

House and will be returning shortly. We have agreed in principle that the time I consume and that perhaps he consumes when he later arrives will be used against the 10 hours, that we will do that retroactively. But we start without an agreement because they are working on a global agreement as to how we will conclude the work of the Senate the remainder of this week. Until they have that agreement, we will not reach a unanimous consent agreement with respect to how we dispose of the budget conference report.

For the information of colleagues, there is up to 10 hours allocated to the budget conference report discussion. We hope that could be done in less time, obviously, and that we might vote this evening, for the notice of my colleagues, or potentially tomorrow, depending on how long it goes and the decision of the leadership.

Before I begin the discussion of the conference agreement, I ask that the clerk keep a close tab on the time because we will try to reach an agreement later to retroactively apply the time.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from North Dakota is recognized.

SENATOR EDWARD KENNEDY

Mr. CONRAD. Mr. President, before I begin on the budget conference report, I wish to say publicly how the entire Senate family is thinking about Senator KENNEDY and Vicki and the family, how much we miss him, his presence on the floor, how much we miss his presence at our caucus, and how much all of us are fervently hoping for his full and quick recovery.

If there is anybody who can beat this, it is TED KENNEDY. He is a lion. Rarely have I ever met somebody of such force of will, somebody who is so totally dedicated to serving the people whom he represents, someone who cares so deeply about America's democracy, about this institution.

On both sides of the aisle, I have had many Senators say to me: TED KENNEDY is simply the most productive Senator among us. Nobody turns out more work, more quality work than he does. Whether you agree with his legislative positions or disagree, you have to admire the incredible energy and devotion that he brings to the job, the respect he has for this institution, and his determination to advance causes in which he believes.

My family has been close to the Kennedy family for many years. When John Kennedy's advance people came to North Dakota or Robert's advance people or TED KENNEDY's, they always stayed with my family. So I have always felt a very close association with the Kennedy family.

Anybody who looks back on his extraordinary service here, virtually unparalleled in the history of the Senate, has to have profound respect for TED KENNEDY, for his work, his values, his

deep and abiding love of this country, and of the institution of the Congress, and his respect for the Presidency of the United States.

I want Senator KENNEDY to know that all of us here are pulling for him. I want Vicki to know that we stand ready to do whatever we can to lighten her burden and the burden of the rest of the family.

I deeply admire Senator KENNEDY. Also, what a light he is in this Chamber. He uplifts the rest of us. I have seen many times, when others were stricken in this Chamber, the first person to call was TED KENNEDY, always eager to help when somebody faced a tragedy.

We are thinking about Ted.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. CONRAD. I will be happy to yield.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Utah is recognized.

Mr. HATCH. Mr. President, I am so grateful to the Senator. I wish to associate myself with the remarks of the distinguished Senator from North Dakota and tell him I don't know anybody in the Senate who feels more deeply about Senator KENNEDY than I do. We have been adversaries for 32 years. We have also been partners.

I have watched what their family has given to America. I love his sisters. I love the in-laws. I know he raised the children, and they are good kids. I have great faith in TED KENNEDY as a person who will fight back with the faith and prayers of all of us in the Senate and millions of others across the country. I believe Ted will be able to come back, and he will come back, and I believe he will be able to whip this problem. I am going to exert all the faith and prayers I possibly can to help him do it.

I agree with the distinguished Senator, whenever any of us encountered great difficulty, he was always the first to call.

We have worked together on so many pieces of legislation, landmark legislation, that I wish to personally compliment him for being willing to cross the aisle in so many ways and to work out difficulties. One of the last things we worked on was the bio bill. That is a very complex, difficult bill, and we worked along with Senator ENZI, who is a wonderful companion of Senator KENNEDY on the HELP Committee. We worked with Senator CLINTON, who added a great deal to the work on that bill. Senator SCHUMER was a great asset on that bill. These are people for whom I have great respect.

Let me say to Ted and Vicki that our prayers and our faith are with both of them and their children and the rest of the extended family, and we will do everything in our power to support Senator KENNEDY in this time of difficulty. I personally believe that if we have enough faith and pray hard enough and with the great clinical help he will have, Senator KENNEDY will return and

continue to do the job he believes in. I know he appreciates everybody who has spoken out for him, who has expressed concern, who has expressed anguish, as I do here, about his present situation. I know he is facing this with a great sense of humor, which is one of the most endearing qualities Ted Kennedy has, among many endearing qualities.

He carries so much weight on the Democrat side and, of course, for those of us who work with him on the Republican side, a lot of weight with us as well. So I want him to know we all love him, appreciate him, and appreciate the leadership he has provided through the years and the quality of the person he is.

If the distinguished Senator would allow me to address another topic, I would be very grateful.

Mr. President, I ask unanimous consent that these new sets of remarks be placed in the RECORD at an appropriate place.

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

Mr. HATCH. I will have more to say about Senator KENNEDY later, but I wanted to make those few remarks here today.

COMBATING CHILD EXPLOITATION

Mr. HATCH. Mr. President, the exploitation of children is a plague. It is a war with many fronts, and we must be engaged in them all. I wish to review some of the ways we are fighting this good fight and encourage my colleagues to be as relentless in protecting children as are those in the world who exploit them.

Just 2 days ago, the Supreme Court upheld our most recent attempt to combat the spread of child pornography. In a 7-to-2 decision—an overwhelming vote by the Supreme Court, by the way—the Court held that the PROTECT Act is consistent with the first amendment. I introduced the PROTECT Act in January 2003. It passed this body unanimously in February, passed the House without objection in March, and was signed into law in April. The PROTECT Act prohibits the pandering or solicitation of child pornography.

Child pornography is perhaps the most egregious form of exploitation. It not only victimizes and brutalizes children directly but makes a permanent record of that abuse that may never be erased. Child pornography is not protected by the first amendment, which means its possession and sale can be banned.

In 2002, the Supreme Court struck down the Child Pornography Prevention Act, a bill I introduced in the 104th Congress. So we went back to the drawing board. If the objective is important—and I do not believe any objective is more important than protecting children from exploitation—then we must not take no for an answer. We must not let speed bumps,

roadblocks, or potholes, or Supreme Court decisions stop us.

The PROTECT Act was the result. We studied the Supreme Court's decision and used its guidance to craft a bill that would prohibit the offer to distribute or the request to receive child pornography. When it upheld the PROTECT Act this week, the Court said that the speech this law targets is what literally introduces this destructive material into the distribution network. Now the PROTECT Act can be deployed in our ongoing, never-ending fight to protect children from exploitation, and I am glad it can be deployed.

I thank my colleagues for not giving up, for not throwing up your hands when the Supreme Court initially said no. I thank you for rolling up your sleeves, for joining with me to find some way to protect children.

Let me quote from the closing paragraph of Justice Antonin Scalia's opinion this week in *United States v. Williams*:

Child pornography harms and debases the most defenseless of our citizens. This court held unconstitutional Congress' previous attempt to meet this new threat, and Congress responded with a carefully crafted attempt to eliminate the First Amendment problems we identified. As far as the provision at issue in this case is concerned, that effort was successful.

While the 108th Congress passed the PROTECT Act, the 109th Congress passed the Adam Walsh Act. The Adam Walsh Act was a comprehensive child protection bill hailed by agencies and organizations throughout this country for its importance.

This legislation enhanced the Web technology available for tracking convicted sex offenders and replaced outdated and inaccurate Web sites with meaningful tools to protect children.

Today, there are more than half a million registered sex offenders in the United States. Unfortunately, many of them receive limited sentences and roam invisibly through our communities. With too many, we don't know where they are until it is too late. Under this law, offenders are now required to report regularly to the authorities in person and let them know when they move or change jobs. If they do not want to follow the rules, they will go back to jail because failure to provide meaningful information is now a felony. In addition, the law created a searchable national Web site that interacts with State sites. Citizens in every State are able to inform themselves about predators in their communities with accurate information.

Unfortunately, many of the enforcement provisions in the Adam Walsh Act have not been funded, and I am fully aware of the competing demands for funding but have no doubt that Americans throughout this country would approve of Federal tax dollars being utilized to ensure that criminals who blatantly trade in child pornography are made to pay a high price for these crimes. I urge my colleagues to

show their dedication and resolve to fully fund the Adam Walsh Act.

In another important development, last night the Senate passed the Protect Our Children First Act. I joined Senator LEAHY in introducing this legislation last July, and it is now on its way to the President to be signed into law. This legislation authorizes continued funding for the National Center for Missing and Exploited Children, a center we helped to create. The collective expertise of the center has been invaluable in efforts to address child exploitation, and this bill will ensure their vital work will continue.

With all of the tremendous advantages brought about by the Internet, it has also provided a means of communication which criminals use to advance their crimes. We are all aware that pedophiles are utilizing the Internet to facilitate distribution of illegal child pornography. Everyone agrees this type of crime is the most heinous imaginable, but many think the people who trade these horrendous videos and pictures must set up elaborate technology to facilitate their illegal activities. Unfortunately, this is not true. Many individuals throughout this country utilize peer-to-peer software to share illegal child porn with as much ease as sharing MP3s. Many criminals don't even bother trying to hide what they are doing. They utilize graphic words and acronyms to describe the horrible pictures and videos which they willingly share with one another. They seem to have no fear of being caught by law enforcement.

To illustrate this point, I want to highlight a graphical representation of the locations where law enforcement determined child pornography videos were hosted on computers and shared via peer-to-peer software. It is as disturbing as it is eye-opening.

This map shows the continental United States and locations where child pornography was electronically traded on May 15, 2008. This is just 1 day in the life of this country—6 days ago, as a matter of fact. And it is not meant to be all-inclusive; these are the ones we know of. You can imagine how many there must be. Just in the DC area, look at the child pornography electronic trades. And those are the ones we know about.

Now, this type of activity has created a market for new child pornography. In order to move into the higher echelons of this criminal activity, individuals need to offer new material, new graphic pictures and videos. Many of these criminals find that the easiest way to get new materials is to make it themselves; thus, a vicious cycle is created. These monsters, in some sick, sadistic goal of obtaining stature, videotape their crimes against children in order to facilitate their twisted version of moving up the ladder.

Congress has done a great deal to address this issue. We have passed numerous statutes in order to ensure those who harm children face the most serious penalties possible.

While many local law enforcement agencies are doing a fantastic job addressing these crimes, they are often limited by a lack of manpower and equipment. One program that has had great success is the Internet Crimes Against Children—the ICAC—Task Force Program, which has utilized State and local law enforcement agencies to develop an effective response to child pornography cases. These ICACs provide forensic and investigative activities, training and technical assistance, victim services, and community education.

Last week, the Senate Judiciary Committee passed legislation, which I cosponsored with Senator BIDEN of Delaware, which would take significant steps in highlighting the Federal Government's strategy to address child exploitation and ensuring that each State has an ICAC.

The bill also calls for an annual report from the Attorney General, which will represent the national strategy for child exploitation, prevention, and interdiction. I believe this report will be invaluable for the effective coordination of Government efforts to address this problem.

I have no doubts this legislation will be instrumental in combating child exploitation, and I urge my colleagues to pass this bill quickly.

I also wish to mention another extremely valuable organization that is playing a vital role in locating missing children. A Child is Missing is a non-profit organization assisting the police in the first hours after a child's disappearance. For over 10 years, this organization has provided local law enforcement with technology otherwise unavailable to them.

Here is how the program works. When a child is missing, local law enforcement contacts the organization with details of the disappearance, including the child's description, clothes, and last known location. A Child is Missing records a message on behalf of the police agency, and this message is phoned out to the geographical area where the child was last seen. The organization has the ability to send over 1,000 calls in 60 seconds. This message asks for residents to contact the police if they have any information.

The effect is instantaneous in that this service opens the eyes of the entire neighborhood in search for the missing child. We all know these first few hours are critical in finding missing children, making this service critical. This is the only program of its kind in the country, and law enforcement has credited it with over 300 safe assisted recoveries. This service is available to law enforcement throughout the country and at no charge to the agencies. It operates 24 hours a day, 365 days a year.

I have joined Senator MENENDEZ in introducing legislation, S. 2667, to ensure that this organization will have the funds to continue to offer law enforcement throughout this country this invaluable service. I am hopeful this bill receives prompt consideration.

In conclusion, Congress has many opportunities to advance the worthy cause of reducing child exploitation. I call on my colleagues to continue this noble cause and pledge my continued support to advance appropriate legislative endeavors.

FISA

Mr. HATCH. Finally, I wish to briefly turn to FISA. This Congress has been working on FISA modernization for over 400 days with apparently no end in sight. Should it take this long? The Constitution of the United States was written in about 115 days. That included travel time on horseback for the Founding Fathers.

Congress has had plenty of time to debate this issue. We have to make sure we do not create unnecessary obstacles for intelligence analysts to track terrorists. As has been said, they can't connect the dots if they can't collect the dots.

While negotiations continue, it is important to look at the two bills that have passed the Chambers. Let me paint a picture, a Tale of Two Bills, if you will. One bill was available for the public to review for over 4 months, went through 2 committees, had 2 weeks of floor debate including votes on 13 amendments, and passed the Chamber with a huge bipartisan veto-proof majority.

The other bill was available for review for 2 days before receiving a vote. It went through no committees, had 1 hour of floor debate, allowed no amendments, and failed to receive bipartisan support, while barely passing the Chamber. Any negotiator would say the first bill in this instance would be the basis for negotiation, not the other way around. I am sure it is no surprise to anyone that the first one I described is the Senate-passed bill.

Make no mistake, I will not support any compromise that disregards the extensive work of the Senate in order to facilitate a quick political fix.

I appreciate those who are standing tall on the FISA bill in both Houses. I hope we continue to do so because our very country is in jeopardy if we do not.

Also, I wish to personally pay tribute and give my gratitude and thanks to the distinguished Senator from North Dakota for his kindness in allowing me to make these remarks out of turn because they are important remarks. I would feel badly if I didn't get on the floor and make these remarks. It was a very gracious thing for him to do.

I yield the floor.

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

Mr. CONRAD. I thank my colleague, Senator HATCH. He is always gracious. I also thank him for his words on Senator KENNEDY because we know they have shared a close association in the Chamber for many years.

I also thank him for his leadership on child pornography. It is pretty sick,

some of the things that go on. It is almost hard to believe. I saw the slide the Senator from Utah showed about activity on just 1 day of this year, earlier this month. It is almost hard to comprehend. We thank him for his leadership there as well.

Mr. HATCH. I thank my colleague for his kindness. He has always been very gracious and particularly gracious to me.

MORNING BUSINESS

Mr. CONRAD. Mr. President, I ask unanimous consent that we be in a period of morning business, that Senators be permitted to speak for up to 10 minutes each, and that the clerk keep a close count on the time consumed and that this period be for debate only. We are asking colleagues—we do not have a unanimous consent agreement—but we are asking colleagues to confine their remarks to the budget because we have up to 10 hours and, in the interest of getting the work of the Senate done before the break, it will be most effective and most efficient if we can focus our time on that.

I ask unanimous consent that after I am done, Senator GREGG be recognized, that I be allowed such time as consumed and the Senator then be given that same opportunity.

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

THE BUDGET

Mr. CONRAD. Madam President, we are now considering the conference report on the budget. For the knowledge of my colleagues, and especially my colleague, Senator GREGG, I will consume somewhere in the range of 35 minutes. If he has other things to do, we can get that word to him so he is not inconvenienced while I make an opening statement.

Here is what we are confronting—a very dramatic deterioration in the budget condition of our country. You can see, in 2007, the official deficit was \$162 billion; that is down from what had been record levels. We achieved an all-time—not achieved, there is no achievement to it—we saw an all-time record deficit in 2004 of \$413 billion. That became the record. The year before was the record up until that point—\$378 billion in the red. Of course, the real situation is far worse because this does not disclose how much the debt has been increased.

Then we saw some improvement, to 2007, a deficit of \$162 billion. But now we are right back at record levels—\$410 billion estimated for this year. I believe it is going to be even worse, and 2009 will be about the same level.

When I talk about debt, here is what I am talking about. The gross debt of the United States has gone up like a scalded cat under this administration. When this President came into office at the end of the first year, the debt

stood at \$5.8 trillion. By the time we are done with the 8 years he will have been responsible for, the debt will have increased to more than \$10.4 trillion—a near doubling of the debt of the country. Increasingly, this money is being borrowed from abroad. As this chart shows, it took 42 Presidents—all the Presidents pictured here, 224 years to run up \$1 trillion of U.S. debt held abroad. This President has far more than doubled that amount in just 7 years. There are over \$1.5 trillion of foreign holdings of U.S. debt run up by this President in just 7 years. He has taken what 42 Presidents took 224 years to do and he doubled it and then added another 50 percent to foreign holdings of U.S. government debt. The result is we owe Japan over \$600 billion, we owe China almost \$500 billion, we owe the United Kingdom a little over \$200 billion, we owe the oil exporters over \$150 billion. My goodness, we owe Hong Kong over \$60 billion. We now owe Russia over \$40 billion. That is a sad fiscal record, but that is the legacy of this President's fiscal policy.

This tremendous runup in foreign debt means we have spread dollars all over the world and are now increasingly dependent on the kindness of strangers to finance our debt here. One of the results of that has been a substantial drop in the value of our currency. If you think about it, the value of a currency is in part a reflection of supply and demand. When you put out a tremendous supply of dollars, guess what happens to the value of the dollar—it goes down. That is what has happened.

You can see back in 2002, this is Euros per dollar. It was 1.13 in January 2002. Through the end of last month, we were down to .63. The value of the dollar against the Euro has dropped like a rock. It has dropped 44 percent.

If anybody is wondering why food prices are going up so rapidly, why oil prices are going up so rapidly, here is one of the key reasons. Those commodities are sold in dollar terms in the world market. When the dollar goes down in value, guess what happens to the value of commodities: there is tremendous upward pressure on their value. That is what, in fact, has happened.

We have also seen the economic growth of the country stagnate. You can see, if we look at the nine previous business cycles we have experienced since World War II, you can see that economic growth averaged 3.4 percent a year during previous business cycle expansions. But, if we look at average annual economic growth since the first quarter of 2001, we see it is stagnating at 2.4 percent.

Something is happening in this business cycle that is unlike what we have seen in the nine major business cycles we have seen since World War II. We see this recovery is much weaker. We see it in job creation; we see it in business investment.

For example, on job creation, if you look at job creation, again looking at