

President Bush does not veto that. Every day that goes by that he does not sign that bill, people in America are suffering. They are suffering because doctors are going to drop out of the system. As we know, patients will not be taken care of, veterans, whose funding and reimbursement is based upon Medicare, who are part of the TRICARE system, about 8 million servicemen and their families, are being denied those benefits.

So the President should not do this simply because he wants to privatize Medicare. He is not going to win; he is going to lose that battle. So why does he want to do that? We had 355 votes in the House, 69 in the Senate, enough to override the veto. So I call upon the President to not veto this bill; sign it so we can get this worked out, and we will end this situation once and for all.

We have talked about the global AIDS bill. We are moving ahead with this legislation. It continues the support for America's efforts to join the world community in fighting against this disaster we have on that continent, global HIV/AIDS, which is so pronounced in that continent.

President Bush has worked with Democrats and Republicans to help get this legislation passed, over the objections last night of one person, perhaps a small handful urging this one man on. Despite that, I am confident we are going to pass this legislation.

I should mention how glad my fellow Democrats and I were to have our nominee for President here to cast a vote on these important bills. Senator OBAMA understood the importance of the Medicare legislation, and he stepped down here and voted. But for him we would not have had the necessary votes to pass this. He was also here when the GI bill of rights came up, landmark legislation, repaying our valiant troops who fought in Iraq and Afghanistan and deserve the same rights to be educated as those World War II veterans.

Senator BARACK OBAMA was here to vote on that. On the FISA legislation, the Foreign Intelligence Surveillance Act legislation, BARACK OBAMA cast his vote on that legislation. JOHN MCCAIN did not.

The American people should also know that despite the delay tactics we have seen this week that have kept us from a debate on energy, Democrats and most all Senators, Democrats and Republicans, are committed to addressing the energy crisis with both long- and short-term solutions.

This is not a Democratic or Republican issue. We all acknowledge much needs to be done. Last night I held a meeting a few feet out of this Senate Chamber. I had a productive meeting—We had former Senator Jim Sasser, who was conducting the meeting—Senator Sasser of Tennessee, chairman of the Budget Committee, subcommittee chairman of Appropriations, subcommittee chair on Banking, one of America's great Senators. He was an

Ambassador to China when his Senate career came to an end.

He was there as a moderator. We had the director of Global Oil Group—the Yergin Group. He has written books on the situation with petroleum around the world. We had the chief executive officer of United Airlines. Keep in mind, this man has been president of Texaco, the vice chairman of Chevron, and now the chief executive officer of United. If anyone should have an understanding of what is going on with our energy markets, our business community, he should. He was tremendous in outlining this information for us.

We had the head of global commodities at JPMorgan, the portfolio manager of Masters Capital Management, the CEO of NYMEX, and a professor at the University of Maryland School of Law. His expertise is in this area. It was a very good meeting. It lasted a long time.

The group strongly agreed we must take steps to stem speculation in energy prices. Is speculation the only problem? Of course not. But is speculation a problem? Of course it is. This group agreed that speculators drive up prices for their own gain, while the American people are left feeling the pain.

It was agreed that now is the appropriate time for President Bush to draw oil out of the Strategic Petroleum Reserve, as his father did. It was also agreed we must increase domestic oil production in the 68 million acres of land that oil companies currently lease but are not using.

The group agreed that any oil drilled in America should be sold to the American marketplace, not to China, Japan, India, as is currently happening. By the way, when there was a vote on this, Senator MCCAIN voted that it was not necessary, that American oil produced be used by Americans. He, by his vote, indicated it could be used in other countries. We disagree. The group disagreed last night.

So we need to take steps curtailing energy speculation, we need to tap the Strategic Petroleum Reserve, we need to increase the supply in the 68 million leased but unused acres in America, and earmarking domestic oil for American consumers.

We also agreed last night that combined with increased and sustained investment in clean alternative fuel sources, the wind, the Sun and geothermal, we will create hundreds of thousands of new jobs, will strengthen the economy and improve our environment.

If we do all of these, will we solve all the energy problems? Of course not. But we will have a significantly strong step in that direction. That is our roadmap for going forward. We hope both the Republican leader and his caucus will work with us to reject obstruction and embrace the progress that the American people deserve.

I yield the floor.

AMERICAN HOUSING RESCUE AND FORECLOSURE PREVENTION ACT OF 2008

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to disagree to the two amendments of the House which the clerk will report.

The legislative clerk read as follows:

A message from the House of Representatives to accompany H.R. 3221, an act to provide needed housing reform, and for other purposes.

The ACTING PRESIDENT pro tempore. The senior Senator from Wyoming is recognized.

Mr. LEVIN. Would the Senator from Wyoming yield for a unanimous consent request?

Mr. ENZI. I would.

Mr. LEVIN. Mr. President, I ask unanimous consent that after the Senator from Wyoming concludes his remarks that I be recognized.

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

AIDS RELIEF

Mr. ENZI. Mr. President, I have been waiting to speak and listening to the Senate leader. I have to say, I am a little disappointed. In the 20 minutes' worth of remarks, I did not hear anything that would bring the two sides together. Instead, I saw wedges being driven in there. This is not the time when we need wedges. That is the reason the public opinion of Congress is at an alltime low. There are things we need to get together on. That is one of the things I am going to talk about now.

I rise to express my support for the Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act of 2008.

That is a mouthful, so we are referring to it as PEPFAR, which stands for the President's Emergency Plan for AIDS Relief, which is something we passed several years ago that has made a significant difference in the world. Simply put, this legislation is proof of the fact that the United States continues to put its money where its mouth is on all these terrible diseases; that is, leading the best way by example. By so doing, we are encouraging other countries to do their part and help to ease the devastating toll of these diseases on the less fortunate.

In 2003, the Congress passed and the President signed into law the first global AIDS bill. I remember when the President addressed us in the State of the Union speech that year and announced he wanted \$15 billion to go into solving the AIDS problem worldwide. I think it was actually a shock on both sides of the aisle. But we went to work and we worked together and we got a plan that has been in effect.

We made an aggressive commitment to work with other governments to help them take action and to try to

control the spread of HIV/AIDS in their country.

When we began our work on this bill and started to discuss the need for a program that would address the spread of HIV/AIDS overseas, many had doubts that we could reach the goals we had set. There were some who thought we were reaching too far too fast and that we could never come close to making the kind of impact to which we had committed ourselves.

Fortunately, we have succeeded beyond what many thought was possible. Since the program has been implemented, our community outreach activities that were designed to begin the process of prevention by education have reached nearly 61.5 million people. Although there is still much more to be done, we are finding that we have turned the corner from the fear and frustration that was so prevalent in the past to a brighter avenue of hope and the promise of an even better tomorrow.

When I visited Africa in March, I was able to see the progress that has been made over the years. While we have not reached all the goals we set back then, we are coming closer to them day by day. My recent visit to Africa reminded me of what I saw when I first visited that continent about 5 years ago. During the first visit, I learned a great deal about diseases such as AIDS and how the culture of the nations we visited had a great impact on how the diseases spread.

HIV is a great problem because it can lie dormant for many years while it is being transmitted. It was clear back then that solving the problem would take more money. It would take in-country leadership and the political will to solve the problem before it became totally unmanageable. That is where we were headed. I am pleased to say I got to meet with several of the First Ladies of the African countries who have banded together, 51 of them banded together to work together as a network to solve this problem. They are doing a phenomenal job in Africa, and they are working with our First Lady; I am pretty sure that they talk to our First Lady and our First Lady talks to the President. The President, this year, said: We need to double our effort.

We have the framework in place. We can do it. We need to do it. That is what this bill is about, doubling our effort. The solution began with making simple changes to the resources available to each community, things we take for granted, such as a safe and secure water supply, as well as nutrition programs, about basic buildings, and the people who have the training that communities need to maintain these facilities.

That all happens over here. It does not happen over there. Back then we had the treatments to keep AIDS patients functioning for years. What we needed to do was provide these treatments and be sure they were being properly used.

Our hope during that time was that we could keep mothers alive long enough to raise their children. Our greatest hope was that we could keep everyone alive long enough for a cure to be found.

As we toured those countries, we witnessed a treatment that was designed to prevent a mother's AIDS infection from being passed on to her newborn baby during birth, because of birth. There is a pill the mother could take and a liquid that can be administered to the baby immediately after birth that had a 95-percent success rate.

The treatment only costs \$2.50 per birth. The problem was that most deliveries don't take place in hospitals. Only the difficult ones take place in the hospital. So how do you distribute the medication to these expectant mothers so it would be available during birth, which is the critical time for preventing transmission? Of course, anybody who was carrying that pill would be labeled HIV-positive, and that was creating another set of problems because of the stigma attached to the disease. In addition, other relatives would try to steal the pill because they thought it was a wonder drug that would prevent them from catching AIDS.

As we traveled through Africa, one aspect of the disease I will never forget had to do with the economies of these nations. In each one, the fastest growing business was funeral parlors and coffin makers. In Namibia, since they did not have enough wood to go around, people were saving newspapers so they could make coffins out of papier mache. That was 5 years ago.

Since my visit to Africa and passage of the PEPFAR bill, we have accomplished things that many thought impossible. In 2003, only 50,000 people living with HIV/AIDS in Africa were receiving treatment from U.S.-funded sources. Today, we are treating over 2 million. That is a significant accomplishment and a great leap forward from where we were back then. Although each success is important, they remind us of the work that still needs to be done. There are now 33.2 million people living with HIV/AIDS compared to 29 million in 2001, but the growth has slowed dramatically. The statistics are alarming, but they also show we are making an impact. As the old adage says so well: We have only begun to fight. And fight we must, for AIDS is a battle we cannot afford to lose—not today, not tomorrow, not ever. Looking back, the PEPFAR bill gave us an important foundation from which to work so we could take what was designed as an emergency aid plan and make it a sustainable, long-range effort that would continue to be effective until these diseases are relegated to the medical history books.

In the original bill, we set challenging goals for treatment, for care, and for prevention. We made treatment the No. 1 priority for the funding we were able to provide. We also estab-

lished a comprehensive approach to prevention. Today, we are discussing the reauthorization of this program and a renewal of our commitment to continue to make a difference throughout the world. As I said, I went to Africa in March, and I have seen the progress we have been able to make on this vitally important issue. We have made a start. This bill continues the work we have begun.

We have a good bill before us, because Senators BIDEN and LUGAR spent long days and nights working on it to ensure it reflects what Members on both sides of the aisle see as the important issues that must be addressed. This bill has been through the whole process. This bill expands on the structure of the current law's policies to ensure that the money follows the patients and does not get lost in the administrative structure of the programs these funds support. It continues to focus on treatment by requiring that more than half of the funds be used for that purpose. It also provides for a complete accounting of all funds provided to the global fund.

In addition, it calls for a balanced approach to prevention so that abstinence and "be faithful" programs receive funds equal to that of other prevention programs. Other efforts it will fund will help to increase the capacity of the health care systems in the affected countries, ensure that all drugs purchased for the program are safe and effective, and begin the process of developing a framework for the long-range stability of these programs. Finally, it will encourage the countries receiving this assistance to develop their own independent and sustainable programs to address the health care needs of their people.

When passed, the new edition of PEPFAR will establish even more challenging goals for the treatment, care, and prevention of these diseases by tying the increase in funding to a corresponding realization of the goals we have established in the bill. In addition, as the cost of treatment goes down, the treatment goals increase proportionately. This will ensure we will be treating the greatest number of people in the most cost-effective manner possible. Senators COBURN, BURR, and I worked with Senators BIDEN and LUGAR, and many other Members, to ensure this bill would reflect the principles and goals that have been shared by us with the interested Members of the Senate. I commend each Member for their dedicated work and the hard work that has resulted in the successful development of this third way.

This bill is a good piece of legislation. I urge all colleagues to support its passage and send a message to all nations that are receiving AIDS assistance from America that we will continue to stand by their side in the great fight. Our commitment to ridding the world of all these diseases in our lifetime will never weaken or waiver. This is something that is appreciated in the countries in which we are

working. It is something they know America is doing for them. It is making friends in other parts of the world. I hope we can keep this process going. I urge everyone to vote for cloture this evening.

I yield the floor.

The ACTING PRESIDENT pro tempore. The senior Senator from Michigan.

(The remarks of Mr. LEVIN pertaining to the introduction of S. 3255 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

OIL CONTRACTS IN IRAQ

Mr. LEVIN. Mr. President, I am deeply concerned by the apparent lack of a clear and consistent U.S. policy on the entering into of oil deals in Iraq in the absence of Iraqi national hydrocarbon legislation. Unfortunately, that hydrocarbon legislation, which would ensure equitable distribution of oil revenues among the Iraqi people, and enable increased oil production and long-term foreign investment, remains stalled in the Iraqi Assembly. Continued failure by the Iraqi Government to pass national hydrocarbon legislation, a political benchmark which was set by the Iraqis for themselves, risks fracturing the country and jeopardizing hard-fought gains.

Last September, Hunt Oil Company, an American firm, was the first company to sign a production-sharing contract with the Kurdistan Regional Government, or KRG. The KRG has now apparently signed approximately two dozen such contracts with international oil companies, all of which have been condemned by the Iraqi national Government. Iraq's Oil Minister has called these deals "illegal" and the State Department's May 2008 report on Iraq indicates that progress on national hydrocarbon legislation has been "complicated by the KRG's pursuit of oil contracts" and is now "at a standstill."

Administration officials have stated publicly and in letters to me that U.S. policy strongly discourages oil production-sharing contracts between private companies and regional governments in Iraq, including the KRG. However, representatives from Hunt Oil Company have indicated that they specifically asked about U.S. policy regarding such deals in meetings with State Department employees prior to Hunt Oil signing their production-sharing contract with the KRG and were told "there was no policy, neither for nor against." I am concerned that if a policy discouraging contracts with regional governments was in place prior to the signing of Hunt Oil's contract with the KRG, that it was not adequately understood or communicated by State Department employees in their interactions with Hunt Oil and other international oil companies seeking to do business in Iraq.

Mr. President, I ask unanimous consent that a letter I wrote to the President's National Security Advisor, Ste-

phen Hadley, and his response to me on this issue be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, June 5, 2008.

Hon. STEPHEN J. HADLEY,
Assistant to the President for National Security
Affairs, National Security Council, Wash-
ington, DC.

DEAR MR. HADLEY: I write to you in regard to Hunt Oil Company's decision to sign an oil production sharing contract (PSC) with the Kurdistan Regional Government (KRG) on September 8, 2007, and the official U.S. government policy relating to such deals. The KRG has now signed more than 25 PSCs with international oil companies, several of which are subsidiaries of U.S.-based companies.

The PSCs signed between international oil companies and the KRG run directly counter to our goals for reconciliation in Iraq and risk fracturing the country over the management of Iraq's oil industry and distribution of oil revenues. As you know, Iraq's Oil Minister has called PSCs like the one signed by Hunt Oil "illegal." Furthermore, the State Department's May 2008 report on Iraq states that progress on the national hydrocarbon legislation "is at a standstill" and its prospects for passage have been "further complicated by the KRG's pursuit of oil contracts."

While the State Department report also indicates "the United States continues to discourage the KRG from signing oil contracts until negotiations on a national oil law are completed," I am concerned that U.S. policy has not been clearly and consistently communicated to oil companies who have signed or may be considering signing PSCs with the KRG, including U.S.-based companies like Hunt Oil.

In response to reports of contacts between Hunt Oil employees and State Department representatives prior to the company signing a PSC with the KRG on September 8, 2007, I sent a series of letters to Hunt Oil and Secretary Rice regarding the nature of these contacts and whether U.S. officials expressed opposition to such a deal prior to its signing. The responses I received from the State Department and Hunt Oil starkly contradict one another.

In response to a letter I sent to Hunt Oil Chief Executive Officer Ray Hunt, I was provided an email from Hunt Oil's General Manager for Mideast Exploration David McDonald to another Hunt Oil employee dated September 28 in which he detailed meetings he had with State Department Regional Reconstruction Team (RRT) representatives on June 12, June 15, and September 5, 2007. Of the June 15 meeting, Mr. McDonald states that he "specifically asked if the USG had a policy toward companies entering contracts with the KRG" and was told "that there was no policy, neither for nor against." Mr. McDonald also states, "There was no communication to me or in my presence made by the 9 state department officials with whom I met prior to 8 September that Hunt should not pursue our course of action leading to a contract. In fact there was ample opportunity to do so, but it did not happen."

On the other hand, the State Department in a letter to me stated "Hunt Oil apparently first expressed its interest in signing an agreement with the KRG to RRT staff in the meeting on September 5, 2007. RRT staff explained U.S. Government policy against signing deals with the KRG to Mr. McDonald."

The clear inconsistency between the State Department and Hunt Oil in their account-

ing of the meetings leading up to the company's signing of a PSC with the KRG is deeply troubling. Hunt Oil says that they were never told about a U.S. policy against signing deals with the KRG. The State Department says that Hunt Oil was told of such a policy on September 5, three days before the deal was signed.

I believe the administration should request Hunt Oil, and other U.S.-based oil companies, to withdraw from any PSC they have signed and to advise the KRG that they are doing so in order to facilitate the passage of national hydrocarbon legislation. I also believe that the administration should clearly define and disseminate a policy relating to the signing of oil deals with the KRG.

Thank you for your attention to this matter.

Sincerely,

CARL LEVIN,
Chairman.

THE WHITE HOUSE,
Washington, DC, July 4, 2008.

Hon. CARL LEVIN,
Chairman, Committee on Armed Services, U.S.
Senate, Washington, DC.

DEAR CHAIRMAN LEVIN: Thank you for the opportunity to reiterate the Administration's policy regarding oil production sharing contracts with the Kurdistan Regional Government (KRG).

United States policy strongly discourages oil production sharing contracts between private companies and regional governments in Iraq, including the KRG, prior to the enactment of national hydrocarbon legislation authorizing such contracts. This policy is embodied in a cable to the United States Embassy in Baghdad dated August 3, 2006. I understand that you have been provided with a copy of this cable. The United States Government also has announced this policy publicly.

To implement this policy, the United States has been in a position to request companies, including U.S.-based companies, not to enter into any oil contracts with regional governments in Iraq and to advise those companies of the legal and political risks of doing so.

You have asked the United States to request that U.S.-based oil companies withdraw from oil production sharing contracts already signed with the KRG. The Administration shares your view that it would have been better had these contracts not occurred. We do not believe, however, that seeking the termination of oil contracts between the KRG and private companies based in the United States would substantially advance efforts to resolve the impasse with the KRG on national hydrocarbon legislation in Iraq. Oil production sharing contracts between U.S.-based private companies and the KRG constitute only a small number of the approximately two dozen oil production sharing contracts to which the KRG is a party.

The United States continues to encourage both the KRG and the national government of Iraq to resolve their differences and to agree on national legislation that will allow companies to pursue opportunities with a clear legal framework across Iraq.

Please let me know if we may be of further assistance regarding this matter.

Sincerely,

STEPHEN J. HADLEY,
Assistant to the President for
National Security Affairs.

Mr. LEVIN. Mr. President, on a related issue, recent reports indicate the Government of Iraq is now in negotiations with five Western oil companies for no-bid "technical service" contracts at existing oil fields. When

asked about these contracts on June 19, 2008, Secretary Rice said:

The United States Government has stayed absolutely out of the matter of the awarding of Iraqi oil contracts. It's a private sector matter.

However, subsequent reports indicate that State Department employees advised the Iraqi Government on the drafting of these technical service contracts. These reports were followed on July 1 with news that Iraq intends to award contracts to develop six oil fields and two natural gas fields, with or without the passage of national hydrocarbon legislation.

These contracts would seem to circumvent the national hydrocarbon legislation currently under consideration in Iraq and could risk further complicating what are already delicate negotiations. I am concerned by the administration's silence on these contracts and the message our reported involvement in drafting the no-bid technical service contracts sends to the Iraqi Government about the importance of passing national hydrocarbon legislation. I am sending a letter to Stephen Hadley today asking him about U.S. policy with regard to these service and development contracts and expressing my concern that such contracts might harm negotiations on national hydrocarbon legislation. I ask unanimous consent that this letter also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, July 11, 2008.

Hon. STEPHEN J. HADLEY,
Assistant to the President for National Security Affairs, National Security Council, Washington, DC.

DEAR MR. HADLEY: Thank you for your July 4, 2008, response to my previous letter. However, I remain concerned about the signing of oil deals in Iraq in the absence of national hydrocarbon legislation and the lack of a clearly stated U.S. government policy regarding such deals.

Published reports indicate that the Government of Iraq is in negotiations with five Western oil companies for no-bid "technical service" contracts. These reports were followed on July 1st with news that Iraq intends to award contracts to develop six oil fields and two natural gas fields.

These contracts would appear to circumvent the national hydrocarbon legislation currently under consideration and risk further complicating what are already delicate negotiations. Furthermore, continued failure by the Iraqi Government to pass national hydrocarbon legislation, a political benchmark set by the Iraqis for themselves, risks fracturing the country.

I am concerned by the Administration's silence on the potential signing of technical service and oil field development contracts by the Iraqi government prior to passing national hydrocarbon legislation and would appreciate your response to the following questions:

1. Is there an official U.S. policy with regard to the technical service contracts currently under negotiation by the Iraqi Government?

2. Is there an official U.S. policy with regard to the oil field development contracts being considered by the Iraqi Government?

3. Is it the Administration's view that the technical service contracts or the oil field development contracts under consideration by the Iraqi Government will complicate efforts to pass national hydrocarbon legislation? If so, have you expressed these concerns to the Iraqi Government or to oil companies seeking to do business in Iraq?

Thank you for your prompt assistance in this matter.

Sincerely,

CARL LEVIN,
Chairman.

Mr. LEVIN. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The senior Senator from New York is recognized.

Mr. SCHUMER. Mr. President, I rise today to briefly discuss the turmoil in the financial markets, especially with regard to Fannie Mae and Freddie Mac. Let me be clear, Fannie and Freddie are too important to fail. Their fundamentals, as they look now, provide no reason to think they will fail. We all know how important they are.

These two institutions are the foundation of the mortgage market, and we fully stand behind them and their crucial role. Without Fannie and Freddie, housing markets would come to an utter standstill and our economy, shaky as it is, would sink much deeper. Therefore, we should take all necessary steps to ensure affordable home ownership for millions of American families, and that includes preserving the essential role Fannie Mae and Freddie Mac play.

Our Nation is caught in the middle of one of the most severe housing downturns since the Great Depression, so it is not surprising that the two institutions that guarantee \$5 trillion worth of mortgages for families across America are now facing real significant challenges. But the markets' overreaction over the past 2 days is more based on psychology than reality.

Over the past few days, Treasury Secretary Paulson, James Lockhart, the GSE's primary regulator, the Federal Reserve, and Chairman Bernanke, and leading Senators, including both parties' candidates for President, have all clearly stated their confidence in Fannie and Freddie and the Government's commitment to keeping those institutions safe and secure.

That commitment has not changed and will not change.

Fannie Mae and Freddie Mac are well capitalized. They are actually holding capital in excess of their current requirements.

In these volatile markets—in these volatile markets—share price is not the most reliable measure for judging Fannie and Freddie and will not dictate the responses by the regulators. Rather, the regulators are more closely watching the performance of Fannie's and Freddie's bonds and how their yields compare to U.S. treasuries. Right now, Freddie and Fannie bonds are trading closer to treasuries than they were in March after the Bear Stearns collapse, and that is a reassuring signal.

The stock markets may be overreacting, but the regulators should not and will not. I have talked to them on a regular basis today, and I can assure Americans in the markets that they are very much on top of this problem, they are looking at it in a careful, thoughtful, but nonpanicky and nonrush way.

We do not believe the regulators will be forced to act, but if they are, it is not a choice between inaction or full-blown receivership because there is more than one way to shore up Fannie and Freddie, if necessary. There are countless intermediate steps that regulators could take before ever having to entertain a Government takeover.

The regulators are preparing for worst-case scenarios. But developing contingency plans does not mean that disaster is around the corner. By simply being prepared, the Government can restore confidence that these institutions will remain safe and secure and continue to function in their essential role as the cornerstone of the mortgage markets for decades to come.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The junior Senator from Alabama is recognized.

AIR FORCE'S KC-X TANKER COMPETITION

Mr. SESSIONS. Mr. President, I wish to take a few moments to talk about the Air Force's KC-X tanker competition. There was a House hearing on that matter this week, and a number of our colleagues have spoken on it. I have discussed it on the floor a couple of times.

As you will remember, that contract was awarded to the Northrop/EADS team back in February, after a competition that the Air Force adjudicated. That team—the Northrop/EADS team—plans to build a new tanker, which our military desperately needs, in my hometown of Mobile, AL. It is important to the people of Alabama, and they are watching it very closely.

However, Boeing objected to the decision. They protested. They cited 100 concerns with the Air Force's award—more than 100. The Government Accountability Office, whose duty is to review such complaints, did so and concluded that out of the 100-plus complaints, only eight elements of the protest had merit. So it was then up to the Department of Defense, after the GAO report was issued, to decide how it would address GAO's concerns. That is the way the system works, and every bidder has that opportunity. The DOD was not legally bound to accept or acknowledge these criticisms. They legally could have gone forward with the process and affirmed their own decision and gone forward with it. However, Secretary Gates considered the matter carefully. He announced that in order to ensure this selection process is totally fair, transparent, and beyond reproach, that the Secretary would order a "limited recompetition" of the contract. This new competition will be

personally overseen, he said, by the Under Secretary of Defense for Acquisition, Technology, and Logistics, Mr. John Young, and Mr. Young will be advised by a completely new Source Selection Advisory Committee.

Secretary Gates announced he will amend the original solicitation and allow both Boeing and Northrop Grumman to submit revised bids. The amended contract will address each of the eight complaints that were upheld by GAO. Wisely, I think, it ignored the extraneous issues that some have raised over the past few months, such as WTO disputes or industrial base matters.

So let me repeat, each of the concerns raised by the GAO would be addressed, but political considerations here in Washington, the Secretary said, will not affect this process.

So as the Secretary said in his press conference yesterday:

Industry, the Congress and the American people all must have confidence in the integrity of this acquisitions process. I believe the revised process will result in the best tanker for the Air Force at the best price for the American taxpayer.

I think that is what Congress asked of him, and that is what he has committed to do.

The GAO affirmed the Secretary's decision yesterday in testimony before the House Armed Services Committee. Daniel Gordon, the Deputy General Counsel for the GAO—I think he headed the team or supervised the team at GAO—said that, based on the Department of Defense press conference earlier this week, “it certainly sounded to me like Secretary Gates was acting in good faith to implement the recommendations” made by the GAO. This expedited process, it is hoped, can lead to a new source selection soon.

There are some additional points I wish to make to respond to those who say the GAO's decision suggests a preference for one aircraft—for the Boeing aircraft. In other words, some have contended that their decision indicated that GAO was suggesting that a wrong decision was made. Others have suggested that this report should, therefore, invite the Congress to somehow take over this competition, which I submit would be unprecedented and unwise since we are not aircraft engineers, we are not pilots, we are not responsible for managing these aircraft, nor are we capable of making the final decision about which aircraft is the best.

So I would make these points: No. 1, the GAO did not say Boeing should have won the competition at all, nor did it say the award should now be sole-sourced to Boeing or any other contractor. GAO said clearly when they released their decision:

Our decision should not be read to reflect a view as to the merits of the firm's respective aircraft. Judgments about which offeror will most successfully meet the governmental needs largely is reserved for the procuring agencies, subject only to such statutory and regulatory requirements as full and

open competition and fairness to potential offerors.

This point was reinforced yesterday in testimony before the House Armed Services Committee by Mr. Daniel Gordon, who is the deputy general counsel for the GAO:

We found serious errors in the procurement process that could have affected the outcome of, again, what was a close competition. But our legal decision does not say anything about the merits of the Boeing's or Northrop's proposed tankers.

Point 2: When it comes to capability, the Northrop Grumman plane is still the superior choice for our warfighters, I would submit, based on the analysis, and I would make these points—ultimately, that would have to be decided by the professionals, not this Senator.

I would just make these points as a push-back to some of the comments my colleagues have raised. First, I would note that the A330, the Northrop aircraft frame, is a more modern airframe than the Boeing 767. The first 767 flew in 1982. The A330 was first built in 1998, some 16 years later. It is a much more modern airframe.

No. 2: I would note that no one disputes that the A330 can carry and offload more fuel, the primary job of a refueling tanker. The Air Force judged that one Northrop plane could do more refueling more efficiently than one Boeing plane, and the GAO upheld that finding.

The GAO did criticize the Air Force for giving Northrop “extra credit” for their superior refueling capability. However, they noted that this extra credit was not in keeping with—in a legal sense—the language of the original request for proposal. They did not say the Air Force shouldn't place a premium on refueling capability. Mr. Gordon of GAO said yesterday:

There was an objective. Northrop exceeded it by quite a bit and Northrop got all the extra credit. We have no opinion, we have no view on whether it was a good idea.

Well, I would suggest that giving a refueling tanker credit for its refueling capability would seem like a good idea to me, if the Air Force wants the best aircraft for their men and women in uniform.

Further, I would note that in addition to carrying more fuel, the GAO also agreed with the Air Force and their finding that the larger boom envelope of the Northrop KC-45 would make it easier and safer for pilots to refuel.

In addition, because the A330 is a more capable refueler than the 767, the Air Force predicts they will ultimately have to buy 22 fewer aircraft if they go with the Northrop team. At today's prices, the sticker price of 22 aircraft is \$4.3 billion. That is without factoring in manning those aircraft and maintaining them over the years.

The GAO acknowledged in their report and in their testimony yesterday that the A330 can carry more cargo, more personnel, and conduct more aeromedical evaluations. They said:

We see no basis to conclude that the Air Force's evaluation that Northrop Grumman's aircraft was more advantageous in the airlift area is unreasonable.

The GAO further found no fault with the Air Force's conclusion that the Boeing proposal was more risky in certain areas and that their past performance on—by the Boeing team—on similar contracts was “marginal.”

So what did the GAO ultimately say about the Air Force's decision? They certainly said the decision was flawed from a procedural perspective, but they also said the Air Force picked a plane that could carry and offload more fuel more efficiently and in a more desirable way for pilots.

The main fuselage compartment of the aircraft is not where the fuel is stored. It is in the wings. So these aircraft have a tremendous capability of helping airlift personnel and equipment to a distant battlefield. They found that the plane's secondary mission—airlift—could be accomplished more effectively by the Northrop aircraft.

Finally, the GAO agreed that the Northrop plane was lower risk and that Boeing had marginal past performance.

Point 3: We need to maintain a fair and competitive process. The fact that we chose to compete this contract—that Congress ordered a competition for this aircraft—directed it rather than sole-sourcing it to Boeing or any other company, as some would have preferred, has been hugely beneficial to our military and to our taxpayer. Boeing's preferred sole-source leasing plan or scheme that got through this Congress, or this Senate, would have had us leasing 100 767s for \$23.5 billion. So we would lease them for \$23.5 billion, or \$235 million a copy.

Now, thanks to this very competitive and aggressively conducted bid competition, thanks to fair and transparent procedures, the military is going to own 179 superior aircraft for \$35 billion, or \$195 million a copy. That is a win for the taxpayers and a win for the military.

As Secretary Young said yesterday in his testimony before the House Armed Services Committee:

I see no benefit, in my experience across the acquisition enterprise, setting this aside. Sole sources limit our flexibility in negotiating prices. We achieve the best value through a competitive source selection of a single source who has bid in a competitive environment and offered us hopefully an excellent deal.

So these words should induce caution in those of my colleagues and some of our Senators who have introduced legislation that would, in effect, sole-source this contract to Boeing. The result would be inferior planes for our military and clearly inflated costs for the taxpayers.

As important as the principle that we should have a competitive process for defense contracts is the principle that the military ultimately—and not the

Congress—should be in charge of making meritorious, objective, and fair decisions on who should be the winner of a contract.

As Secretary Young said yesterday in his testimony:

Grounded in the warfighter's requirements and the pursuit of the best value for the taxpayer, the Defense Department is the only organization that can fairly and knowledgeably conduct this competition . . .

Isn't that true?

. . . The Defense Department does not care which tanker wins the competition. The Defense Department's sole objective is to get the required capability for the men and women who serve this Nation at the best price for the taxpayer.

I certainly think that is correct. I certainly think that is correct.

I will conclude by saying, after the collapse and quite a bit of embarrassment and actual criminal prosecutions of the sole-source lease plan that occurred—and we are all aware of how that occurred—Congress required a competition. By definition, a competition assumes that there will be bidders, and there are only two potential bidders in the world for this kind of aircraft. And if you are going to have a competition, it needs to be fair. Both bids should be objectively evaluated on the merits of the product they have offered. If that is so, I think the American taxpayer will be the winner in the end. I will just say to my colleagues, I have advice. I believe the Northrop team presented the best aircraft, but I don't know. I am not an expert. So I would urge my colleagues to resist any political pressures that might be brought to bear or interests that they may have in infecting this process with politics. Let's let them make the best decision. That is what I have said from the beginning, and that is what I have said throughout this process. That is what I believe is the only right position we can take.

I thank the Chair and yield the floor.

JOB TRAINING

Mr. DODD. Mr. President, I am pleased that the Senate is poised to pass this critically important legislation that will help address the foreclosure crisis our Nation is facing and take necessary steps to bolster our flagging economy. We have all seen the far-reaching effects the housing crisis is having on our economy, and in my view it is incumbent upon us to examine any actions we might take to reduce foreclosures and steady our Nation's housing markets.

My home State of Connecticut has pursued an innovative approach to help people facing foreclosure on their homes. In a bill passed recently by the Connecticut General Assembly and signed by the Governor, \$2.5 million was devoted to a job training fund targeted at people facing foreclosure. Guiding this new initiative is the idea that if people have access to job training, they may be able to find higher paying jobs that would allow them to keep their homes and avoid fore-

closure. This program will be run by The Workplace, Inc., Southern Connecticut's workforce development board, and Capital Workforce Partners, North Central Connecticut's workforce board that serves 37 municipalities, both of which have done a tremendous job in Connecticut helping to train people for better jobs over many years. I think that this is an important idea that merits study as the Congress continues to consider how to help hard-working families weather the current economic storms. As the Chair of the Subcommittee on Employment and Workplace Safety and a great champion of job training programs, I would welcome any thoughts on this matter from my distinguished colleague from Washington.

Mrs. MURRAY. I thank the distinguished chairman of the Banking Committee, and thank him for his leadership on this legislation. As the chairman knows, I have been a long-time advocate of our Nation's job training programs as an effective tool to help people get the skills they need to secure family-wage jobs, improve their quality of life, and keep our communities healthy and competitive. In fact, I believe that giving workers the opportunity to grow their skills is one of the critical elements of our Nation's economic security. That's why I fought for the passage of the Workforce Investment Act in 1998 and will continue to push for its reauthorization and increased funding levels for its job training programs. Workforce boards around the country, including those in my home State of Washington, administer great job training programs that help millions of Americans get off unemployment rolls or out of low-paying, dead-end jobs.

I think the program that my colleague described sounds like an initiative that is certainly worth study. Indeed, any ideas that could help even more people avoid the economic turmoil and emotional hardship foreclosures cause for themselves and their families should be considered.

Mr. DODD. I thank my colleague from Washington for her comments and for her leadership on this issue. I also would ask the Senator from Washington if it is her understanding, as it is mine, that workforce boards administer programs that train workers for jobs in cutting-edge industries such as renewable energy and energy efficiency.

Mrs. MURRAY. I thank the Senator from Connecticut for his question. We believe now, as we did when we passed the act into law, that for training to benefit working families and their communities, it must respond to the skills needs of thriving industries that lead to family-wage jobs. An example of this is the green jobs sector. Innovative States, such as my own State of Washington, are leading the expansion of career opportunities in the green economy, making sure that opportunities are readily available for workers

to acquire the skills to qualify for these good jobs. In fact, Washington State set a new goal to increase the number of clean energy jobs to 25,000 in the next 12 years and committed to finance the necessary training. Innovative workforce boards across the country increasingly are providing training for green collar jobs that will be critical in meeting the demands of a low-carbon economy and providing workers with quality jobs. And Congress also is taking action. As a member of the Committee on Appropriations, I supported the recent passage the Labor/Health and Human Services bill; we reported that a greater training investment needs to be made in areas such as renewable electric power, biofuels, energy-efficiency assessment and environmentally sustainable manufacturing and directed the Secretary of Labor to competitively award community based job training grants in these areas. All of these programs will be instrumental in developing the skilled domestic workforce necessary to maintain our Nation's competitive edge.

Mr. DODD. I look forward to working with the distinguished senior Senator from Washington on this idea and hope that we continue to explore fresh ideas to help lift our Nation out of this housing crisis.

Mr. AKAKA. Mr. President, I support the Housing and Economic Recovery Act of 2008. I appreciate the leadership of Chairman DODD and Ranking Member SHELBY in developing a comprehensive bill that will meaningfully address the housing crisis in our country. Working families are losing their homes. Credit access has been drastically reduced. Affordable housing options for our constituents are severely limited.

Hawaii's foreclosure rate increased by more than 88 percent last year, for a total of 1,270 families who had their homes foreclosed. The results for the first part of 2008 are even more troubling, with a foreclosure rate in April representing a 218 percent increase over the same month in 2007. Comparatively, Hawaii has not suffered as much as other States. However, foreclosure statistics do not reflect pending delinquencies for those families struggling to make payments or those with resetting adjustable rate mortgages. Additionally, falling home prices can lead to homeowners having to sell at a significant loss due to an unexpected transfer or a loss of a job, especially under current economic conditions.

This much needed bipartisan legislation will help protect homeowners across the country, prevent foreclosures, increase the supply of affordable housing, and assist our Nation's veterans. This legislation will modernize and improve the Federal Housing Administration, FHA, to provide homeowners with additional access to fixed rate mortgages. Additional resources will be provided by this bill for housing counseling to assist homeowners in finding solutions to their difficult situations. Mortgage disclosures

will also be made more meaningful to consumers by this legislation.

The bill creates a new affordable housing trust fund and a capital magnet fund to increase access to affordable housing. These efforts are so important because we have such a shortage of affordable housing in my home State of Hawaii. According to the National Low Income Housing Coalition's 2007–2008 Out of Reach report, Hawaii ranks as the most expensive housing jurisdiction in the country. We must act to provide additional resources to help build and preserve affordable housing units for working families.

I also appreciate the inclusion of a provision that is derived from my legislation, S. 2768. This corrects an oversight in the Economic Stimulus Act of 2008 and extends the temporary home loan guaranty increase to veterans so that more of them can realize the dream of home ownership.

The VA Home Loan Guaranty was part of the original GI bill in 1944. It provided veterans with a federally guaranteed home loan with no downpayment. This landmark legislation made the dream of home ownership a reality for millions of returning veterans. More than 25 million veterans and service members are now eligible for VA home loan guarantees.

The amount of the home loan guaranty was last adjusted by the Veterans Benefits Improvement Act of 2004. The maximum guaranty amount was increased to 25 percent of the Freddie Mac conforming loan limit determined under Section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a single family residence, as adjusted for the year involved. Using that formula, because the Freddie Mac conforming loan limit for a single family residence in 2008 is \$417,000, VA will guarantee a veteran's loan up to \$104,250. This guaranty exempts homeowners from having to make a downpayment or secure private mortgage insurance.

The newly enacted Economic Stimulus Act of 2008, however, temporarily reset the Fannie Mae, Freddie Mac, and FHA home loan guarantee limits to 125 percent of metropolitan-area median home prices, without reference to the VA home loan program. This had the effect of raising the Fannie Mae and Freddie Mac limits to nearly \$730,000, in the highest cost areas, while leaving the VA limit of \$417,000 in place. This important group of Americans may benefit from an increased home loan guaranty in this time of economic uncertainty.

This legislation would also increase benefits for specially adapted housing for disabled veterans. Increases in housing and home adaptation grants have been infrequent. Unless the amounts of the grants are adjusted, inflation erodes the value and effectiveness of these benefits, making it more difficult for beneficiaries to afford the accommodations they need. This provision would go a long way in making

certain that specially adapted housing benefits meet the current needs of America's veterans.

We must enact this essential legislation to help homeowners remain in their homes, ensure access to credit, create more affordable housing opportunities, and provide much needed improvements to veterans' housing benefits.

Mr. FEINGOLD. Mr. President, I support the Housing and Economic Recovery Act because it contains a number of provisions that will assist communities in Wisconsin and around the country as they continue to respond to the foreclosure crisis. Many housing analysts say that the foreclosure crisis and its drain on our economy could get worse before it gets better. With more than 2 million American families facing foreclosure, Congress must act both to help those Americans going through foreclosure now as well as to help prevent Americans from facing foreclosure in the future. While not perfect, this bill contains both reactive and proactive provisions that should help States, local communities, and American families as they deal with the foreclosure crisis and its effects on our Nation.

Last month, the Joint Center for Housing Studies at Harvard University released its annual report, "The State of the Nation's Housing." This report looks at a variety of housing statistics, including figures related to affordability issues and foreclosures. The report indicates just how grim the housing situation in our country is right now. According to the report, "the number of homes in foreclosure proceedings nearly doubled by almost one million by the end of 2007." While the foreclosure rate in my State of Wisconsin is not as high as in other parts of the country, Wisconsin's foreclosure rate also continues to grow. The Milwaukee Journal Sentinel has compared foreclosure rates in 2008 and 2007 and reported that for the first half of this year, the foreclosure rate in Milwaukee County increased by over 40 percent when contrasted with 2007's foreclosure rate. Additionally, the Capital Times recently reported about the substantial increase in foreclosures throughout Wisconsin over the past few years, noting that "foreclosures have more than doubled from 2005 to 2008." I also continue to hear from housing advocates about the individual families' stories behind these foreclosure statistics and about the rising number of foreclosures in urban, rural, and suburban parts of Wisconsin. With foreclosures continuing to rise, Congress has a duty to act. Although there are provisions in this bill that I have serious concerns about and hope to see changed, on balance, this housing package represents a step in the right direction.

Last month's report from the Joint Center for Housing Studies at Harvard also highlights the problem of affordability of housing and notes that there are over 17 million families whose

housing costs consume more than half their income. I continue to hear about the lack of affordable housing, both for renters and homeowners throughout Wisconsin. Some housing analysts have also said that the lack of affordable housing helped to contribute to the growth in subprime lending and non-traditional mortgage products in recent years as families increasingly struggled to meet rising housing costs. I am pleased that this Senate bill addresses the lack of affordable housing in this country by creating a housing trust fund financed by resources from the Government-sponsored enterprises, Fannie Mae and Freddie Mac. Over the past few years, I have heard from a number of housing advocates throughout the State of Wisconsin about the need to create a national affordable housing trust fund to supplement the affordable housing work that is going on at the local, city, and State level. Hundreds of affordable housing trust funds have been created throughout the country, including in the city of Milwaukee, and help finance the rehabilitation, production, and preservation of affordable housing. These trust funds not only create affordable housing, but they can also create good-paying jobs and help bring stability to our communities.

In the fall of 2006, I introduced the Affordable Housing Expansion and Public Safety Act, which among other things called on Congress to create a national affordable housing trust fund with the goal of supplying affordable housing units and sufficient income targeting to address the housing affordability burdens faced by extremely low-income and very low-income families. I am pleased this legislation we are considering takes the first steps toward the creation of a national housing trust fund and contains deep income targeting to benefit extremely low-income and very low-income families. Research shows that these families often face the most severe housing cost burdens and have a difficult time finding affordable housing whether they live in urban, suburban, or rural communities. I commend Senators REED and DODD for working to ensure this provision was included in the legislation and I hope that the final housing package sent to the President will retain this provision.

I have also heard from advocates in Wisconsin in strong support of the nearly \$4 billion that is included in CDBG funding to States and local communities hard hit by the housing crisis. These funds can be used to buy and redevelop foreclosed upon homes with the intention to sell, rent, or redevelop these homes. This provision was also included in the Senate Foreclosure Prevention Act that this body passed in April of this year and, at that time, I noted that the flexibility of the CDBG program will allow States and local communities to use this funding in a way that best fits the individual needs of their States and communities. I am

pleased that the Housing and Economic Recovery Act retains the requirement that 25 percent of the CDBG funds included in this bill be used to redevelop foreclosed homes for families or individuals whose income is at 50 percent of the area median income or less. This targeting will help ensure that those most in need are not left out of the Federal assistance provided in this legislation. I am disappointed that the President has issued a veto threat over this provision of the legislation given its broad support from housing advocates and State and local governments.

This provision would provide much needed assistance for a number of States, including Wisconsin. According to the Center for American Progress, the CDBG funds in the bill will bring Wisconsin \$57.2 million in direct funds for housing assistance and restore over 1,815 properties. The Senate has designated this funding as emergency funding, and while I would prefer to see this CDBG funding fully offset, this critical funding is needed in our communities now. The Senate will soon be sending this bill back to the House of Representatives, and I urge my colleagues in the other body to offset this CDBG funding rather than strike it out of this package entirely.

I also support the provisions in this bill providing increased funding for mortgage counseling programs as well as provisions that enhance mortgage disclosure requirements. These provisions were also included as part of the Senate Foreclosure Prevention Act that this body passed in April, and I am pleased the provisions were kept in as part of this current package. Reports indicate that the mortgage counseling dollars are a cost-effective use of Federal dollars and increased funding will provide even more families with the necessary assistance to try to reach workable solutions with their lenders in order to remain in their homes. The enhanced mortgage disclosure requirements included in this legislation will help future borrowers who are taking out their first mortgage or refinancing their existing mortgages better understand the terms of their loans and how much they can expect to pay every month. There are a number of reports indicating that some borrowers were misled into troublesome loan products and these enhanced disclosures will help to prevent some of these egregious practices from happening in the future.

This legislation also contains a regulatory overhaul of the Government Sponsored Enterprises, Fannie Mae and Freddie Mac, as well as the Federal Home Loan Bank system. Congress has been working to overhaul the regulatory structure of Fannie Mae and Freddie Mac for years in response to the accounting scandals at the two GSEs in 2003 and 2004. This legislation creates a single regulator for the GSEs that will help to oversee the stability of the GSEs, including setting up management standards for Fannie Mae and

Freddie Mac. More effective oversight of the GSEs is needed and should this legislation be enacted, Congress must closely follow the implementation of these substantial GSE reforms to ensure the reforms are effective.

This comprehensive housing package includes the FHA Modernization Act which has already passed the Senate twice—once as a stand-alone bill in December of last year and earlier this year as part of the Senate Foreclosure Prevention Act. The Federal Housing Administration is an important Federal agency providing expanded access to the housing market for homeowners by offering mortgage insurance to families throughout the country. There is bipartisan support for modernizing the FHA to help the agency better assist homeowners in today's housing market. As with the GSE reforms contained in this bill, I will monitor the implementation of the FHA reforms to ensure that these reforms truly benefit low-income and middle-income homeowners who are the very homeowners the FHA and the GSEs are supposed to serve as part of their affordability missions.

Another piece of this legislation is the Hope for Homeowners Act, which will establish a new Federal Housing Administration program that will allow homeowners facing foreclosure to refinance their mortgages into an FHA-insured mortgage. It is important to note that this voluntary program is not permanent and contains a sunset ending the program in 2011. While this program is certainly not perfect, the Congressional Budget Office has estimated that the program could help 400,000 of the over 2 million homeowners facing foreclosure stay in their homes. This program should be given a chance to work with careful oversight from Congress, the FHA, and HUD to ensure that borrowers and lenders are not taking advantage of the program. The Hope for Homeowners program contains a number of provisions to help ensure that the program is targeted to borrowers facing foreclosure, rather than speculators who gambled on the housing market. For example, the borrower has to certify to the Federal Government that he or she has not defaulted on his or her mortgage intentionally or provided untrue information to obtain a mortgage. The legislation also specifies that the Hope for Homeowners program is only available to mortgages that cover an owner-occupied primary residence, and not speculators who own multiple homes. Lenders will also have to agree to write down the value of the existing mortgages to be no more than 90 percent of the current value of the property. Finally, the borrowers will have to share any future equity and appreciation in their homes with the Federal Government if the borrower decides to sell his or her home or refinance his or her mortgage.

This bill is not perfect. I have some concerns related to certain provisions

in the bill that I hope can be addressed in ongoing negotiations with the House of Representatives.

For example, I am disappointed that this bill does not include Senator DURBIN's legislation which would have removed a provision in bankruptcy law that prevents mortgages on primary residences from being modified during bankruptcy. According to advocates, the Durbin legislation could help approximately 600,000 individuals or families remain in their homes. We tried to pass this legislation as an amendment to the Senate Foreclosure Prevention Act in April, but, unfortunately, the amendment met with stiff resistance in the lending community. Due to the complex nature of the foreclosure problem, we need to enact a wide range of legislative proposals to help families facing foreclosure, and the Durbin legislation is an important part of any legislative response. I voted for Senator DURBIN's stand-alone legislation in the Judiciary Committee, and I hope the Senate can move this proposal forward in the coming weeks and months.

We also need to address predatory lending practices that have taken place around the country and ensure that such abuses are not repeated. Senator DODD has introduced a predatory lending bill that should serve as the foundation for comprehensive predatory lending legislation. Predatory lending practices and abusive subprime lending practices have contributed to one of the most significant challenges to our national economy in years and in order to more effectively address these challenges, Congress should pass predatory lending legislation this year.

As foreclosure rates continue to grow in Wisconsin and around the country, Congress must address the problems associated with increased foreclosures. Subprime lending and rising foreclosure rates are complicated issues to unravel and any response, whether legislative or regulatory, will bring with it a set of consequences, some intended and some unintended. As this legislation moves forward, Congress and the relevant Federal agencies must monitor its effects and consider whether modifications are necessary. This package of reforms and new programs will likely not correct all of the subprime and foreclosure problems our country continues to face. But a number of the provisions in this bill will provide some help for families, local communities, and States as our country continues to respond to these serious housing issues, and I hope the House will pass and the President will sign this bill into law quickly.

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

Mr. DURBIN. Mr. President, later this afternoon the Senate will be voting on two measures. One is the housing bill. We have been working on it for months. The object behind this bill is to find some relief for the thousands of people who will lose their homes today and every day.

About 7,500 Americans will have their homes foreclosed on today, and that has been repeated over and over. We are reaching a housing crisis in this country. It not only affects those who are losing their homes; it affects those of us who live nearby who make our mortgage payments and watch the value of our homes go down because somebody in the neighborhood lost their home, had to put it up for auction, sold it at less than what they wanted to just to get out of the deal. So we need to do something about this housing crisis, not just for the good of those families affected by foreclosure and those living nearby but for the housing industry, which is an important part of our economy.

This housing bill has been around for several weeks. This week alone we had two Republican filibusters slowing down this bill. If there has ever been a time when we shouldn't slow down, when we should move forward with dispatch, it is now. With the state of our economy, with the number of people unemployed, with the costs that a lot of families are facing, this Senate ought to put politics behind, stop these filibusters, move these bills forward, and give our best efforts to try to solve some of the problems facing our country.

The second bill we are going to be voting on is called the PEPFAR bill. This is a bill which relates to a program announced by President Bush.

Now I am on the Democratic side of the aisle. I have sure had my differences with President Bush. However, I can remember his State of the Union Address when he stood up and said: I think the United States should lead the world in fighting the global HIV/AIDS epidemic. I jumped out of my seat to applaud because he was right. I supported the President every year when he came in asking for more money so we could work around the world to deal with the scourge of HIV/AIDS, tuberculosis, and malaria. After the first 5 years, the President came back and said: We need a new program, one that takes into account what we are doing around the world and what we need to do in the future. I think he was right.

We basically had two programs going at once, and we were participating more in one—the PEPFAR Program—which was the President's emergency program to deal with this problem. It was the direct aid of the United States to countries around the world—some 15 different countries—where we provide assistance in dealing with HIV/AIDS, tuberculosis, and malaria. There is a separate endeavor called the Global Fund, and that really engages the whole world and the rest of the world. We participate in that too. We are part of it.

A lot of people may say: Well, with all of the problems in the United States, why are we spending all of this money overseas? It turns out to be a small fraction of our budget but a very

important investment. First, that money spent defines who we are. America is a caring nation. When we read about tragedies around the world, whether it is a hurricane or an earthquake or some other disaster, our people rally to help.

We always have. I am proud of that. I think it says a lot about who we are. There are a lot of people trying to paint an image of America around the world that is very negative, an image most of us here don't even recognize. For a lot of people in the world, all they ever hear is bad news about the United States.

This is part of the good news about the United States. President Bush's initiative to deal with the global AIDS crisis is the right thing to do. It explains who we are and what American values are. It brings the expertise we have in our country to other countries around the world who are, frankly, struggling with a very slow economy or backward economy, and a lot of people are in trouble.

When I first went to Africa a number of years ago, I wasn't looking for a global AIDS epidemic, but I could not avoid it. In every country there I visited, I would see more and more people who were doomed to die because they had been infected—young people, mothers and fathers with children by their side, who knew death was the ultimate result of this disease. There was no place for them to turn. At that point, there weren't any drugs—at least not available to these poor countries. All they were doing was trying to keep people as strong as they could for as long as they could to avoid the fatal onset of these diseases.

Things have changed. They have changed because of the PEPFAR program of President Bush, the global fund program. We are taking therapies now and medications that have kept Americans infected with HIV alive for so many years and sharing them with countries around the world. President Bush comes before us now with this proposal, S. 2731, which wants to reauthorize the global AIDS program. I think it is a good idea. I am a cosponsor. It is a bipartisan bill, led by Senator BIDEN, a Democrat from Delaware, and Senator LUGAR, a Republican from Indiana. It is a bipartisan bill. This bill has been stopped on the floor of the Senate for months. A handful of Senators don't want this bill to move forward for a variety of reasons. If they disagree with this bill, if there is something they wish to change, let them offer an amendment about the bill.

But it turns out, yesterday, when we confronted these Senators and said: What is your problem? What is the amendment you want to offer, they want to offer amendments that have nothing to do with the global AIDS crisis, nothing to do with this bill. That, to me, is unnecessary and unfortunate. We are delaying the passage of this important lifesaving legislation so some Senators can offer amendments that

have nothing to do with the subject matter.

I hope they will reconsider. In fact, the Senate being in session this late on a Friday is unusual. We are usually back home by now. But we are here, having spent the whole day waiting for a vote at about 5:20 because one particular Senator—Senator DEMINT of South Carolina—objected to moving forward with the vote on this bill either this morning or on Monday. So 100 Senators—at least those of us who are still here—wait patiently for this vote and hope to get home to our families this evening or maybe even tomorrow. I hope we pass the bill. We need 60 votes to do it. If all Senators are present, there are 51 Democrats and 49 Republicans. Even with all the Democrats supporting the President, we need nine Republicans to make this a bipartisan bill, and we should.

The Presiding Officer, Senator BROWN of Ohio, has focused a large part of his congressional career in the House and in the Senate on the issue of tuberculosis. He has traveled all around the world and has seen the scourge of the disease and what it has meant to these different nations. We can treat it effectively. If we fail to treat it effectively, it can get complicated and very challenging—this multidrug-resistant tuberculosis, which we read about in the newspapers once in a while and is extremely difficult to treat.

If a person in a developing country is developing tuberculosis, and we can spot it and treat them with very low-cost medicine immediately, we can cure it. If we fail, their condition can worsen and the disease can worsen and more people can be subject to it.

We don't live in a world where public health problems are isolated. The public health problem in Africa today could be the same public health problem in America 2 weeks from now. All it takes is an airplane ride. We have seen that happen before. So when we treat these diseases overseas, we are not only speaking of our values and who we are, we are doing something that is right when it comes to the area of public health.

Critics of the bill have said it goes too far. Let me give you one illustration. They argue, for example, we should not be including in this bill—directed at HIV/AIDS, tuberculosis, and malaria—nutrition programs. They are wrong. I went to an area of Nairobi, Kenya. It is a slum area, where about 600,000 people are living in very abject circumstances. It is called Canberra. If you saw the movie "The Constant Gardener," I believe it was broadcast—or at least filmed in this slum. They have all the problems you can imagine—public diseases and health problems. Of course, HIV/AIDS and tuberculosis are found in this slum area. They took me to a section on the outskirts where there were mothers with small children, families. The kids were playing in this courtyard-like area and the

mothers were sitting on benches. Most of the mothers looked like they were about to die. I said: Why didn't these mothers, who are suffering from HIV/AIDS, get the drugs they need? They said: Well, they did. Unfortunately, these mothers were suffering from malnutrition. They don't have enough food. They give the food to the kids. Because they don't have enough food to eat, the drugs cannot work. Their systems are so compromised because of their weakness and malnutrition that the drugs don't work.

So to say we are going to send drugs to that slum in Nairobi, Kenya, to cure HIV/AIDS but not food to feed the patients is self-defeating. We would not achieve our goal of saving lives and giving those kids the parents they need for the rest of their lives. A nutrition program is an important part of this effort.

I hope this bill will pass this afternoon, or at least move forward, but we need 60 votes for that to happen. We have to come together and put politics aside. I hope those who wish to offer a variety of amendments relating to other things, and not directly to global AIDS and HIV, will save those battles for another day. I want them to save those battles because that mother in Nairobi is fighting a battle right now; she needs our help. President Bush understands that. Senator LUGAR, a Republican leader, understands that, Senator BIDEN understands that, and the Senate should too.

It is, to me, a bit embarrassing that we have waited this long to bring up this bill of such critical importance to so many millions of people around the world. It is our chance this afternoon to do what is right and move it forward. The sacrifice we have made to stick around and not be with our families this evening, as we hoped to be, is worth it if, at the end of the day, we can pass this important motion, move the legislation forward for a vote early next week.

I salute the occupant of the chair for his leadership on the issues of tuberculosis and many other areas of public health. I know you feel this is the right thing to do. A small investment now can make a big difference in lives around the world. I hope our colleagues will share that view this afternoon when we vote on the motion to proceed to this bill, which is President Bush's plan to deal with the global AIDS crisis.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DODD. Mr. President, I wish to take a couple of minutes before the

vote occurs in the next 10 minutes or so to thank, first of all, the majority leader for his tireless efforts to see to it that we stuck with this housing bill. I know it has been a number of days since we began this debate on the housing issue.

Regrettably, because of a handful of people who oppose the bill, which is certainly their right, we have been held up from going to final passage. We could have passed this bill yesterday. We could have passed it last week. We have had overwhelming votes in favor of this housing proposal. Yet, as is the right of any individual Senator or small group of them, they can use every parliamentary vehicle available to them to delay any consideration.

The tragedy is, the difference between passing this bill yesterday and today, another 8,000 to 9,000 families are filing for foreclosure, and every day we delayed over the last 2 or 3 weeks of considering this bill—just remember that every day we could have passed this bill, somewhere between 8,000 and 9,000 families began the process of losing their homes.

While we cite these numbers over and over—53 percent increase, values go down, 1.5 million have lost their homes—somehow they glaze over the reality of what is happening with a family. Imagine, if you will, as I said yesterday, that you had to go home this evening and tell your children, your family: We are going to have to lose our home. We have to pack up. I am not sure where we are going. I am not sure we will find anything. But we are about to lose the home that was our dream, the ability to raise our family here, to accumulate equity to pay for college for our children, maybe pay for health care costs, unexpected costs that arose—everything that families use with the greatest and most important asset that most will ever acquire, and that is their home.

Over the last year and a half, 1.5 million people have fallen into the category of losing their home. The economic effects, of course, have been staggering. They go far beyond, obviously, what happens to individual families, as tragic as that is.

This bill, which Senator SHELBY, I, and 19 other members of the Banking Committee—Democrats and Republicans—put together and brought to the floor on a vote of 19 to 2, deals with the foreclosure crisis by providing some hope for allowing people to stay in their homes at rates they can afford. Lenders will have to take a substantial cut from what they otherwise would be getting. Borrowers will have to pay insurance to the FHA. They have to live in that home. It is not for speculators. It is for a limited amount of time, but it gives them a chance to stay there. We also provide for modernization of FHA, as well as reform of government-sponsored enterprises.

Today, as people watched the economic news of the country, we know that Fannie Mae and Freddie Mac,

these great mortgage lenders that are responsible for more than 50 percent of the mortgages in the country, have had a tough day. The good news is they stabilized at the end of the day, and rightfully so because these institutions, despite what some have said, are on a sound footing. They are adequately capitalized. In fact, they have more capital than Federal law requires and they have access to it. I am glad to report that things seem to be stabilizing when it comes to the government-sponsored enterprises.

We also include an affordable housing program and, of course, community development block grant money.

Senator MAX BAUCUS and Senator CHUCK GRASSLEY deserve great credit for what they included in the tax package—mortgage revenue bonds, first-time tax relief for people who buy foreclosed houses, along with tax provisions that will be a real asset to begin to let us come out of this economic crisis, the worst we have had in years in this country. In fact, the loss of value in our homes now is some of the worst we have seen in decades in our Nation.

So shortly we will have a chance to once again vote on this bill and then send it to the House of Representatives. I had a good conversation with Congressman BARNEY FRANK of Massachusetts a little earlier this afternoon about this bill, and while there is some disagreement about what we are doing in the Senate bill, my hope would be—and I will make this plea to our colleagues in the other Chamber—that they would be willing to accept this Senate bill. I know there are provisions in there they do not necessarily agree with, but I think on the fundamentals there is basic agreement about the value of what we have done here. I am hopeful they will accept that. They may not, and send us back an alternative idea, but I hope before they did that they would sit down with Senator SHELBY and me and try to work out those differences so we could have one more pass at this before sending it to the President for his signature.

Again, I am very grateful to the majority leader, very grateful to Senator SHELBY and his staff for the wonderful work they have done in working with us in order to bring us to the point of finally adopting this legislation. It is not the final stop, but it is a major stop in getting this bill done, hopefully in the next several days, and getting it to the President for his signature. It will not solve every problem. But for those who said this Congress could not come together in a bipartisan fashion to do something responsible about housing, this bill does that.

For those reasons, I urge my colleagues to support the motion in the vote that will occur momentarily, and let us move on with our ability to solve this major economic crisis, the heart of which is the foreclosure crisis.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN. Mr. President, I want to speak briefly for 1 or 2 minutes, because I know we are voting right at 5:21, and I will be done well before that.

First, I thank Senator DODD for his very important and incredibly effective work on housing. That is such a huge issue, and we need to pass that today, and we will in a couple of minutes.

Secondly, I thank Senator DURBIN for his comments on PEPFAR and how important that is for our place in the world and as a humanitarian effort. I have spent time in prisons in Moscow, in Siberian prison camps, and in Haiti in Dr. Farmer and Dr. Kim's clinic, and I have seen how tuberculosis ravages bodies, especially when it is combined with HIV. Most people in Africa who die from HIV actually are dying from the tuberculosis bacteria. I would add it is even more crucial and devastating when this TB evolves into multidrug resistant TB or, even worse, a newer form, a more virulent, more deadly TB called excessive drug resistant TB.

I urge this body to pass the housing bill, and to have particular focus on the PEPFAR legislation, supported by the President. I appreciate the President's input and work on this. It is very important for our country and for our place in the world.

I thank the Chair, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

Mr. SPECTER. Mr. President, I ask unanimous consent that the call of the roll begin now.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to the motion to disagree to the amendments of the House, adding a new title and inserting a new section to the amendment of the Senate to H.R. 3221.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from California (Mrs. BOXER), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Vermont (Mr. LEAHY), the Senator from Missouri (Mrs. MCCASKILL), the Senator from Washington (Mrs. MURRAY), the Senator from Nebraska (Mr. NELSON), the Senator from Illinois (Mr. OBAMA), the Senator from Michigan (Ms. STABENOW), and the Senator from Montana (Mr. TESTER) are necessarily absent.

I further announce that if present and voting, the Senator from Vermont (Mr. LEAHY) would vote "yea."

Mr. KYL. The following Senators are necessarily absent: the Senator from Tennessee (Mr. ALEXANDER), the Senator from Colorado (Mr. ALLARD), the Senator from Missouri (Mr. BOND), the Senator from Kentucky (Mr. BUNNING), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Oklahoma (Mr. COBURN), the Senator from Minnesota (Mr. COLEMAN), the Senator from Tennessee (Mr. CORKER), the Senator from Texas (Mr. CORNYN), the Senator from Idaho (Mr. CRAIG), the Senator from South Carolina (Mr. DEMINT), the Senator from Nevada (Mr. ENSIGN), the Senator from New Hampshire (Mr. GREGG), the Senator from Nebraska (Mr. HAGEL), the Senator from Texas (Mrs. HUTCHISON), the Senator from Oklahoma (Mr. INHOFE), the Senator from Florida (Mr. MARTINEZ), the Senator from Arizona (Mr. MCCAIN), the Senator from Alaska (Ms. MURKOWSKI), the Senator from Alabama (Mr. SHELBY), the Senator from Alaska (Mr. STEVENS), and the Senator from Louisiana (Mr. VITTER).

Further if present and voting, the Senator from Minnesota (Mr. COLEMAN) and the Senator from Tennessee (Mr. ALEXANDER) would have voted "yea."

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING), the Senator from South Carolina (Mr. DEMINT), and the Senator from Texas (Mr. CORNYN) would have voted "nay."

The result was announced—yeas 63, nays 5, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—63

Akaka	Dorgan	Mikulski
Baucus	Durbin	Nelson (FL)
Bayh	Feingold	Pryor
Bennett	Feinstein	Reed
Biden	Graham	Reid
Bingaman	Grassley	Roberts
Brown	Harkin	Rockefeller
Brownback	Hatch	Salazar
Burr	Inouye	Sanders
Byrd	Isakson	Schumer
Cantwell	Johnson	Sessions
Cardin	Kerry	Smith
Carper	Klobuchar	Snowe
Casey	Kohl	Specter
Clinton	Lautenberg	Sununu
Cochran	Levin	Voinovich
Collins	Lieberman	Warner
Conrad	Lincoln	Webb
Dodd	Lugar	Whitehouse
Dole	McConnell	Wicker
Domenici	Menendez	Wyden

NAYS—5

Barrasso	Enzi	Thune
Crapo	Kyl	

NOT VOTING—32

Alexander	DeMint	McCaskill
Allard	Ensign	Murkowski
Bond	Gregg	Murray
Boxer	Hagel	Nelson (NE)
Bunning	Hutchison	Obama
Chambliss	Inhofe	Shelby
Coburn	Kennedy	Stabenow
Coleman	Landrieu	Stevens
Corker	Leahy	Tester
Cornyn	Martinez	Vitter
Craig	McCain	

The motion was agreed to.

TOM LANTOS AND HENRY J. HYDE UNITED STATES GLOBAL LEADERSHIP AGAINST HIV/AIDS, TUBERCULOSIS, AND MALARIA RE-AUTHORIZATION ACT OF 2008—MOTION TO PROCEED—Resumed

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, I and a number of people have spoken on the floor about the African HIV/AIDS bill many times, including a number of speeches earlier today. This legislation demonstrates our commitment to helping African nations fight the terrible scourge of HIV/AIDS that is now taking approximately 8,000 lives every day on the African Continent. President Bush called on this Congress to invest in this initiative in 2003, and we worked hand-in-hand with the White House to pass this into law.

Now is the time to continue our commitment to this worthy cause. An overwhelming majority of Democrats and Republicans along with the President supported this legislation. I believe this bill should have been passed weeks ago by unanimous consent. I recognize that a very small number of Republicans have continued to object, and we worked hard to reach a compromise and move forward.

Senators LUGAR and BIDEN have done a wonderful job. The concerns among some Republicans have been addressed in this bill. Senators BIDEN and LUGAR negotiated a bipartisan substitute amendment that added more than 15 Republican amendments to this base bill which itself was a bipartisan bill.

Last night, we agreed to have votes on numerous Republican amendments that were relevant to the bill. Unfortunately, my friends on the other side continue to object, which is why we are here today—principally one objection.

Today, we are going to propose a unanimous-consent agreement that would allow 10 Republican amendments, including amendments from Senators GREGG, DEMINT, CORNYN, BUNNING—

Mr. CARPER. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. REID. I think the Republican leader and virtually every single Senator would agree that we have negotiated in good faith and reached a fair agreement. Not a single Senator can legitimately claim that they were not given fair consideration, and we allowed 10 Republican amendments in addition to the Republican amendments there are in the bipartisan substitute.

After weeks of delay, I hoped we could move forward with this agreement to finally pass the legislation that all but a handful of Senators strongly support.

Mr. President, I ask unanimous consent that upon disposition of the House