

World War II. When we pull together and work together, things work for everybody so much better.

Senator MCCAIN is taking up where George Bush and DICK CHENEY left off. They think it is every man and woman for himself or herself: privatization of Social Security, messing with employer-based health benefits as they are, without replacing them with anything that makes any sense. The “you are on your own” attitude makes no sense for the American people. The more people know about this, the more upset they are going to be.

Mr. DURBIN. I don’t know if the Senator, when he was a Member of the House, ever served with Phil Gramm, who is from Texas. I did. Then Senator Gramm came over and represented the State of Texas in the Senate. For the longest time, Senator Phil Gramm was the economic adviser to JOHN MCCAIN, not just on a campaign basis but on a personal basis. They shared a lot of thinking together. It was Phil Gramm’s inspiration that moved us to this moment now where we have a lack of oversight, a lack of accountability when it comes to basic investments and credit institutions. The Gramm-McCain view of the world was government should step aside and get out of the way for the magic of capitalism and the magic of the free market. There is no question that the entrepreneurial spirit is a major part of the success of America, but time and again in history we have seen that if there is not a government entity involved in oversight, demanding accountability, many times the forces in the market go to extremes.

What we have seen in the last 2 weeks are the extremes of the Phil Gramm-John McCain approach to regulation. In fact, Senator MCCAIN prided himself by saying he was one of the leading deregulators in the Senate. In the last couple days, as companies have been crashing and taxpayers have been picking up the bills, he now says he favors regulation. I ask the Senator, isn’t this part of the same mindset, privatizing Social Security, privatizing health care, and basically removing the government from market operations that can ultimately damage investors, savers, retirees, and the taxpayers?

Mr. BROWN. There is no question. Earlier we were talking about Phil Gramm, who says we are in the middle of a recession and Americans should quit whining; Phil Gramm, whose income is many times what it was in the Senate, and we are paid very generously in this body. JOHN MCCAIN has followed the policies of the Bush-Cheney administration, but he gets his advice, if he ever strays, from Phil Gramm. Phil Gramm was his mentor on his economic views.

If you remember JOHN MCCAIN said several times in the last couple years, I don’t know much about economics. He may or may not. Apparently, he doesn’t know much. But what he does know comes from this very corporate,

very privatized way of thinking that Phil Gramm has taught him. He has carried that into the campaign as Phil Gramm continues to advise him on economic matters. Just because JOHN MCCAIN is saying some things today that you and I agree with about going after Wall Street and that I want regulation, his whole history is deregulation, fighting for deregulation, doing Wall Street’s bidding, doing the oil industry’s bidding, doing the health insurance companies’ bidding.

Mr. DURBIN. I would ask the Senator from Ohio, is it fair to say when it comes to regulation that Senator MCCAIN was against it before he was for it?

Mr. BROWN. I think he was against it before he was for it. He was for the head of SEC, Chris Cox, and now he is against him. Maybe tomorrow he will want Secretary Paulson fired. I don’t know. He has been for a lot of things before he has been against them, unfortunately. I thank the Senator from Illinois.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington is recognized.

TAX EXTENDERS

Ms. CANTWELL. Mr. President, I come to the floor hoping that the two leaders, Senator REID and Senator McCONNELL, might be close to getting an agreement that allows us to move forward on voting on the tax extenders package, including the critically important energy provisions. While we wait for that, I thought I would take an opportunity to come down and mention some of the key provisions of the bill and also to thank many people who have worked on it.

We are the cusp of breaking this logjam on clean energy tax policy and pushing the United States into more of a leadership position on clean energy technology. Getting to this point took a lot of work and dedication. Senator REID of Nevada, obviously coming from a State that has incredible resources to participate in this, has long been an advocate of renewable energy. He instinctively understands what it is going to take for us to get off of fossil fuels and on to other alternative, more sustainable technologies. He has consistently forged a consensus on critical issues in the Senate. I know Senator REID knows how desperately our Nation needs to get on this path toward energy independence.

I also take the opportunity to thank Senators BAUCUS and GRASSLEY for their commitment and leadership. I don’t think there has been a time during this whole process that these two wise leaders of the Finance Committee have waivered, and we have had many votes to try to get to this point where we are today.

I especially want to thank the Finance Committee staff: Cathy Koch, Pat Bousliman, and Mark Prater, who all worked long hours crafting the

overall package. While I will not talk about the overall package, I will talk about the energy provisions. I thank them for their hard work. It takes a lot of time and energy. I also thank Senator ENSIGN and his staff, particularly Jason Mulvihill, who spent many hours working with my staff, Lauren Bazel and Amit Ronen, and my chief of staff Maura O’Neill. All have worked on this in a bipartisan effort to try to get this legislation across the finish line.

It is a bipartisan effort that got us here today. And I hope we will continue bipartisan efforts on many of these policies moving forward because that is what it is going to take given the structure of the Senate for us to continue to move forward on important legislation.

What are we doing in this Energy bill that is going to hopefully be before us this evening? First and foremost, we are doing several things that are new, new policies that will help our nation realize a clean energy future. First we are unleashing the power of solar energy. In 2005, we took a very important step by incenting solar energy for 2 years. Now we are doing something much more robust. We are giving an 8-year investment tax credit to the solar industry because we believe that it will unleash the potential of this unbelievable energy source for our Nation. We think that over 440,000 new jobs could be created in the solar industry just in the next 8 years. Much of that growth is coming from new concentrating solar plants, a breakthrough in technology that has great promise to provide affordable and predictable base-load power in rapidly growing parts of the Southwest. Without this bill that is going to be before us, electricity rates surely would have risen in these fast growing parts of the country, and our environment would have suffered.

Now if we pass this bill, States such as Nevada, Arizona, and New Mexico not only will be able to produce emission-free solar power at a stable and affordable rate, but the industry will be a new source of manufacturing jobs for this part of our country. The new 8-year investment credit will also, I believe, unleash a similar opportunity for fuel cell technology because we are giving this nascent industry great predictability.

Second, we are jump-starting the transition to plug-in electric vehicles. This is the first time we are giving tax breaks to consumers who purchase plug-in electric cars, trucks, and SUVs. These are cars that are about to appear on the showroom floor, and may achieve 100 miles per gallon. By giving consumers up to a \$7,500 tax rebate per vehicle, we can accelerate the adoption rate and the mass production and, I believe, help this game-changing technology be deployed more quickly.

This provision was part of a bill that Senator HATCH, Senator OBAMA, and myself began working on over a year and a half ago. We recognized that our current electricity infrastructure,

when it is matched with plug-in vehicles, could help us displace 6.5 million barrels of oil a day. That is an amount equivalent to 50 percent of our foreign oil imports.

And instead of paying \$4 a gallon, as many consumers have paid in the last several months, with a plug-in electric vehicle you can fill up with electricity for the equivalent of only \$1 per gallon. Wouldn't that be terrific for our consumers today?

Third, this legislation is a big step forward on giving every American the opportunity to generate their own power. With the advent of distributed generation, now individual homeowners will be able to generate their own electricity, produce their own hot water, and monitor their own energy uses and, consequently, save precious dollars.

This bill contains new incentives for residential solar, small wind turbines, and smart meters—all things that empower the consumer with the ability to control and reduce their own energy costs. For example, consumers can receive a Federal cost share of 30 percent for installing solar photovoltaic or hot water systems on their roofs, and for the first time we are eliminating the cap on residential solar tax credits. Lifting the cap will encourage residential homeowners to put on even bigger renewable solar systems, allowing them to sell clean energy back to the electricity grid used by other families.

We all know about big wind farms. We have seen pictures of them. Some of my colleagues have wind farms in their State. But for the first time, this bill provides a tax credit to homeowners who put small wind turbines onto their property, which can also generate a source of electricity in windy rural farm and ranch areas across our country.

This legislation also incorporates a credit for installing geothermal heat pumps, which is really one of the cleanest and most efficient ways to heat and cool your home. This technology uses the constant heat of the Earth to make or take away the heat in our homes, instead of burning fossil fuels into the sky.

One of the provisions I am very enthusiastic about—and I thank the chairman of the committee, Senator BAUCUS, for including this in the legislation—is smart metering technology. Smart metering, along with these other uses, is going to be so empowering for the consumers because smart meters are an essential component of making our electricity grid more intelligent, making it smarter about how we use electricity, making it less prone to blackouts. By putting smart meters in this tax package, hopefully the adoption rate will also pick up and be spread more quickly. Smart meters will allow for real-time pricing that will let consumers know how much energy they are consuming so that they can adjust their consumption accordingly to lower their electricity bills.

The smart grid example I always like to use is to set your dishwasher to turn on at the lowest megawatt rate. Having that capability across a range of technologies could end up giving consumers significant savings.

This legislation also gives consumers access to over \$10,000 in tax credits to purchase technologies that can lower their energy bills. For example, this bill allows consumers to use up to a \$500 tax credit for installing energy-efficient appliances, windows, and insulation. It also provides consumers incentives for solar PV panels, solar hot water heaters, and residential wind turbines.

There is also a \$300 tax incentive for the purchase of clean-burning wood stoves. In fact, I think that provision alone will give Northeast consumers an opportunity to significantly reduce their home heating bills because more efficient, new wood-burning stoves can help consumers get significant reductions to their winter heating bills by moving toward this new state-of-the-art technology, to say nothing of helping the Northeast get off of home heating oil and on to things such as wood-burning pellets, which are renewable and can be much more economical.

So there are other things in this bill about biofuels, about clean energy credits for nonprofit organizations, and I am sure my colleagues will come and talk about other things. But there is one last point I wish to make about this legislation because I really do think we are making a game-changing decision here as it relates to clean energy and our clean energy future. That is because another breakthrough in this bill is that it is the first time I know of that the Senate is voting to take away tax breaks from the oil and gas companies and reallocate those funds to renewable energy sources. This is the first time, I believe, we are truly beginning to level the playing field, taking away subsidies from those mature and profitable industries that I think have had too many subsidies for too long a time. This bill says we want our energy future to be based on more diverse and renewable energy sources that are better for our environment.

In 2005 energy bill—one of the last times Congress considered new energy tax policy—the authors chose to give two-thirds of the tax breaks to the fossil fuel and nuclear industries. This bill flips that ratio on its head. Two-thirds of the tax incentives in this package go to clean energy generation, helping consumers take more control of their own energy costs.

So we are putting our money where our mouth is. We are saying we want to invest in cleaner, more distributed generation that is domestically produced and environmentally friendly.

So I am proud of this energy package—and hopefully tonight we will get it passed—that unleashes the power of solar, that empowers consumers with incentives to reduce their energy use and to be in the production of cleaner

energy themselves, for which this legislation gives up to \$10,000 in tax breaks, and it certainly helps level the playing field as far as public policy by starting to incentivize clean energy over our historic dependence on fossil fuels.

I hope we can get this legislation passed because not only will it be an economic opportunity for job growth in America and for manufacturing, but it will also provide real opportunities for Americans to save real dollars on their energy bills. I hope my colleagues will join me in passing this package. I hope we can get it through the House quickly and get it signed by the President so we can get about having the energy relief America deserves.

Mr. President, I also want to highlight the additional tax relief to American families and businesses that we will provide when we finally act on the other tax extenders.

The 2-year extension of the State sales tax deduction is critical to the struggling families in my State who just can not afford to face the potential tax increase they would face if we fail to extend the deduction for State sales taxes.

I am pleased we give taxpayers certainty for 2008 and for 2009.

And I am pleased this deduction means real money for real families.

In 2006, more than 880,000 Washingtonians claimed this deduction. And 49 percent of those folks made less than \$75,000.

This deduction meant an average of \$600 more in the pockets of Washington State taxpayers.

This is an issue of fundamental fairness and I will continue to work to make this deduction permanent. No one should be left in the dark wondering if the deduction will be extended from year to year. They just can't afford the uncertainty.

I am also pleased to see us restore the R&D tax credit for 2008 and extend it through 2009.

This tax credit has a strong history of supporting much needed high-wage jobs in the United States.

The Information Technology Association of America estimated that if the tax credit was in place during 2008, there would have been \$8.5 billion more in economic activity this year.

That is investment that Americans could have greatly benefited from. And it is economic activity we can still benefit from if we act now.

Clearly, given that our economic news only gets worse each day, we can't afford to turn away the \$51 million per day in new investments that are at risk if this credit is not extended.

And this bill fulfills the promise we made to support our rural neighbors by reauthorizing our Secure Rural Schools Program and fully funding the Payments in Lieu of Taxes Program.

This will mean an influx of around \$47 million a year for 4 years for some of our rural counties that have a very small tax base because Federal lands take up so much of the county.

Facing the expiration of these payments this year, rural counties have been forced to begin laying off teachers, librarians, and county employees that provide critical services.

And these communities cannot absorb the loss of these workers. Nor should they have to deal with further erosion of the sense of community that many of their towns were founded on.

But today we are reversing this trend and helping counties retain county employees and teachers, keep roads safe and maintained, stemming cuts in vital government services, while also providing funding for resource conservation projects, forest service land rescue services, and programs to support economic development.

This bill not only provides new opportunities for American businesses to take advantage of the growing green energy economy, but it provides real opportunities for Americans to save real dollars.

So today I ask my colleagues to join me in voting for a strong, bipartisan tax package that helps move this country forward toward greater energy independence and provides needed tax relief to our families and businesses.

I would also like to take a moment to recognize the mental illness parity provisions in this bill. What they mean is that when Americans need mental health treatment that they will not be faced with higher costs for that treatment than they currently have for medical surgical treatments. This bill would require private insurance plans that offer mental health benefits as part of the coverage to offer such benefits on par with the medical surgical benefits. Any cost-sharing or benefit limits imposed on mental health services must not be any more restrictive than those imposed on medical surgical services.

Your support on all of these provisions cannot wait any longer. We have run out of time, and the time to act is now.

I thank the Presiding Officer and yield the floor.

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

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

ORDER OF BUSINESS

Mr. REID. Mr. President, for the information of Senators, we are trying to work things out here. It has been very difficult. At this stage, it appears that the vote on cloture on the Coburn package will be vitiated. We will not have that vote tonight or in the morning.

We are now waiting to see if we can work out an agreement on the extenders. This has been something that the

chairman of the committee has worked on all day, and it has been very difficult. We thought we had it worked out on a couple different occasions, and we did not. We now are told that one Senator who had a problem with it is reading the new language. We hope that can be done fairly quickly. That being the case, we will be back and report to the Senate again, hopefully in the next half hour or so.

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

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

TAX EXTENDERS AND DISASTER RELIEF

Mr. CORNYN. Mr. President, earlier the majority leader came to the floor and propounded a unanimous consent request on the tax extenders package, and I told him that while I supported the legislation, there are a lot of good things in the bill, I still had some concerns about the disparate treatment of the State of Texas, especially related to Hurricane Ike.

I am pleased to report that as a result of discussions with the Finance Committee—Senator GRASSLEY, Senator BAUCUS, and their staff—I believe we have achieved our goal of getting fair treatment for the State and the victims of Hurricane Ike. I wanted to come to the floor and express my gratitude to Senator BAUCUS and Senator GRASSLEY. We are reviewing the final language, but subject to that, I think, as far as I am concerned, there is no objection to proceeding to the bill.

As I toured the hurricane-damaged area last weekend—

Mr. BAUCUS. Mr. President, if the Senator would briefly pause, I wish to thank the Senator from Texas. The Senator has been great to work with as we worked out some provisions to help that State, especially the Galveston area, and the coastal States in getting additional disaster assistance. I thank the Senator as well as his colleague from Texas. We will come back to do more at a later date, but we are doing what we can on this bill, and I say thanks to my colleague for working so well with us.

Mr. CORNYN. Mr. President, I appreciate the generous comments of the distinguished chairman of the Finance Committee. I especially enjoyed the part where he said we may come back later for more once we have been able to do further assessments. That is an important part of the rationale for agreement on this bill. We understand we can't do everything that needs to be done in this bill because the hurricane only hit this last weekend. There are a lot of people who have yet to be able to get back to their homes, a lot of folks

without power, a lot of damage that is ongoing that cannot be fully calculated.

I had the chance, when traveling around the damaged area, to witness the destructive capacity of this huge hurricane and hear from a lot of my constituents, a lot of displaced Texans who were trying to find the necessities of life, including food, water, and shelter. Of course, they were very anxious to know about their homes, whether they would be able to return home, when they would be able to return home, and what they would find when they got there.

I appreciate that the chairman of the Finance Committee has included in the extenders package things such as bonus depreciation and expensing. These may seem like arcane subjects, but they actually mean a lot. They will mean a lot to the people of my State when it comes to rebuilding and getting back on their feet and getting back to work.

I understand the unique circumstances we find ourselves in and the need to get the extenders package passed, which, as I said earlier, I support. I offer my congratulations to Senator CANTWELL, who is on the floor, and Senator ENSIGN for their leadership. They have been working hard and long at trying to get this done, and I know we are almost over the goal line.

Included in the package is an extension of the State and local sales tax deduction. This is something that is important to my State and to the other States that do not have an income tax. Because, of course, you can deduct your Federal income tax from your—or your State income tax from your Federal income tax, but if you don't have a State income tax, as Texas does not and, I might add, never will, this provides a level playing field by allowing the deduction of State and local tax.

This also includes an extension of the very important research and development tax credit which helps many companies in Texas and around the country be competitive in the globalized economy.

This measure also includes the extension of several renewable energy tax credits that have helped grow the Texas renewable energy industry. I know my colleagues get a little tired of Texans always bragging about Texas, but I am not going to stop now. We are No. 1 in the production of electricity from wind energy. Many people think of Texas as an oil and gas State, and we are that, but we are much more. We are an energy State. Credits for wind, solar, geothermal, biomass, hydro-power, clean renewable energy bonds, fuel cell, and credits for residential energy efficiency home improvements are helping to diversify our Nation's energy portfolio and are a significant contribution toward answering the energy crisis we find ourselves in today.

This measure also supports the clean use of coal. Coal, of course, is cheap. It is domestic. We have a lot of it. We are sometimes called the Saudi Arabia of