Keith, a Maryland small business owner. He writes:

Currently, I have what is considered a ''Cadillac'' health plan. It is an old CareFirst Blue Cross Blue Shield plan that does not cover vision or dental [and has] a moderate deductible. It only covers general health and drugs. My wife is disabled and is unable to work. She is under age 50 and has Medicare as a primary insurance and is on my family plan as secondary where she gets drug coverage.

This person is a small business owner involved in a plan.

I have one child with some health issues on the plan as well. Based [on] my situation, my health insurance options are limited.

I am a small business owner and have had significant increases in my insurance costs over the last 20 years. Currently, I pay $29,000 for family coverage thru (sic) my company and last year I had $9,900 in out of pocket expenses, which is ''normal'' for my family. My income is above $100,000, but well below the $250,000.

At one time I considered myself part of the middle class, but with my ever increasing health care costs, I now have second thoughts. . . .

It is unbelievable to me that a family like mine could be in this situation. I know there are others far worse than mine and can empathize with their plight. . . .

How can I be spending about $40,000 a year [on health care] with no end in sight?

Well, help is on the way. The bills that have been reported out of our committees that the majority leader is now merging to bring to the Senate floor will help my constituent Keith, who finds that he cannot afford health care today even though he has certainly a reasonable income.

This legislation will also help our seniors. I mention that because there is a lot of concern about how we can strengthen the Medicare system, which is so important to our seniors. Well, the problem with Medicare today is that health care costs are going up. Medicare is a pretty efficient program. We know its administrative costs are far less than private insurance. But we cannot bring down the government cost of Medicare unless we bring down health care costs in America. That is exactly what the health care reform proposals will do.

It will also, by the way, use those savings to help our seniors by improving their prescription drug benefit so we can certainly make improvements to mitigate the doughnut hole on prescription drug coverage. It strengthens dramatically the preventative health care services that are offered our seniors under the Medicare system.

Well, the uninsured are also helped under this bill and those who are in danger of losing their health insurance by the State exchanges, where there will be more competition, more availability. The bill deals with affordability, providing subsidies for those who otherwise could not afford the health insurance.

One of the prime ways that is done is through the public option, so let me talk a moment about it. There has been a lot of discussion about it. I saw that it is going to be included in the bill in the House of Representatives. The majority leader is looking to include that in the bill that is going to be brought forward on the floor of this Senate.

A public option is nothing strange to Americans. It is not that the government takes over health care; it does not. Health care is provided by private doctors, private hospitals. The most successful public option program in America in health care is Medicare, and I do not see anyone coming and saying we should do Medicare in a different way. Medicare has worked well, with the government providing the way we collect the premiums and collect the dollars necessary to pay the doctors and hospitals that are private, and where the Medicare beneficiaries can choose their own doctor or hospital. That is the way it should be.

The reason it is important to include a public insurance option in the bill that is being brought forward is to make sure we have an affordable option for those who cannot find insurance, so we have an affordable product in every part of America. If you live in rural America, it is tough to find an insurance company that is interested in insuring you if you are in the individual market. That is just a fact of life.

So the public option provides an affordable option and provides more competition. In my own State of Maryland, two insurance companies represent 71 percent of the private insurance market. We do not have effective competition in our State of Maryland. The public option offers more competition. If we have more competition, it is going to be less costly. That is the reason we want to make sure it is included in the bill that is brought forward and the bill we hope will be reconciled with the House and sent to the President of the United States.

Mr. President, as I said when I took the floor, we have a unique opportunity. We have a unique opportunity in taking up health care reform and health insurance reform to help the people of our Nation. We have to make sure we get it right. I agree with my colleagues, we need to take the time to make sure we get this bill right, but we need to act. We need to act in order to protect middle-income families so they have affordable health care coverage in America.

We need to act to help small businesses so they have more choices, more competition, so they can afford to provide health insurance for their employees. We need to act for our seniors and those who are disabled in the Medicare system to make sure we strengthen Medicare for future generations and can expand the benefits that are covered under Medicare.

We need to act for the sake of our economy. We need to act for the sake of our Nation. I encourage my colleagues to get engaged in this debate so that, at the end of the day, we pass a bill that is going to be in the best interest of the people of this Nation.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. 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. BAUCUS. Mr. President, I ask unanimous consent that I be allowed to speak for up to 20 minutes in morning business.

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

UNEMPLOYMENT INSURANCE

Mr. BAUCUS. Mr. President, these days, the economy is foremost on the minds of Americans, and well it should be. Two out of five Americans say the economy should be our top priority. That is more than twice as many as cite any other issue—two times that the economy is much more important.

The unemployment insurance bill before us today helps to address the economy in several ways. In several ways, our legislation would help Americans to get and keep good jobs. First, our bill would extend much needed unemployment benefits. This unemployment insurance relief would get money into the hands of people who need it—need it desperately. I might say, there are about 15 million Americans out of work chasing about 3 million jobs. There are many more people unemployed looking for work.

When we help unemployed Americans, let's also remember we help our communities, not just the individuals who receive unemployment benefits—and they have earned those benefits—but also the communities are helped by payment of those benefits. When we help our unemployed neighbors, we also help to keep open the neighborhood grocery store and the neighborhood gas station. When we help our unemployed neighbors, we also help to keep houses out of foreclosure. When we help our unemployed neighbors, we also help our economy; we help ourselves.

According to officials in my home State of Montana, if we do not pass this 14-week extension, then at least 7,000 Montanans will lose their unemployment benefits. That is a significant number when we consider the population of my State, which is just a little bit over 900,000 total.

A report prepared in June for the Montana Manufacturing Center showed that nationwide manufacturing employment fell from 13.8 million workers at the end of 2007 to 12.4 million workers at the beginning of 2009. That is a 10.5-percent drop in little more than a year—a 10.5-percent drop in workers in just more than a year. The decline nationwide was echoed in Montana, where manufacturing employment fell 8 percent.

In south central Montana, logging and milling have slowed down in the Bozeman area, just as they have elsewhere in the State. That means workers in the logging and milling industries have been losing their jobs.

It is absolutely essential we get this aid to those in need so they can continue to put food on the table while they continue to look for work.

A second integral part of this legislative package is the extension of the home buyers tax credit. This tax credit has already helped nearly 1.5 million Americans to achieve the dream of owning a home. Without this tax credit, many of these first-time home buyers would have remained on the sidelines. They would have been unable to buy a home in these challenging economic times.

The home buyers tax credit provides up to $8,000 for millions of Americans to purchase their first home. The credit has helped to reduce the excess supply of homes on the market and, in doing so, the credit has helped to stabilize the housing market.

In many places throughout the country, homes are selling and inventories are dropping. The Pending Home Sales Index, a leading indicator of existing home sales, rose again in September for the eighth straight month. Total housing inventory fell 10.8 percent at the end of August.

Home prices also appear to be slowly recovering. The Case-Shiller Home Price Index increased 1.4 percent in June after falling for 35 consecutive months. These encouraging numbers tell us that the home buyer tax credit is working. Yet the housing market remains fragile. High unemployment has increased foreclosure rates, inventories remain well above normal levels, and homes are worth substantially less than they were a year ago.

In May, back home in Montana, I helped with a charity raffle of a new home in Billings. During the event, the homebuilders for this home told me how well the home buyer tax credit is working. They said it definitely helped to boost their sales. The builder made it very clear how much the tax credit has helped in Montana.

Realtors and home builders across Montana have provided examples of the tax credit working to get buyers off the fence and into new homes. The Billings Gazette recently reported on one development where 30 homes were sold this year. Home buyers of 17 of those homes used the first-time home buyer tax credit when they bought their home. In Bozeman, MT, housing starts and home purchases have dropped off, but it is clear that the home buyer tax credit has helped to cushion that.

The success of the American economy is closely tied to the success of the housing market. By helping to stabilize the housing market, the home buyer tax credit has helped to shore up the economy as it begins to recover. It is important that we temporarily extend the home buyer tax credit to further support our recovery. That is why we have proposed extending the tax credit to April 30 of next year. Because the housing market remains fragile, we propose expanding the credit to include a greater number of potential home buyers.

As before, the $8,000 tax credit would be available to those buying a principal residence for the first time, but it will also be available to home buyers who have lived in their current residence for 5 years or more. These home buyers hoping to move up would be eligible for a $6,500 tax credit. This strikes a fair middle ground. We would help first-time home buyers and we would also help homeowners looking to move up to a new home, but we would exclude from the credit speculators who may have recently purchased a home intending to flip it for a fast profit.

Our amendment would also increase income limits. This would enable an even greater number of potential home buyers to take the credit. Those earning less than $225,000 for joint filers and $125,000 for single filers would be eligible. Increasing this threshold would further stimulate the housing market by bringing a new group of buyers into the market. These days, millions of renters earn more than $75,000 a year.

Our new home buyers tax credit would also include a ''binding contract'' provision that would allow anyone who has entered into a binding contract to be eligible for the credit, so long as they close on the home within 60 days. Also, the extended tax credit would continue to allow military personnel to claim their credit for an additional year.

Many more Americans stand to gain from the extension of the home buyers tax credit, and with our amendment they would get help buying a new home during these tough economic times.

Homes that are worth more than $800,000 would not be eligible for the home buyers tax credit. We need to target the credit toward those potential home buyers who need it most, not those buyers who would have bought a new home even without the new credit.

To address concerns such as those raised by the Treasury Inspector General for Tax Administration, we have given the IRS additional tools to prevent erroneous credits from being paid.

It is important that this tax credit does not become a permanent fixture in the Tax Code. That is very important. It certainly is to me. Our amendment would end the credit on April 30 of next year. This extension would get us through the winter, traditionally the worst season for real estate. Our amendment would jump-start the housing market as it enters the summer months in 2010. With the new ''binding contract'' provision, we would effectively extend this tax credit for 7 months, long enough to encourage home buyers to buy homes but short enough to remain fiscally responsible. It is a fair approach and it would play an important role in getting the housing market back on its feet.

In addition to unemployment insurance and the home buyer credit, our amendment would also add needed net operating loss relief for businesses. Under current law, corporations may carry back net operating losses 2 years. In the stimulus bill earlier this year, we were able to increase that carryback period to 5 years, but only for small businesses. The carryback provision for small businesses has been a great help to struggling small companies. They were able to carry back their losses to profitable years, and then they could file quick refund claims. This gave them much needed cash to meet payroll, invest in new equipment or inventory, or pay for other current expense obligations.

But many businesses did not qualify for the carryback stimulus provision that helped small businesses. Many larger companies are also hurting during this economic downturn. Senator SNOWE and I recognized this during our discussions on the stimulus bill. We introduced a bill to expand the needed relief to all businesses, and now we are including that relief here.

The great recession, which I heard to date is officially over because now the GDP is growing for the first time in I don't know how many months—but the great recession has hurt Montana businesses from farming to retail to manufacturing. A recent series in the Billings Gazette highlights a number of historically profitable Montana industries that are facing serious losses as a result of hard economic times. The lumber industry provides an acute example.

Pyramid Mountain Lumber is the oldest surviving family-owned and family-operated mill in Montana. Loren Rose, the controller of Pyramid Mountain, reports that their mill has faced increased costs on logs and fuel and orders have dropped because of the slowdown in home building. The owners have invested everything they have in the mill. They are terrific operators. I spent a good bit of time at that mill and I am very proud of it. They have done a super job. Loren said the lumber mills are ''all in'' as far as ownership investment. They have nothing left to invest. Other mill owners have had to shut down. Loren said that an NOL provision such as that in our bill would ''absolutely'' help in ''providing working capital to the small, independent mills.'' That is his quote. Our NOL provision would directly help this industry and others in Montana that are struggling to survive in these tough economic times. Let's expand the help we provided to small businesses to all businesses; that is, all businesses that need the cash infusion now.

The questions always arise: How do we pay for these provisions? Our amendment pays for them responsibly. In 2004, Congress created a new way for American-based corporations to allocate interest for purposes of computing their taxes. The implementation of that allocation method was to be effective in tax years beginning after 2010.

Our amendment delays the effective date of that provision until tax years beginning after 2017.

Our amendment also increases penalties for taxpayers who fail to timely file partnership and S-corporation returns. These two provisions would allow Congress to provide additional incentives for home buyers and implement expanded NOL carryback relief for businesses. Both of these goals are big steps toward boosting our economy.

Our amendment, I believe, is the right approach. I urge my colleagues to support it. Let us respond to the concern that is foremost on Americans' minds, and that is jobs, that is the economy. Let us pass this legislation to help unemployed Americans and provide tax relief, and let us pass this legislation that will help Americans to get and keep good jobs.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CAP-AND-TRADE

Mrs. HUTCHISON. Mr. President, I rise today to raise serious concerns with the cap-and-trade legislation which is currently in hearings in the Senate Committee on Environment and Public Works.

The committee is holding its third hearing today on the bill that would presumably be coming to the floor of the Senate. One of the panels today is going to focus on the impact on transportation of the cap-and-trade bill. I think Members deserve to know the real costs and effects this bill will have on transportation. That is what I will talk about today.

Last week, Senator BOND and I unveiled a report that analyzed the fuel cost implications from the House bill that is making its way through the House. Our report forecasted a $3.6 trillion gas tax on the American economy for the life of the program, which is 2015 through 2050.

At this time of economic uncertainty, with 15 million people out of work, just about every American is cutting back on spending. Do we really want to put a tax on energy and increase energy costs for families and small businesses at a time like this? I think the answer is obvious. The worst thing we could do to our struggling economy is to overburden it with new taxes and more regulations. But that is exactly what the cap-and-trade bill is doing, and that is exactly what is going through Congress right now.

This past weekend, we began to see what was in the Senate bill that is being proposed. It is even more stringent than the House bill. The legislation on the Senate side would impose a huge tax on business and levy a massive economic burden on all Americans.

For most Americans, gasoline is a mandatory expense, and raising the cost of it, of course, is going to strain working families, small businesses, farmers, ranchers, and our whole economy. Last year, when consumers experienced $4 gasoline and $5 diesel, it caused enormous hardships for Americans. Fortunately, those fuel prices were temporary. But under cap and trade, those high prices will be permanent—at least until 2050.

High fuel prices don't just impact our transportation expenses; we are actually hit twice because the gas tax raises the price of every good and service—groceries, clothes—that consumers must purchase in order to live.

Energy costs are, among our businesses, top operational expenses. Companies face a variety of energy expenses, ranging from heating and cooling their plants and facilities to powering equipment and lighting. In order for businesses to withstand this heavier tax burden and to remain viable, they will be forced to pass fuel costs on to consumers through higher prices.

Several industries will be more severely penalized by the gas tax than others.

Let's take trucking. The American trucking industry is a major target of the cap-and-trade gas tax. In 2007, 1.7 million drivers of tractor trailers logged 145 billion vehicle miles, consuming 28.5 billion gallons of fuel. That equates to an annual fuel cost per vehicle of $34,560. That number will skyrocket under this cap-and-trade proposal that is going through Congress. When you consider that the average self-employed truckdriver earns only $43,000 per year in net revenue, the gas tax represents an enormous new tax on working middle-class truckers.

Of course, truckers will not suffer those higher gas taxes alone. Their additional costs will be shared by every consumer in the increased price of everything they transport. At some point, nearly everything bought or sold must be shipped to a retailer. So the sweeping effect of the gas tax on every consumer, every person, every business—certainly the trucking industry but every other business—will harm our entire economy.

The pain doesn't stop with trucking. Our Nation's farmers and ranchers, who are tasked with producing high-quality goods for much of the world, will be irreparably harmed under the House's $2 trillion tax on gasoline and $1.3 trillion tax on diesel fuel. Gas and diesel fuel-powered equipment, ranging from tractors to combines to fertilizing systems, are the operational foundation of America's farms and ranches. Every extra penny they pay will be seen in the cost of goods and certainly the cost of food. Under the climate change legislation, they will face $550 million in higher fuel costs in 2020.

Despite all of this pain we are going to see on our truckers, on our family farmers, and on every business, what good will it do? If there is a good side, let's look at it. It is supposed to be to help our environment. But even the U.S. Environmental Protection Agency Administrator admits that unless China and India impose similar Draconian taxes and regulations, there will be no effect on world temperatures. So what is the purpose of this increase in taxes and increase in costs every American will bear? Well, there is no improvement because it is certainly common sense to know that if we do this unilaterally in the United States and put this tax on our refineries, on our exploration companies that are trying to produce more energy for our economy at a cheaper price and environmentally safely, and if others around the world don't do it—put more caps on and more regulations—and they are spewing into the world much heavier carbon emissions than the United States does now—if they don't change and we do, it will still come to our country. So there will not be any effect on the global environment.

Under the bills going through today, trillion-dollar figures have been discussed so nonchalantly in Washington that it seems as if they are losing their shock value. Americans must know that $3.6 trillion in gas taxes is a real number, and it is going to have a real effect on every American.

We can improve the environment and we can improve the economy.

One of the things that is not being discussed, as we are talking about putting more taxes on the industries that produce energy, the bread-and-butter energy of our economy, what isn't being discussed is nuclear power. Nuclear power has been shown time and again, where it is in place, that it is inexpensive, efficient, and it is environmentally safe. There is no carbon emission from a nuclear powerplant.

So why does the House bill not even address nuclear? Why are we not talking, in this administration, about nuclear power, which can be clean energy, efficient energy, and which has been proven to also have fewer consequences than once thought because the amount of nuclear waste has now been lowered to a huge extent and can be safely kept? And if we continue our research, we will probably be able to reuse the nuclear waste and put it back into more nuclear power. Why aren't we pursuing nuclear instead of just putting more taxes and regulations on the bread-and-butter energy that is produced in our country?

We need to reject the cap-and-trade bills that are going through Congress right now. We need to focus on environmental policies that will make a difference in our environment, that might make a difference in our global environment. But certainly unilateral regulations and taxes just on America has been absolutely proven not to make a difference in the global economy if no