bankruptcy were put at a disadvantage. The airlines facing bankruptcy, throwing away their pension plans, and changing them, were given a better break under the Tax Code than those that continued in business, avoiding bankruptcy and keeping their word to their employees and retirees.

In 2007, I joined with Senator HARRY REID, adding language to the Iraq supplemental that tried to address this unfairness and inequity. Under the 2006 law, airlines that had prohibited new workers from participating in their defined benefit plan were allowed to assume a rate of return of 8.85 percent on their pension investments. The 2007 law allowed the other airlines, those that had maintained the previous defined benefit commitment, to assume an 8.25-percent return. I know these numbers probably in the course of the speech don't impress you, but they should. It makes a significant difference of how much money an airline has to put in the pension plan, and the Tax Code, the law of our land, requires it. Airlines that had frozen their plans were allowed to amortize their plan shortfalls over 17 years; in other words, those that were facing bankruptcy and walking away from many aspects of their pension plans were able to take a longer period of time to pay out what was necessary to bring their plans up to solvency. The 2007 law gave airlines with defined benefit plans only 10 years, not 17. Therefore, airlines that are offering their workers defined benefits retirement face a competitive disadvantage.

The 2007 law I mentioned earlier partially closed the gap. Section 808 of this FAA reauthorization bill would tilt the playing field away from the airlines that already face this competitive disadvantage because they offer the very best pension benefits to their employees.

What it comes down to is this: Airlines are declaring bankruptcy in every direction. Some are reporting record losses. Last week, American Airlines reported a loss of $328 million in the first quarter, virtually all of it attributable to increases in jet fuel. A few days later, United Airlines, another major airline based in my home State of Illinois, announced first quarter losses, if I am not mistaken, of nearly $500 million and the need to lay off some 1,000 employees. Now comes this FAA reauthorization bill, and it includes a provision that will create an economic burden and hardship on some of these airlines that are struggling to survive. Could this Senate pick a worse time to hammer away at these airlines, when they are struggling to deal with jet fuel costs that are going through the roof and an uncertain economy facing a recession? If there was ever a bad idea, this is it.

Mr. ROCKEFELLER. Will the Senator yield for 15 seconds?

Mr. DURBIN. I am happy to yield.

Mr. ROCKEFELLER. I thank the Senator.

Madam President, I ask unanimous consent that all postcloture time be yielded back and that the motion to proceed be agreed to and the motion to reconsider laid upon the table; that once the bill is reported, the Senator who is now speaking be recognized to offer a substitute amendment; that upon reporting of that amendment, no further amendments be in order during today's session and that there be debate only today.

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

Mrs. HUTCHISON. Madam President, will the Senator from Illinois further yield?

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I want to say I am in complete agreement with what the Senator from Illinois has said. I know he is going to finish his statement, but he is making exactly the point I think needs to be made in this debate.

We will have an amendment tomorrow. Senator DURBIN and I are going to cosponsor an amendment that would fix the issue about which he is speaking. The idea that we would pass an FAA reauthorization that would modernize our facilities, that would put more safety precautions in place, that would give passengers more rights and, oh, by the way, would also bankrupt some of our airlines in the meantime is ridiculous.

The bill will be so good. Senator ROCKEFELLER has done a great job. We have compromised. We have worked on a bipartisan basis. Then, all of a sudden, we see this pension issue rise up that would put one, maybe two airlines into bankruptcy, and then we have taken away all the advantages of this very good bill.

I commend the Senator from Illinois. I look forward to working with him tomorrow on an amendment—or whenever we are designated to put our amendment in place—and hope the balance we had is restored in the pension issues so that airlines that are offering defined benefit plans—which are so rare these days—will still be able to offer employees that, even at a greater cost.

I look forward to working with my colleague from West Virginia to make sure this very good bill goes forward without the bad tax provisions and the pension provision that was added, not by our committee, but by the Finance Committee.

I thank the Senator for yielding. I look forward to working with the Senator to fix this pension issue.

Thank you, Madam President.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, I thank the Senator from Texas for joining me in offering this amendment. This is a bipartisan amendment. We urge our colleagues: Take a close look at this. At the end of the day, if we pass this FAA modernization bill and force more airlines into bankruptcy because of this provision, is that our goal?

We have lost so many airlines already, and now a major airline, such as American Airlines, which avoided bankruptcy and managed to keep its promise to its employees and retirees, and has provided significant funding for its pension, is going to be penalized by this bill.

Ask the people whose pensions are affected, those members of unions who are supporting our efforts to stop this change in the law. I cannot understand the motivation behind this change.

When this was originally considered a few years back, there was another group in charge in Congress and a chairman of the House Ways and Means Committee who singled out several airlines that were not facing bankruptcy and created a disadvantage for them. We tried to remedy it last year, and we got a temporary fix in there. And here they come again: this group that wants to keep changing this law, penalizing these airlines—at absolutely the worst possible moment. Wouldn't it be ironic if this were passed and the airlines that worked the hardest to avoid bankruptcy, the airlines that worked the hardest to keep the defined benefit plans—absolutely the gold standard when it comes to retirement—wouldn't it be ironic if the language of this bill ended up capsizing these airlines at this precarious moment in our economic history.

I am going to urge my colleagues: Take a close look at this. Ask yourselves: If the beneficiaries of these retirement plans oppose this change, if the airlines oppose this change, if there is no argument to be made as to why you would treat these airlines differently than those that have faced massive changes in their pension plans, why in the world would we want to pass this amendment?

At the end of the day, I want to make sure we have FAA modernization. But I also want to make sure there are airlines still serving America in every corner of America so our people have a chance to travel for business, for leisure, whatever it might be.

I urge my colleagues: Please take a close look at this. I hope they will consider supporting the Durbin-Hutchison amendment when it is offered tomorrow morning. It will be the first item of business. I hope we can entertain a debate and move to its consideration at an early time.

There is no reason to delay this. The sooner we remove this cloud from these airlines that have worked so hard to stay in business and avoid bankruptcy the better.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, all postcloture time is yielded back.

The motion to proceed is agreed to, and the motion to reconsider is laid on the table.

The Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, I thank the Senator from Illinois for allowing himself to be interrupted twice, and I wish him a good evening.

Madam President, I wish to talk, with your permission, for about 25 to 30 minutes on what I consider to be the core problem we face; and it is the real condition that people need to know about the American aviation industry.

FAA REAUTHORIZATION ACT OF 2007

The PRESIDING OFFICER. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (H.R. 2881) to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes.

The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENT NO. 4585

(Purpose: In the nature of a substitute)

Mr. ROCKEFELLER. Madam President, I call up my amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from West Virginia [Mr. ROCKEFELLER], for himself, Mr. INOUYE, Mr. BAUCUS, and Mr. GRASSLEY, proposes an amendment numbered 4585.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The PRESIDING OFFICER (Mr. SALAZAR). The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, as I was indicating, I do not think most of our colleagues—they pick on certain subjects within aviation that are of interest that have hot buttons to them—look at the general situation of where the U.S. commercial aviation industry is, how bad its situation is, and I think it is time to tell the truth about that before we begin the debate on this bill.

After posting nearly $35 billion in cumulative net losses from 2001 through 2005, over the past 2 years, American commercial air carriers were able to recover financially for a brief period from the effects of September 11's grounding and subsequent adjustments. That is understandable.