AMENDMENT NO. 2760

At the request of Mr. DURBIN, the names of the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from Montana (Mr. TESTER) were withdrawn as cosponsors of amendment No. 2760 proposed to H.R. 3082, a bill making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2010, and for other purposes.

AMENDMENT NO. 2774

At the request of Mr. INHOFE, the names of the Senator from Alabama (Mr. SESSIONS), the Senator from Texas (Mr. CORNYN) and the Senator from Georgia (Mr. CHAMBLISS) were added as cosponsors of amendment No. 2774 proposed to H.R. 3082, a bill making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2010, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS (for himself, Mr. GRASSLEY, and Mr. CRAPO):

S. 2771. A bill to amend the Internal Revenue Code of 1986 to limit the penalty for failure to disclose reportable transactions based on resulting tax benefits, and for other purposes; to the Committee on Finance.

Mr. BAUCUS. Today, I am pleased to introduce the Small Business Penalty Relief Act of 2009 with my good friend and Ranking Member of the Finance Committee, CHUCK GRASSLEY.

The bill provides much needed penalty relief to small businesses across America that are being assessed large penalties by the Internal Revenue Service because they unknowingly invested in something called a ''listed tax shelter transaction.''

Many of these businesses thought they were putting their money into sound investments for the benefit of their employees and learned only after they were audited by the IRS that they instead had invested in something the IRS considers to be a tax shelter.

Most small businesses do not have the resources to pay sophisticated tax lawyers and accountants to review all their business decisions. They have to do the best they can on their own. And that is how they ended up in the middle of a nightmare with the IRS.

When a business invests in a listed tax shelter, the law requires that business to attach a form to the tax return telling the IRS about the shelter. If the business doesn't attach the form, it can be subject to a penalty of $200,000 per year. If the business has elected Subchapter S status, an additional $100,000 penalty applies at the individual level. Total penalties can add up to $300,000 each year. Multiply that by several years, and you can easily approach $1 million or more in penalties for a tax shelter you didn't even know you had.

In the case of many small businesses, the annual tax benefit from their investment is quite minor—perhaps as small as $15,000. The $300,000 penalty plainly is out of whack.

Just to be clear, Senator GRASSLEY and I are not soft on tax shelters. We spearheaded legislation in 2004 that gave the IRS better tools to stop individuals and big companies from cleverly manipulating the tax code to avoid paying the taxes they owed. Our efforts were focused on egregious deals that cheated the U.S. Government out of millions and billions of dollars. Our efforts have made a serious dent in the proliferation of abusive tax scams and schemes.

But we didn't intend that the 2004 legislation would end up threatening the existence of small businesses in Montana and across America, and the livelihoods of their employees who risk losing their jobs if the business goes under.

Small businesses are struggling already. They don't need the added and unfair burden of a penalty that can be as much as 20 times larger than the taxes they saved.

This bill changes the way the penalty is calculated. The penalty is based on a percentage of the tax benefit resulting from the investment. It is fairer and won't drive these companies out of business.

Small businesses are the backbone of our Nation. Particularly in these tough economic times, we must make sure the tax laws reflect the important role that small business plays in our Nation's economic health and our citizens' economic security.

By Mr. WHITEHOUSE (for himself, Mr. CORNYN, and Mr. LEAHY):

S. 2772. A bill to establish a criminal justice reinvestment grant program to help States and local jurisdictions reduce spending on corrections, control growth in the prison and jail populations, and increase public safety; to the Committee on the Judiciary.

Mr. WHITEHOUSE. Mr. President, I am proud today to join Senators CORNYN and LEAHY in introducing the Criminal Justice Reinvestment Act of 2009, a bill designed to help States and localities approach spending on corrections in a more rational manner, better manage growth in the prison and jail populations, and increase public safety.

Over 2,200,000 American adults are incarcerated in state and local prisons and jails; the prison population alone nearly tripled between 1987 and 2007, from 585,000 to almost 1,600,000 inmates. States, in turn, have increased spending on corrections by $40 billion in the past 20 years. Despite the continued growth of the inmate population, about half the states plan to cut corrections budgets for fiscal year 2010 amid budget shortfalls.

Most policymakers have limited access to detailed, data-driven explanations about changes in crime, arrests, convictions, and prison and jail population trends. The Criminal Justice Reinvestment Act will provide them with the resources to undergo a thorough analysis of the drivers of growth, and to create and implement policy options to manage that growth.

Specifically, the legislation will create a two-part grant program for governments to analyze criminal justice trends, develop policy options to address growth in the corrections system, and implement and measure the impact of the policy changes. Through Phase 1 grants, government entities will be able to conduct a comprehensive analysis of corrections data, evaluate the cost-effectiveness of state and local spending on corrections, and develop policy options suggested by the analysis. Phase 2 grants will provide funds to help government entities implement those policy options and to measure their effectiveness.

Model programs in several states have already found this kind of data study helpful in managing the costs of a growing inmate population. An analysis of prison data in my home state of Rhode Island, for example, prompted legislation to standardize the calculation of earned time credits, establish risk reduction program credits, and require the use of risk assessments to inform parole release decisions. In Texas, the home State of one of my cosponsors, Senator CORNYN, the solution was much different but equally effective—following its analysis, the State invested $227 million on treatment programs and residential facilities to curb population growth, which averted spending $523 million on new prisons.

The Criminal Justice Reinvestment Act will help state and local governments spend their limited corrections budgets in a more targeted, rational way to both manage inmate population growth and protect public safety. I urge my colleagues to support this legislation.

Mr. LEAHY. Mr. President, I am pleased to join Senators WHITEHOUSE and CORNYN in introducing the Criminal Justice Reinvestment Act of 2009. This important bipartisan legislation would help jurisdictions control the increased costs facing correctional systems across the country, while also improving public safety and reducing recidivism.

In recent years, Federal and State governments have passed many new criminal laws creating more and longer sentences for more and more crimes. As a former prosecutor, I strongly believe in securing tough and appropriate prison sentences for people who break our laws. But while it is important to ensure that serious crimes result in significant sentences, we must also work to make our criminal justice system as effective and efficient as possible. That is why I have long championed legislation like the Second Chance Act, which helps ensure that when people get out of prison, they enter our communities as productive members of society, so we can start to reverse the dangerous cycles of recidivism and violence.

We have an obligation to help states cope with overburdened criminal justice systems and rising recidivism rates. Over the last twenty years, state spending on corrections has risen from $10 billion to $45 billion a year by some reports, and that number is expected to rise. Despite mounting expenditures, recidivism rates remain high, and by some measures have actually worsened. The fastest growing category of admissions to prison is people already under some form of community supervision, such as probation or parole. We must learn how to break this cycle. Fixing this problem will make our communities safer, and we must act quickly because states simply cannot continue to spend these enormous sums on corrections, especially in these very difficult economic times.

The Criminal Justice Reinvestment Act provides states with the needed technical and financial resources to help them take key steps to break the cycle of recidivism. By helping states implement data-driven strategies to more effectively manage their correctional systems and to reinvest the saving in programs to reduce crime, the bill serves the dual purpose of cutting costs and improving public safety. I look forward to working with Senators WHITEHOUSE and CORNYN and others to ensure the passage of this important legislation.

By Ms. COLLINS:

S. 2773. A bill to require the Secretary of Energy to carry out a program to support the research, demonstration, and development of commercial applications for offshore wind energy, and for other purposes; to the Committee on Energy and Natural Resources.

Ms. COLLINS. Mr. President, today I am introducing legislation that requires the Secretary of Energy to carry out a program of research, development, demonstration and commercial application to advance offshore wind turbine technology. This bill will advance the goal of the Department of Energy to produce 20 percent of our Nation's electricity from wind resources by 2030.

Mr. President, 61 percent of U.S. wind resources is in deepwater, greater than 60 meters, 197 feet, depth. Winds at these locations are stronger and more consistent than closer to shore or on land. But, it will take technological advances to harness this energy efficiently and cost-effectively.

This bill will focus national efforts to develop offshore wind technologies. This should be a national priority because it can produce clean, renewable energy for major U.S. population centers. The 28 coastal U.S. States use 78 percent of the electricity in the U.S. For example, Maine's offshore wind resource is close to the 55 million people who live in New England, New York, New Jersey, and Pennsylvania. This is 18 percent of the total U.S. population.

Developing cost-competitive offshore wind technology will require improvements in the efficiency, reliability, and capacity of offshore wind turbines and reductions in the cost of manufacturing, construction, deployment, generation, and maintenance of offshore wind energy systems. That is why my bill directs the Secretary of Energy to support existing university centers and establish new centers to support research, development, demonstration and commercial application. The bill authorizes $50 million annually tbo over 10 years for the design, demonstration, and deployment of advanced wind turbine foundations and support structures, blades, turbine systems, components, and supporting land- and water-based infrastructure for application in shallow water, transitional depth, and deep water offshore. The bill authorizes full-scale testing and establishment of regional demonstrations of offshore wind components and systems to validate technology and performance; assessments of U.S. offshore wind resources, environmental impacts and benefits, siting and permitting issues, exclusion zones, and transmission needs for inclusion in a publically accessible database; design, demonstration, and deployment of integrated sensors, actuators and advanced materials, such as composite materials; advanced blade manufacturing activity, such as automation, materials, and assembly of large-scale components, to stimulate the development of a U.S.-blade manufacturing capacity; methods to assess and mitigate the effects of wind energy systems on marine ecosystems and marine industries; and other research areas as determined by the Secretary.

This bill would support critical renewable energy research that would help reduce our use of fossil fuels and improve our energy security. I urge my colleagues to support the Offshore Wind Energy Research, Development, Demonstration and Commercial Application Act.

By Mr. GRASSLEY:

S. 2774. A bill to amend title XVIII of the Social Security Act to prevent Medicare payments being lost to fraud, waste, or abuse; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, in 2008, Medicare accounted for about $470 billion of the $2 trillion spent on health care in the U.S..

Conservative estimates are that as much as $60 billion of that Medicare spending is lost to fraud, waste, and abuse each year.

News reports today tell us that the Medicare payment error rate for fiscal year 2009 is going to be 12.4 percent. To put it in a different way, last year, Medicare made 47 billion dollars in improper payments. $47 billion of taxpayer money that by all accounts was wasted by Medicare on payments that shouldn't have been made.

As Medicare spending continues to skyrocket, so will the dollars lost to fraud, waste and abuse.

That problem is bad enough. But it is even worse because it turns out that a rule in the law today makes it easier for crooks to cheat the system and steal money from Medicare.

A recent 60 Minutes segment highlighted how the law as written contributes to the problem and drives this growing danger to the American taxpayer and public coffers.

In this segment, we saw a medical supply company that billed Medicare, $2 million this past July—despite being empty and having apparently no staff.

Federal agents described the problem as far bigger than the drug business in Miami now. They were told it has pushed aside cocaine as the biggest criminal enterprise there.

According to those interviewed by 60 Minutes, an entire health care fraud industry exists today that is committed to doing nothing except finding ways to rip off the Medicare program.

Many of these suppliers don't exist. There is no office that exists and nobody who works there. They recruit doctors and patients and use stolen patient lists, and do nothing but figure out how to steal from Medicare.

One man interviewed said he was waking up every day making $20,000–$40,000 every day. It was like winning the lottery he said. He was running a fake medical supply company that didn't actually sell any medical equipment to anyone. He says he stole at least 20 million dollars from Medicare. He said it was, quote ''real easy.''

All he says he needed was someone pretending to run the office and then he just had to check his bank account every day to see how much money he had made. All he did was fill out forms to Medicare and in 15 to 30 days he would have the money in his bank account.

Even more alarming, he says that there are about 2,000 to 3,000 more fake medical suppliers just in Miami billing Medicare fake claims.

They are able to do this because Federal law puts Medicare in a position of having to ''pay and chase'' health care fraudsters. this is because federal law requires that Medicare pay providers promptly regardless of any risk of fraud, waste, or abuse.

The prompt payment requirement in current law requires payment for a ''clean'' claim within 14 to 30 days. And that is not enough time for the limited number of Medicare auditors to determine if the claim is legitimate before the payment has to be made.

The result is that this ''prompt payment rule'' requires that Medicare pay fraudsters first, and ask questions later.

This requirement in current law doesn't make any sense. I am here today to introduce a bill to fix it.

This legislation, the Fighting Medicare Payment Fraud Act of 2009 Act, would provide the government with an important new tool to fight fraud, waste and abuse in Medicare. This bill will stop the cycle of ''paying and chasing.'' This legislation would protect

Federal taxpayer dollars from being wasted on suspicious payments that are required to be made because of the prompt payment rule.

Today, the prompt payment rule applies to all payments regardless of the risk that those payments would be to fly-by-night operators. But this legislation ends the policy of pay first and ask questions later.

This legislation gives the Secretary of Health and Human Services the authority to ask questions first and then and ONLY then to make the payment if the health care provider and the payment for services check out.

This bill accomplishes that by extending the time period in which payments must be made under the prompt payment rule in cases where the Secretary determines there is a likelihood of fraud, waste or abuse.

For categories of providers or suppliers, the payment time period can be extended to up to one year. For individual providers or suppliers, the Secretary would be required to take whatever time is necessary to engage in more in-depth reviews to determine that the claims are supposed to be paid in the first place.

With this additional time, the Secretary would be required to conduct more detailed reviews of suspicious claims to make sure they are supposed to be paid.

This would help ensure that Medicare dollars are in fact going to bona fide providers, instead of fraudsters with empty strip mall medical supply companies.

Finally, this legislation requires the experts in the Office of Inspector General to recommend, on at least an annual basis, categories of providers or suppliers that warrant additional time before payments are made under the prompt payment rule.

To make sure there is action on these recommendations, the Secretary would be required to provide a response to the Inspector General on these recommendations.

With this new authority to fight health care fraud, the Federal Government will be in a better position to protect taxpayer dollars and catch health care crooks.

Crooks are taking advantage of Medicare's prompt payment requirement. They know they can bill Medicare, get their payment, and be gone before they get caught. And Federal law enables it to happen. That has got to end. This legislation takes that step.

By Mr. ALEXANDER (for himself and Mr. WEBB):

S. 2776. A bill to amend the Energy Policy Act of 2005 to create the right business environment for doubling production of clean nuclear energy and other clean energy and to create mini-Manhattan projects for clean energy research and development; to the Committee on Energy and Natural Resources.

Mr. ALEXANDER. Mr. President, Senator WEBB of Virginia, the colleague of the Presiding Officer, and I are introducing legislation today to propose that the United States build its clean energy future upon the lessons of the Manhattan Project of World War II. That helped end the war. It was a millions-of-man-hour effort that the New York Times called ''without doubt, the most concentrated intellectual effort in history.''

Specifically, we will introduce legislation to create the business and regulatory environment to double our country's nuclear power production within 20 years and to launch five mini-Manhattan Projects to make advanced clean energy technologies effective and cost-competitive.

The most important thing I can say is that the senior Senator from Virginia and the junior Senator from Virginia and I have all talked about this subject before. I think we see there is a great deal of consensus in this body about some steps we can take on clean energy. So what Senator WEBB and I are hoping to do with this framework is to see on a one-on-one basis whether it is the kind of framework that will permit us to work with other Senators who expressed an interest in nuclear power and energy research and development. And while we are contending about economy-wide cap and trade, we could move ahead with these steps that have to do with clean energy, clean air, climate change, low-cost, reliable energy.

In other words, this is a piece of legislation that you can support if you are for an economy-wide cap and trade or if you are against an economy-wide cap and trade. There are some things we can do to help our country that also help us deal with climate change.

In 1942, President Franklin D. Roosevelt asked Senator McKellar, the Tennessean who chaired the Appropriations Committee, to hide $2 billion in the appropriations bill for a secret project to win World War II. Senator McKellar replied:

That should be no problem, Mr. President. I have just one question: Where in Tennessee do you want me to hide it?

That place in Tennessee turned out to be Oak Ridge, one of the three secret cities that became the principal sites for the Manhattan Project that split the atom and built a bomb before Germany could. Nearly 200,000 people worked on the project in 30 different sites in 3 countries.

President Roosevelt's $2 billion appropriation would be $24 billion today.

After World War II, in 1947, ADM Hyman Rickover came to Oak Ridge for training that led to the nuclear Navy that helped to defend our country for half a century. Shortly thereafter, in December 1953, President Eisenhower proposed his Atoms For Peace Program that has grown into the world's most effective supplier of large amounts of reliable, carbon-free, low-cost electricity.

The rest of the world has a new interest in this American success story, as countries seek energy independence, clean air, cheap energy for job creation, as well as carbon-free energy to deal with global warming. The Chinese are starting a new nuclear powerplant every 2 or 3 months. The Japanese obtain a third of their power from nuclear plants and build new reactors from start to finish in less than 4 years. France gets 80 percent of its electricity from nuclear power and, as a result, has among the lowest electricity rates and carbon emissions in Western Europe. Russia plans to double its nuclear power capacity. The United Arab Emirates is planning three new reactors by 2020, and just last week the United Kingdom announced it will build 10. Yet the country that invented this remarkable technology, the United States of America, has not started a new nuclear powerplant in 30 years even though we still get 70 percent of our carbon-free electricity and 19 percent of all our electricity from 104 reactors built between 1970 and 1990.

It is true that there are other promising forms of low-carbon and carbon-free renewable energy, but the stark reality is that there is a huge gap between this renewable electricity we would like to have and the reliable, low-cost electricity that a country that uses 25 percent of all the energy in the world has to have.

Today, despite heavy subsidies, wind, solar, geothermal, biomass renewable energy produce only 3 percent of U.S. electricity. The Energy Information Administration forecasts a 22-percent increase in U.S. electricity demand during the next 20 years. For that much electricity, our country simply cannot rely solely on conservation, on windmills and solar panels or even on natural gas. We are fortunate to have a new, massive natural gas set of discoveries in the United States, but a natural gas powerplant still produces about half as much carbon as a new coal plant. And if too many natural gas plants are built, today's low prices could mean high prices tomorrow for farmers, homeowners, and manufacturers.

Add to that a recent Nature Conservancy scientific paper that warned of a coming renewable energy sprawl, especially from biofuels, biomass, and wind turbines, that would consume an area the size of West Virginia. A biomass plant, for example, that would produce as much electricity as one nuclear reactor on 1 square mile would require continuously deforesting an area about 1.5 times the size of the Great Smoky National Park. Producing 20 percent of our electricity from 50-story wind turbines, as some have suggested, would require covering an area the size of West Virginia and building 19,000 miles of new transmission lines.

When these are strung along scenic ridgetops, coastlines, or other treasured landscapes, we will be destroying the environment in the name of saving the environment. Solar and wind installations require between 30 and 270

square miles to duplicate the output of just one nuclear reactor on 1 square mile. Moreover, these energy sources must be backed up by other generation since they only produce power when the wind blows or the Sun shines, and that electricity cannot be stored in large amounts. There is only one wind farm in the entire Southern United States because the wind doesn't blow enough. In the Tennessee Valley Authority region, solar costs at least four to five times as much as other electricity that TVA buys.

As for green jobs, according to the Department of Energy, there will be 250,000 construction jobs for 100 new nuclear plants. This would compare with 73,000 jobs to construct the 180,000 wind turbines needed to produce 20 percent of our electricity from wind. Of course, producing a lot of cheap, reliable energy is the best way to produce new jobs.

Think of it this way. If we were going to war, we wouldn't mothball our nuclear Navy and start subsidizing sailboats. If climate change, as well as low-cost, reliable energy are national imperatives, we should not stop building nuclear plants and start subsidizing windmills. I am on the side of those who say we need to deal with climate change. The national academies of 11 industrialized countries, including the United States, have said humans probably have caused most of the recent global warming.

If fire chiefs of the same reputation said my house might burn down, I would buy fire insurance, but I would buy insurance that worked and that was not so expensive that I couldn't pay my mortgage or my hospital bill.

Fortunately, there are two steps that will benefit our country in multiple ways—namely, cleaner air; more energy independence; more reliable, low-cost power—and will also help fight global warming. The first is to double production of electricity from carbon-free nuclear power, which would mean building 100 new plants as we did between 1970 or 1990 or a larger number of the new, small, and modular reactors now being discussed. The second is to apply to the promising new technologies, such as the renewable technologies, the same discipline and resources we did with the original Manhattan Project in order to make them effective and cost competitive.

That is why the bill Senator WEBB and I are introducing today, the Clean Energy Act of 2009, proposes the following: No. 1, loan guarantees: $100 billion to encourage startup of all forms of carbon-free electricity production, expanding the $47 billion loan guarantee program that exists today, and $18 billion of those funds are currently available for nuclear projects.

Secretary Chu has suggested it should be in the forties. I believe that number should be closer to the sixties or the seventies. But the purpose of this is to get the first few nuclear plants up and running, and then the money is paid back. The Congressional Budget Office estimates this could cost up to $10 billion but might cost much less. New reactor designs, $1 billion over 5 years to enable the Nuclear Regulatory Commission to review new designs such as the generation 4 reactors that don't isolate plutonium and, therefore, help solve the used nuclear fuel problems, and small modular reactors that can be built in U.S. factories and assembled on site such as LEGO blocks. No. 3, nuclear workforce, $1 billion over 10 years to ensure a supply of nuclear engineers, operators, and craftsmen such as welders and pipe fitters. Americans have a generation gap in these skilled personnel. No. 4, more power from existing reactors. This would be $500 million over 10 years to increase the efficiency and develop longer lifetimes for our existing 104 reactors. If we did both of these things, we might create the equivalent production of 20 or 30 more reactors. Then, finally, the five new, what we call mini-Manhattan Projects for clean energy.

Here are the five mini-Manhattan Projects: $750 million per year over 10 years for research and development on, No. 1, carbon capture emissions from coal plants. In many ways that is the holy grail of energy R&D. If we can find a way to do that, we can have all of the low-cost, clean electricity we can use. No. 2, develop advanced biofuels from crops that we don't eat; No. 3, improve batteries for electric cars so instead of taking us 100 miles without recharging, they might take us 300 or 400 miles; make solar power more cost competitive.

That has the most promise in terms of renewable energy because we have rooftops on which to put the panels. They just cost too much today. Then recycling used nuclear fuel in a way that doesn't isolate plutonium, that reduces by 99.9 percent the radioactive life of what is left, and by 97 percent the mass we have to deal with. The cost to taxpayers over 20 years would be no more than $20 billion. There would be no new energy taxes or mandates. This $20 billion would compare with $170 billion we would spend in taxpayer subsidies, if we were to produce 20 percent of our electricity from wind, not counting the billions more for transmission lines.

By my computation, if we actually did build 100 nuclear plants in 20 years, as well as electrify half our cars and trucks in 20 years, which we should be able to do without building one new powerplant if we plugged them in at night, we would come close to reaching the 1990 Kyoto global warming protocols without expensive new energy taxes. Reaching that goal is even more likely if some of our mini-Manhattan Projects produce results we hope for from new technologies.

The world nuclear power revival is well underway. With our Clean Energy Act of 2009, that revival might finally reach American shores where it began. The lessons of the Manhattan Project could advance the days when more nuclear power and new forms of clean energy can make us more energy independent, clean our air, help fight global warming, and produce large amounts of reliable, low-cost, clean electricity that will keep American jobs from going overseas looking for cheap energy.

I ask unanimous consent to have printed in the RECORD a one-page summary of the Alexander-Webb legislation, called the Clean Energy Act of 2009.

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

ALEXANDER-WEBB—CLEAN ENERGY DEPLOYMENT ACT OF 2009

To create the business and regulatory environment to double nuclear production in 20 years and establish 5 Mini-Manhattan projects to make advanced clean energy technologies effective and cost-competitive

1. Carbon-Free Electricity Loan Guarantees: $100 Billion for technology-neutral carbon-free electricity loan guarantee program. CBO estimates cost at $10 billion (may cost less). Secretary Chu has suggested doubling the $18.5 billion available today for nuclear power.

2. New Reactor Designs: $250 million per year for five years to enable the Nuclear Regulatory Commission (NRC) to review new nuclear reactor designs such as Generation IV or small modular reactors. (Would not impact NRC review of potential sites for nuclear power plants.) Reaffirm the federal government's commitment to dealing with spent nuclear fuel.

3. Nuclear Workforce: $100 million per year for ten years for education, workforce development and training to ensure a supply of nuclear engineers, operators and craftsmen such as welders and pipefitters.

4. More power from existing reactors: $50 million per year for ten years for nuclear reactor lifetime-extension and efficiency research. Increased efficiency and longer lifetimes for existing 104 reactors could equal the production of 20-30 new reactors.

5. Five Mini-Manhattan Projects for Clean Energy R&D: ($750 million per year for ten years). Clean Coal: to make carbon capture and storage a commercial reality ($150 million per year). Advanced Biofuels: clean fuels from crops we don't eat ($150 million per year). Advanced Batteries: for electric vehicles ($150 million per year). Solar Power: to make solar power cost competitive ($150 million per year). Recycling Used Nuclear Fuel: ($150 million per year). Support Secretary Chu's Blue-Ribbon Panel on what to do with used nuclear fuel.

Decide upon the best way to recycle used nuclear fuel.

i. Proliferation-resistant (no pure plutonium).

ii. Reduce radioactive lifetime of final used fuel product by 99.97 percent.

iii. Reduce volume and mass of final used fuel by 97 percent of what it is today.

Develop Generation IV reactors that will consume recycled nuclear fuel.

Total 20 year cost would be no more than $20.25 billion.

*While the loan guarantee program is scored at 1 percent for nuclear loans and 10 percent for other program participants, this proposal uses a 10 percent score for all loan guarantees.

ALEXANDER-WEBB—CLEAN ENERGY ACT OF 2009

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years and establish 5 Mini-Manhattan projects to make advanced clean energy technologies effective and cost-competitive

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Develop Generation IV reactors that will consume recycled nuclear fuel.

Total 20 year cost would be no more than $20 billion.

While the loan guarantee program is scored at 1 percent for nuclear loans and 10 percent for other program participants, this proposal uses a 10 percent score for all loan guarantees.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WEBB. Mr. President, I am pleased to be cosponsoring this legislation with the senior Senator from Tennessee. This is a strong attempt by both of us to go toward the area of problem solving rather than political rhetoric that surrounds a lot of this issue when we examine the pieces of legislation that are before us that are making an attempt at solving climate change issues. They are, in some cases, in contradiction to what our energy needs are at large.

On the one hand we stopped building nuclear powerplants 30 years ago because of widespread fears among people who were in the political process about the technology that was involved. On another level we stopped drilling for oil offshore after some incidents, now 40 years ago. Then on another level, we heard repeatedly that coal was too dirty.

At the same time we consume more and more energy, rightfully so, given the productivity of the country and the state of our economy. But we are in contradiction in terms of what we need versus what we fear. I believe the time has come for us to focus on those areas in terms of energy production that we know are achievable, that we know are safe, where we know we are good and which also can contribute positively in the area of climate change.

We have an enormously complex climate change bill that was passed in the House. We have another enormously complex climate change bill that may be before the Senate. We can't predict whether those bills will pass. If they do pass, we know there are some detriments. What Senator ALEXANDER and I are trying to do on a bipartisan basis, hopefully, with the support of our colleagues, is to put a simple piece of legislation forward that will address the areas that are achievable, that can give us an end result and get this legislation passed, while all of these other issues continue to be examined.

Senator ALEXANDER outlined the major points of this legislation. I would like to emphasize a couple. One is that we will be able to provide $100 billion in loan guarantees, but that is not $100 billion in money. That is $100 billion in guarantees. It depends on the success rate. The basic projection on this is that it will be between 1 and 10 percent of that $100 billion that our taxpayers actually would be required to pay. So we are going to be able to bring at least a dozen nuclear powerplants online.

When I say ''nuclear powerplants,'' I mean the electrical generation capability of a traditional nuclear powerplant. We may have more than those given the miniaturization of nuclear power that is now underway.

We are going to be able to develop a nuclear workforce. Let me stay on this point for a minute. Senator ALEXANDER was a former Secretary of Education. I have spent all of my life, since I was 18 years old, in and around the naval service from which our nuclear power programs first began. One of the great benefits of the nuclear power program in the United States has been quality individuals whose talents are unmatched around the world.

I first watched this when I was at the Naval Academy many years ago, where among the brightest people at the Naval Academy, many were selected for the nuclear power program. They went through intensive training. But also among the enlisted sailors, the quality of the training was unsurpassed. We would like to see this take place in terms of workforce development in the United States.

We want to put $100 million a year in over a 10-year period to develop superb craftsmen as well as nuclear engineers.

We are looking at many mini-Manhattan Projects for alternate energy. This doesn't simply narrow the focus to nuclear energy. But we do know right now, even though we haven't built a new nuclear powerplant in the United States for 30 years, that 70 percent of the carbon-free electrical power in the United States comes from nuclear energy.

This is a good match for what people are trying to do in the area of climate change. I believe the way we have designed this legislation is focused. I am comfortable with the fact that the expansion of nuclear power as an alternate energy is doable. It is reasonable in scope and in cost. It will go a long way toward our eventual goal of dramatically reducing carbon dioxide emissions. As a result, this is legislation that will be beneficial to our economy, to our national health, to our position around the world.

I hope colleagues will join us in moving this legislation forward. We can do it in a timely manner, and we know the results are there.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. I thank the Senator from Virginia, Mr. WEBB, for his leadership. He brings a special knowledge to this because of his background in the Navy as an engineer and as Secretary of the Navy. Thousands of our sailors have lived on top of reactors for 50 years safely. This is an idea that has broad support on both sides of the aisle, I believe. We have gotten so stuck on arguing about the economy-wide cap and trade that we have failed to notice the areas where we may be able to agree. We certainly agree on energy research and development.

The President has strongly supported that. We certainly agree on electrification of cars and trucks. The President also strongly supports that.

I believe there is more agreement on nuclear power than we have seen before. So we are going to work with Democratic and Republican Senators who have already expressed such an interest and others who may be thinking about it over the next few weeks to see if this will form a framework for that kind of discussion.

By Ms. SNOWE:

S. 2777. A bill to repeal the American Recovery Capital loan program of the Small Business Administration; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, the current recession has caused unemployment to balloon to 10.2 percent and with small businesses creating over ⅔ of all net new jobs, the road to recovery leads through our Nation's small businesses. For this recovery to occur, we must ensure that our small businesses have access to affordable credit so that they can keep their doors open and start hiring some of the 15.7 million Americans who are currently unemployed.

The Senate Committee on Small Business and Entrepreneurship has been extremely active on this issue,

and I thank Chair LANDRIEU for her leadership. The Committee has held a series of hearings on the credit crunch, to explore topics from alternative sources of credit to what policies government can enact that will help small businesses create jobs and weather this recession. In these hearings, the one constant message we have heard is that small businesses need access to capital. This message is borne out by the most recent Federal Reserve's Senior Loan Officer Opinion Survey which shows that banks continue to tighten access to credit for small businesses—and have since the start of this recession.

To help small businesses access credit I have introduced two bills, the 10 Steps for a Main Street Economic Recovery Act, and the Next Steps for a Main Street Economic Recovery Act, which contain provisions that would reduce fees for small business borrowers and lenders, allow refinancing of 7(a) and 504 loans; create a lender platform to give small business borrowers more lending options, and to increase the maximum amount borrowers can take out in 7(a), 504, and microloan loan sizes to give small businesses who have capital needs in excess of the Small Business Administration's current loan sizes more borrowing options.

Many of the key provisions of my 10 steps bill were included in the American Recovery and Reinvestment Act, ARRA, most notably, fee reduction for 7(a) and 504 loans. This provision, along with increasing the guarantee rate on 7(a) loans to 90 percent, has been credited with increasing small business lending by over 70 percent since the passage of the ARRA. I was also pleased that President Obama recently announced his support for the loan limit increases in my Next Steps bill as a part of his plan to expand access to capital for small businesses.

These provisions have helped cushion the shock of the credit crisis for small business borrowers; however, I am concerned with one provision which has not lived up to its initial promise.

The American Recovery Capital, ARC, loan program was included in the American Recovery and Reinvestment Act as a result of a combined effort from both the Chairs and the Ranking Members of the House and Senate with the laudable goal of extending a lifeline to small business borrowers. The program allowed viable small businesses that were having difficulty paying their existing debts to access a 100 percent SBA-guaranteed bank loan to repay these debts. These small business borrowers would receive payments for up to 6 months, and then have a 1-year grace period before repayments on their ARC loan began.

However, since its implementation in June, the ARC loan program has been plagued with difficulties, most notably, the Office of Management and Budget has estimated that based on the underwriting requirements put forth by the administration, 60 percent of borrowers utilizing this program may default on their loans.

The ARC program was intended to assist viable small businesses that will be able to repay the loan, not to add additional debt to those who will not. Proper stewardship of taxpayer dollars demands that we put a stop to any Federal program which does not achieve its stated goals. ARC loans are one such program. My legislation immediately suspends the ARC loan program and returns all unobligated funds back to the Treasury.

We must ensure that above all else, taxpayer funds are protected.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2777

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

SECTION 1. REPEAL OF AMERICAN RECOVERY CAPITAL LOAN PROGRAM.

(a) IN GENERAL.—Section 506 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 157) is repealed.

(b) RETURN OF FUNDS.—Any unobligated balances of the amounts appropriated under the heading ''BUSINESS LOANS PROGRAM ACCOUNT'' under the heading ''SMALL BUSINESS ADMINISTRATION'' under title V of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 151) for loan subsidies and loan modifications for loans to small business concerns authorized in section 506 of division A of the American Recovery and Reinvestment Act of 2009 are rescinded.

(c) APPLICABILITY.—Any loan guarantee under section 506 of division A of the American Recovery and Reinvestment Act of 2009 entered into before the date of enactment of this Act, shall remain in full force and effect under the terms, and for the duration, of the loan guarantee.

By Mrs. BOXER (for herself, Mr. INHOFE, Mr. BAUCUS, Mr. VOINOVICH, Mr. MERKLEY, and Mr. VITTER):

S. 2778. A bill to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; to the Committee on Environment and Public Works.

Mr. INHOFE. Mr. President, today I am joining some of my colleagues from the Environment and Public Works Committee in introducing a bill to reauthorize the Economic Development Administration, EDA. EDA works with partners in economically distressed communities to create wealth and minimize poverty by promoting favorable business environments to attract private investment and encourage long-term economic growth.

I have long been a strong supporter of EDA. I believe the agency does an outstanding job of providing relatively small grants that help secure significant amounts of private investment in distressed communities across the country. Contrary to what some people would say, the government itself does not—frankly, cannot—expand the economy and create long-term jobs. That is the role of the private sector.

What the government can do, however, is help provide the right conditions for private sector investments to flourish. EDA does this in a myriad of ways, but primarily through infrastructure investments. I only wish more of the so-called ''stimulus'' bill enacted earlier this year had been dedicated to programs like EDA that are truly successful at spurring economic development.

Unlike the majority of the spending in the so-called ''stimulus'' bill, EDA investments actually provide economic benefits. In fact, studies show that EDA uses federal dollars efficiently and effectively, creating and retaining long-term jobs at an average cost that is among the lowest in government.

In my home State of Oklahoma, for example, EDA has worked long and hard with many communities in need to bring in private capital investment and jobs. Durant, Clinton, Tulsa, Oklahoma City, Seminole, Elk City, Muskogee, Woodward, Shawnee, Claremore, Miami and Elgin are just some of the Oklahoma communities that have made good use of EDA assistance. In fact, over the past seven years, EDA grants awarded in my home state have resulted in more than 9,000 jobs being created. With an investment of about $33 million, we have leveraged another 32.7 million in State and local dollars and more than 625 million in private sector dollars. I would call that a wonderful success story.

Authorization of FDA's programs expired on September 30, 2008. I had introduced a reauthorization bill in July, 2008, and the EPW Committee reported a bipartisan bill in September 2008. Unfortunately the bill was not enacted. I again introduced my own reauthorization bill in February of this year. Today I am happy to join my colleagues in introducing a similar bill that I hope will be approved by the Committee and the full Senate in the very near future. Particularly in these difficult economic times, we should be doing all we can to ensure the continuation of successful economic development programs, and EDA reauthorization is an important step.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2781. Mr. JOHNSON (for Mr. DURBIN) proposed an amendment to amendment SA 2779 proposed by Mr. DEMINT to the amendment SA 2730 proposed by Mr. JOHNSON (for himself and Mrs. HUTCHISON) to the bill H.R. 3082, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2010, and for other purposes.

SA 2782. Ms. MIKULSKI submitted an amendment intended to be proposed to amendment SA 2730 proposed by Mr. JOHNSON (for himself and Mrs. HUTCHISON) to the bill H.R. 3082, supra; which was ordered to lie on the table.

SA 2783. Mrs. BOXER submitted an amendment intended to be proposed to amendment SA 2730 proposed by Mr. JOHNSON (for himself and Mrs. HUTCHISON) to the bill H.R. 3082, supra; which was ordered to lie on the table.