

everything possible to prevent the kind of excesses we have seen with AIG.

As a condition of providing financing to General Motors and Chrysler, the Treasury Department required the automakers to renegotiate their collective bargaining agreements with their workers. In order for their employers to get loans from the Treasury, auto-workers gave up cost-of-living increases to their wages and bonuses, among other benefits. It is our obligation, as we did with General Motors and Chrysler, to protect taxpayer dollars. That is why, in January of this year, I voted against releasing an additional \$350 billion in TARP funding. I opposed the release of this funding because I believed we did not have adequate accounting of the money the United States had already spent in the bailout. At the time I said: We need legislation to enhance transparency and to enhance taxpayer protections before we release additional money.

Earlier this year, Senator DORGAN introduced the Taxpayer Protection Act, something I quickly signed on to as a cosponsor. This legislation is designed to limit executive compensation, to prohibit the kinds of bonuses companies such as AIG, which have received Federal economic assistance, can provide to their employees or their executives. Today we are reminded that the use of taxpayer money should be held to the highest standards of transparency and accountability.

I am hopeful this administration—and we have heard the President say he is committed to doing something about the situation at AIG, and we know this Senate is committed to doing something about the situation at AIG with their executive bonuses—and this body will take the appropriate action to recover the taxpayer dollars AIG has so recklessly spent on bonuses. I intend to do everything I can to support those efforts.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

FISCAL IRRESPONSIBILITY

Mr. INHOFE. Madam President, it is my understanding we are confined to 10 minutes during this timeframe. I will do so, although after listening to the presentation of the Senator from Rhode Island, I wish I had a little bit more time. It is mind-boggling that anyone in this country would look at the budget as put forth by this administration and the spending in the omnibus bill of \$410 billion and the deficit for this year of \$1.75 trillion, the \$787 billion stimulus, as well as the national debt which, projecting forward 5 years, will double under this administration, if the President is successful in getting this spending done, and will triple in 10 years—it is going to be difficult for any Senator to stand and say there is anything fiscally responsible about the behavior of our current President. If you don't believe it, turn

on the TV and watch all the tea parties going on around the country. The people understand. They know the level of spending and how outrageous it is.

SIXTH ANNIVERSARY OF OPERATION IRAQI FREEDOM

Mr. INHOFE. Madam President, today is a very significant day. Right now we are actually looking at the sixth anniversary of the Operation Iraqi Freedom. We sometimes have forgotten about the butcher from Iraq and how bad that was. I had personal experience during the first Gulf War of being there and seeing some of the things that went on, the horrible torture and the things that this particular dictator had done to that country. When we went in 6 years ago, it was a very difficult time because we went in with a military that had been downgraded during the Clinton administration. If you take a straight line in terms of what the expenditures were the day he took office, that is how much we reduced it in force strength, in our modernization program. In fact, this euphoric attitude people were talking about, saying the Cold War is over, we no longer need a strong military, that is the environment we had. I think, under those circumstances, we did an incredible job.

I have never been so impressed with an all-volunteer Army. I happen to have been a product of the draft. I believed that offered more discipline. When I went there—and I honestly believe I have made more trips to Iraq and Afghanistan than any other Member as the second-ranking member of the Armed Services Committee—I was privileged to be in places such as Fallujah during all the elections that took place and to see our young people, not all that well equipped, take on difficult odds. The marines in Fallujah were part of this, and it was incredible to watch. It was more than the World War II door-to-door style of combat.

Then I was very proud to be a part of the training of the troops over in Afghanistan. I say that because it was Oklahoma's 45th Division that was involved in training the Afghans on how to train themselves in the A&A. I feel that to have witnessed this, to have been over there in Bagdad, in Kabal, in that whole theater during this time was so impressive to me.

I can remember going into the various mess halls, with our troops there—and at that time, IEDs, at an unprecedented rate, were killing and maiming our soldiers—and the bravery they had. One of the questions they used to ask me, in the early stages of this war—6 years ago and 5 years ago—was: Why is it the American people do not understand what we are doing here? Why don't they understand if we do not stop the terrorism here, it is going to be back at our borders the way it was on 9/11? My response to them was I think they are. We are not getting good reporting out of the media. That started changing as improvements came along.

As I witnessed the opportunities that were there, our troops, all of a sudden, during this surge anyway, were gaining a lot more support, and that completely turned it around. GEN David Petraeus did a remarkable job. In fact, all our generals over there did.

So I think it is incumbent upon us today to remember this is the 6th year. This is something that was absolutely necessary for the safety and the freedom we enjoy here in this country. We should be applauding all our troops as they come back.

To me, it was a little unconscionable, just 3 or 4 days ago, when the White House was coming out with a program that would have impaired our wounded veterans coming back from Iraq and the Middle East from access to VA health care. Because of all the people—I am sure the phones are ringing off the hook at the White House—last night they backed away from that. But, nonetheless, we are not getting the support we should be getting now for our military at this time.

Keep in mind, if we went through an 8-year period of dropping down the support, and then we look at the budget that is in today, it is an inflated budget in spending in every possible area except defense. I think it should be our priority now, as we remember what happened 6 years ago today.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

CLIMATE CHANGE

Mr. MCCAIN. Madam President, I come to the floor to discuss for a few minutes with my colleague from South Carolina the issue of climate change.

We all know the budget will be forthcoming. We already understand there will be some \$650 billion included in the budget for general revenues that would go as revenues from climate—here it is: \$646 billion over 8 years. According to some aides to the administration, it could be as much as \$2 trillion. Remarkable.

What we have done is we have gone from an attempt to address the issue of climate change through cap and trade to just generating \$680 billion or \$2 trillion without a trace of bipartisanship, without any consultation, without discussions. What we have done on the issue of climate change, by basically funneling \$680-some billion, is we have destroyed any chance of bipartisanship, and the administration is proposing a plan which will have a crippling effect in a bad economy on, particularly, parts of the country and lower income residents in the South and Midwest.

First of all, if we are going to do cap and trade, we should have generous allowances for people who are now operating under certain greenhouse gas emission conditions.

Second of all, any money, any revenues that are gained through cap and trade clearly should not go to just "general revenues." Any funding

should go directly to the development of technologies which will then reduce greenhouse gas emissions. That has to be a fundamental principle. So the administration, in this budget, is basically using it as just a revenue raiser.

By the way, the entire budget contains no references to nuclear power, except striking funds for the Yucca Mountain nuclear waste repository, for which the utilities—passing it on to the ratepayers—have paid somewhere between \$8 billion and \$13 billion for Yucca Mountain to be used as a spent nuclear fuel repository. So it is remarkable.

The Secretary of Energy told me in a hearing in the Energy Committee: Yucca Mountain is finished. I said: What about reprocessing? Can't do that either.

So here you have nuclear powerplants—there are 120 of them operating in the United States of America today—and we cannot reprocess and we cannot store. So what do we do? We either keep them in pools or “solidification” outside of nuclear powerplants all over America—clearly, a threat to the Nation's security.

Let me say to my colleagues, I am proud of my record on climate change. I have been all over the world, and I have seen climate change. I know it is real, and I will be glad to continue this debate with my colleagues and people who do not agree with that. I believe climate change is real.

I believe with what we did in addressing acid rain, which was through a cap-and-trade kind of dynamic, we were able to largely eliminate the problem of acid rain in America. So it has been done before, and we can do it again, admittedly on a much smaller scale.

In the Antarctic, in Alaska and even in the rain forests of Brazil and here in the United States, we are feeling the effect of climate change. So here we are, with a chance to work together in a bipartisan fashion on the issue, and what does the administration do? They send over a budget which earmarks \$600-and-some billion—\$646 billion—which would then go to general revenues, with no consultation or discussions on the issue. I am proud to have worked with Senator LIEBERMAN in years past on trying to address the issue of climate change.

Of course, there is no mention of nuclear power. I do not wish to spend my time on the floor, too much, on nuclear power. But according to the Department of Energy—and depending on whom you talk to—solar will contribute something like 5, 10, at most, 15 percent of our renewable energy needs between now and 2050. Wind, tide, all those others may contribute another 10, 15, 20 percent.

There is a vast, gaping hole in our demand for renewable energy, and nuclear power and hydro can fill those. This administration has turned its back completely on nuclear power. So what do we tell the ratepayers and the utilities that have been paying billions

of dollars? As I mentioned, somewhere between \$8 billion and \$13 billion they have invested in Yucca Mountain. And now we are canceling it? Well, maybe they ought to get their money back since it was Government action that made Yucca Mountain no longer a viable option.

We need to debate this issue. We need to address it separately. We certainly do not need to address the issue of climate change and how we are going to remedy it through the budget process.

By the way, the Obama administration plans to use revenues as a slush fund to meet budgetary shortfalls, as I mentioned. Only \$120 billion of the \$650 billion in new revenues would go to climate policy spending, \$15 billion a year out of the \$650 billion would go for clean energy technologies. There is no detail in the budget as to what this includes or excludes—except for closing Yucca Mountain.

Nuclear is not mentioned in the entire budget. Most of the remainder of the revenues generated from the present cap-and-trade proposal as sent over and part of the budget will be used to pay for the Making Work Pay tax credit. I would add that the administration argues that the Making Work Pay tax credit will offset the increase in utility bills caused by their cap-and-trade policy. However, the credit is phased out for taxpayers earning between \$75,000 and \$95,000 a year for individuals and \$150,000 to \$190,000 for married couples.

So the administration is insisting on 100 percent auction which, obviously, would be an incredible detriment to a very serious approach. Our economy is suffering. At times such as these, it is particularly important we provide for transition assistance that will not result in higher energy costs. Again, I wish to point out 100 percent auction will harm heavy manufacturers, the very ones who need the help the most: automobiles, concrete, et cetera, and the lower income residents of the South and Midwest.

Every reasonable cap-and-trade bill in the past has been a blend of auction and allocations—except for this one. The hybrid approach allows heavy manufacturers and coal-fired utilities time to meet emissions targets without needing to exponentially raise energy costs for consumers.

So the administration has sent us a budget with not a single mention of nuclear power and Yucca Mountain no longer an option. No Yucca Mountain means no waste confidence and, certainly, no new licensing, no spent fuel recycling. Secretary Chu is insinuating the French and Japanese, who have been recycling for decades, are “reckless.”

So what we need to do is take up separately the issue of climate change legislation. It would have a gradual implementation schedule. It would allow for the economy to adapt while we meet our environmental goals. The policy must aggressively promote nonemit-

ting green energy technologies, such as nuclear power, hydro, and others. We should pursue a hybrid approach of auctioning a portion of credits while reserving a large portion of the credits that we could allocate to those who need the most help, complying with the emission reductions. Revenues should be used to promote new technologies, help low-income people with the increased costs of electricity, and pay down the debt—not expand the Federal Government.

So it is with some regret I come to the floor to discuss this important issue with a total lack of bipartisanship on the part of the administration and, again, express my willingness—in fact, my deep desire—to sit down and try to address, in a bipartisan fashion, this compelling issue, which is endangering the future of this planet and certainly our children's and grandchildren's future, and that is the issue of climate change.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. GRAHAM. Madam President, one, I would like to recognize the role Senator MCCAIN has played on this issue. It is not something he comes to lightly, when the issue of climate change is discussed. He put together a cap-and-trade system with Senator LIEBERMAN at a time when it was not very popular among some Republicans. But I think he understands the issue as well as any Member I have talked with.

The idea that what we put into the environment can affect our environment—I am not a scientist, but that is common sense to me. Acid rain is a reality. It was a reality. You could see it in the Southeast, where the Presiding Officer lives in North Carolina, and in South Carolina. It was a cap-and-trade system, a new technology that solved that problem. So it is not much of a stretch to me that CO₂ carbon emissions that we are putting into our environment from transportation and power production is heating up the planet, but we can have that debate. If you are serious about energy independence as a nation, it would be good to get away from fossil fuels coming from the Mideast. Clean coal technology is something worth pursuing. The worst thing that could happen to the climate change debate is—you cleaned up your planet and you passed on a better environment to your children only if you did it responsibly.

Really, the worst thing that could happen to the climate change debate is what this administration is doing. They have destroyed, in my opinion, a lot of bipartisanship by coming up with a \$646 billion budget number, revenue to be created from a cap-and-trade system they never talked to anybody about who has been involved in the issue. This is a radical, reckless departure from the climate change debate that existed before they took office.

This 100 percent auction is a bit complicated to explain, but it is a major

departure from the solutions that have existed in the past. Under the McCain-Warner-Lieberman approach, 22 percent of the credits available to industry and energy users would be auctioned and there would be an allocation of credits.

What do I mean by that? A cap-and-trade system at its very basic level—concept—is that we are going to put limits on how much carbon you can emit into the air as an industry. We will have one for the power sector, the transportation sector, for manufacturing. We are going to put a cap on these industries, and anything you emit above that cap, you are going to have to go get a credit, purchase a credit.

Well, if you have a 100-percent auction of these credits, hedge funds are going to come in and buy these credits and bid them up, so it would be very hard for an industry to purchase the credits. People start speculating with these credits.

Now, the northeastern compact has a 100-percent auction, but the emission standards they have decided upon allow—basically, it is greater than the current emissions that exist, so the credits only trade for \$3 because they don't have much of a cap that puts pressure on anybody. The only way you will solve this problem is to have caps that will push people to get away from using carbon, but our manufacturing sector is hanging by a thread in the global economy. If you put too much of a burden on these industries to move away from carbon and their cost of doing business goes up vis-a-vis their competitors in China and India, you are going to put them out of business.

So in some circumstances, you have to allocate to these industries some credits so they can make it through the transition phase. This idea of having a 100-percent auction on day one is a radical departure, and it does generate more revenue, and I think that is what this whole exercise is about—revenue—not solving the climate problem. They have a budget problem, and they are using the climate change debate to generate money.

I have asked the Secretary of Energy and the OMB Director: Where did you get \$646 billion to plug into your budget? What system did you evaluate that would generate that much money? What did the credits trade for? Nobody has a clue. I literally think they made up these numbers. Some people are talking about the \$646 billion being maybe half of what the actual cost would be if you went to a 100 percent auction. So this is a major departure from the way we have tried to solve the climate change problem in the past, and I think it is going to destroy the ability of the Congress to come together to solve a problem that is looming for the world and particularly this country.

So I hope our colleagues who are serious about the climate change issue will reject this proposal, and let's get to-

gether, talk among ourselves, rather than making up numbers that will increase the cost to American consumers by hundreds of dollars a month. This idea of using revenue from a cap-and-trade system to pay for a tax plan of the administration is a complete departure from what we have been doing in the past. I wouldn't expect my Democratic colleagues to allow the Republican Party to come up with a cap-and-trade system to fund one of our projects. The money from a cap-and-trade system should go back into the energy economy to help people comply with the cost of a cap-and-trade system and to develop technologies to get us away from using carbon.

The make work pay tax program is something I don't agree with. It doesn't apply to everybody who will be using energy, and it is a departure from how we would envision the use of revenue, and that is a problem that has to be addressed. If the administration is going to insist on a cap-and-trade system that would generate this much money from our economy at a time when we are weak as a nation economically and would dedicate the revenue to controversial programs, they have done more to kill the climate change debate than any group I know of. You have some people who disagree with the idea that climate change is real. I respect them. They are attacking it up front. We are having a genuine debate. But to say you believe in climate change as a result, and you devise a program such as this without talking to anybody means that you have put climate change second to the budget problems you have created by a massive budget. So this is not going to bear fruit. This is a very low point, in my opinion, in the bipartisan effort to try to create a meaningful inclusion to climate change. I hope the administration will reconsider.

To my Democratic colleagues, those of you who stood up and said: We are not going to let reconciliation—we only need 50 votes to pass something regarding climate change; we are not going to go that route, you have done the country and the Senate a lot of good because if you ever try that, you have destroyed the position of the minority in the Senate on a major piece of legislation, and that is not what we need to be doing. That is certainly not the change that anybody envisioned. That would be a radical departure in terms of how reconciliation has been used in the past.

To take an issue such as climate change, which has a massive economic impact and is politically very difficult with a lot of honestly held differences, and jam that through reconciliation, well, that would not be the politics of the past, that would be the politics of the past on steroids. That would be taking us to a place where no one has gone before, and if you wanted to destroy any chance of working together, that would be a good way to do it.

Now, as to my colleagues on the Democratic side who see through that,

God bless you for standing up and not letting that happen.

So I wish to end my discussion with where I began. Senator MCCAIN and others have charted a path that would lead to a bipartisan solution. I hope the President will consider nuclear power because it is very disingenuous to say you want to solve the climate change problem and you will not address nuclear power as part of the solution. Seventy percent of the energy that is created in America that is not emitting, that has no carbon base, comes from nuclear power. When he campaigned for President, candidate Obama openly talked about offshore drilling and nuclear power. When his budget comes out, there is nothing in the budget to enhance nuclear power, and Yucca Mountain is now going to be closed, apparently, and the idea that reprocessing of spent fuel is the way to store less spent fuel seems to be resisted by this administration.

So I thought we were going to have an administration where science trumped politics. Well, I can assure you when it comes to nuclear power, politics is trumping science. Other than that, I have no problem with what they are doing.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

THE BUDGET

Mr. ENSIGN. Madam President, this Nation is in the midst of a serious and defining challenge. Every single day we are buried in the news of our economic turmoil. Thousands more are being laid off, foreclosures are reaching new highs, property values are dipping to new lows, more businesses are shutting their doors, and Americans are struggling to pay for life's essentials. Consumer confidence is tragically low, and Congress has not acted appropriately to make things better. If this is not another Great Depression, it is surely greatly depressing.

Instead of innovative policies that put more money in the hands of consumers and create incentives for small business growth, we are passing trillion-dollar and multibillion-dollar spending bills as if we are in a race to spend money as quickly and as recklessly as possible. It is time to say hold on. It is time to seriously consider what we are doing, what the impact will have, and how we are quickly driving this Nation off a financial cliff.

For as long as living standards have been recorded, Americans have looked to the next generation as an improvement over the last generation. Opportunities, living standards, and conditions have improved. Technology and research have advanced. There is hope that our children will have more, that it will be even better for them. The optimism that has been uniquely American has always driven us to want more for the future generations but, unfortunately, that has changed. Now we are