

We are going to do a better job of co-ordinating care and providing medical homes for people as we go forward.

We are going to take examples like that in the neighboring State represented by Senator FEINGOLD. Over in Minnesota, they have this Mayo Clinic, and they figured out how to make the Mayo Clinic provide better health care, with better outcomes, at lower cost than most other places in this country. They took their model and they went down to Florida, where costs were very high for health care. They took the Mayo model to Florida, and they ended up with better outcomes and lower costs in Florida compared to other folks who had been doing business in Florida providing health care for years.

But it is not just the Mayos, it is the Intermountain folks, a nonprofit out in Utah, the Geisinger operation in Pennsylvania. There are a number of good examples out there. Part of what we are going to do through this debate, as we move toward health care reform, is to learn from those examples, go to school on those examples, and be able to put them to work for all of us.

With that having been said, my friend said some people say we are not going to get health care reform done. We have to get it done. We spend more money for health care in this country than any other developed nation on Earth. We do not get better results. If we spend more money, we don't get better results. We can do better than this. Democrats working together with Republicans, we can get there, and let's just not give up.

Thank you, Madam President. I thank my colleague for his patience.

UNANIMOUS-CONSENT
AGREEMENTS—H.R. 2346

Mr. INOUYE. Madam President, I ask unanimous consent that with respect to the conference report to accompany H.R. 2346, a motion to waive all applicable rule XLIV points of order be considered as having been made by the majority leader.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. INOUYE. Madam President, I ask unanimous consent that the vote on the motion to waive rule XLIV occur at 2:50 p.m., and that the time until then be equally divided and controlled between the majority leader and Senator GREGG or their designees.

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

Mr. GREGG. Madam President, we are now, then, on the conference report?

The PRESIDING OFFICER. Not at this point in time. Not yet. A request has to be made to go to the conference report.

MAKING SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2009—CONFERENCE REPORT

Mr. INOUYE. Madam President, I ask unanimous consent that the Senate now resume consideration of the conference report to accompany H.R. 2346.

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

The Senate will resume consideration of the conference report to accompany H.R. 2346, which the clerk will report.

The legislative clerk read as follows:

Conference report to accompany H.R. 2346, an act making supplemental appropriations for the fiscal year ending September 30, 2009, and for other purposes.

The PRESIDING OFFICER. Under the previous order, a motion to waive all applicable points of order under rule XLIV is considered as having been made by the majority leader.

Mr. FEINGOLD. Madam President, if it is appropriate, I ask unanimous consent to speak for 10 minutes as in morning business.

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

HEALTH CARE REFORM

Mr. FEINGOLD. Madam President, every year I hold a constituent listening session, or townhall meeting, in every county in Wisconsin. After 1,188 of those sessions, I have heard a lot from my constituents on pretty much every issue you can imagine. But one issue in particular stands out, as it has consistently been one of the top issues raised throughout the past 17 years. That issue is, of course, health care.

Again and again—not just in listening sessions but in conversations and phone calls and letters and e-mails—Wisconsinites have talked to me about their struggles to obtain and afford health insurance coverage. Their stories have stayed with me and have been the foundation of my work to push for comprehensive health reform throughout my career in the Senate.

As a freshman Senator, I worked to increase access to long-term care and home and community-based services in the Wisconsin tradition during the 1994 attempt at health reform because I knew how valuable these programs were to my constituents. I continued to fight for real and fair access to affordable prescription drugs by speaking up for seniors during the debate on creating Medicare Part D. I ended up not voting for Part D because I knew it would help pharmaceutical companies before it helped seniors. For years I have tried to get the Senate to address the issue that was foremost in the minds of my constituents.

Frustrated by the inaction, I teamed up with Senator LINDSEY GRAHAM to introduce legislation that sought to break the logjam blocking health care reform legislation. While Senator GRAHAM and I have had very different ideas about how reform should look, we agreed further delay was unacceptable. I know some of my colleagues are now

arguing that health care is being rushed through the Senate.

Well, that is not my experience, and I think the Wisconsinites who have been talking about the need for reform for years would agree. That is why I am so excited that the Senate is preparing to consider health reform legislation, and I look forward to reviewing the bills the HELP and Finance Committees are expected to report shortly.

As this debate goes forward, I remain committed to reforming our health care system so every single American is guaranteed good, affordable health care coverage.

Today, I wish to talk about one of the most important elements of any reform, and that is a strong public health insurance option. Frankly, I am disappointed this has become a topic of so much controversy because it is such a fundamental part of making sure we provide the reform my constituents and all Americans deserve. Some have even suggested scrapping a public option in the interests of passing a bill with bipartisan support. Well, I want to pass health care reform, and I hope very much we can do it with bipartisan support, but I am not that interested in passing health care reform in name only. I am not interested in a bill that allows us to somehow tell our constituents we have done something but doesn't address their concerns they have had for so very long. We need real reform, and real reform means a strong public option.

Americans want a health insurance option. According to a recent poll by NBC and the Wall Street Journal, over three-fourths of those polled said they would like the ability to choose between public and private health insurance plans. Providing a public health insurance option does not discriminate against those with preexisting conditions and illnesses, and it will significantly improve the ability of people to access health care.

There are millions of Americans who will tell us their current so-called “competitive” market didn’t work so well for them because they were denied coverage from the outset, or they were given a benefit plan that covers everything but the diseases they actually have. Health insurance should not be a privilege, but in today’s insurance market that is actually what it is. Those who are healthy enough to be approved for coverage, or wealthy enough to afford it, are too often the privileged ones who receive health care. We must shift the competition back to where it should be—on the health insurers competing to provide better coverage at a more affordable rate.

A public health insurance option, if done right, will help shift the insurance market so plans focus on what is best for the patient to thrive instead of plans simply focused on the bottom line.

Just a few weeks ago, Geri Weitzel from Durand, WI, shared her story with me. Geri’s husband suffers from renal

failure. His medicine costs hundreds of dollars each month, and the family has thousands in medical debt. Geri is doing her best to make ends meet for her family but sometimes has to choose between paying the mortgage on their home or her husband's medical care, without which he will die. Geri told me she came to Washington to share her story because her husband "is choosing death over debt." She worries that they will lose their home, and they have already lost their savings, but above all, she worries she will lose her husband.

With a strong public health insurance option, we can help ensure that Geri and her husband can afford policies that cover their medical bills and can focus instead on getting well.

A strong public health insurance option is one the public can depend on to be available, regardless of preexisting conditions, place of residence, income, age, sex, health status, or job status. It is an insurance option that will be focused on helping the sick get the treatment they need instead of just turning the biggest profit for shareholders. It is also an insurance option that will help the public invest in wellness, disease prevention, primary care, and chronic disease management. A public option will help ensure no matter what, people have access to a health insurance plan that actually meets their needs.

One of my priorities in the health care reform debate—and one of my priorities throughout my whole time in the Senate—has been fiscal responsibility. It is not enough to pass a bill that expands coverage; we need to do so in a way that reins in runaway health care spending and ensures taxpayer dollars are not wasted. That is another reason we need a strong public health insurance option: because it will help keep costs down for individuals, for employers, and for the government.

Citizen Action Wisconsin estimates that a strong public health insurance option operating in a health exchange could save Wisconsin employers—both private and government—over \$1.1 billion each year. For the average Wisconsin family, currently paying around \$13,500 a year in health care premiums, this translates to a 33-percent savings, lowering their premiums to just over \$9,000 a year.

Now this is real savings. It would have made a big difference to Danine Spencer of Rhinelander, WI. Danine has had a tough 4 years, recovering from multiple conditions which doctors expected to leave her a quadriplegic for life. Danine credits the medical professionals at Froedert Hospital in Milwaukee with helping her reclaim her mobility and, in many ways, her life. While Danine has already made incredible progress, she still has a long way to go.

Fortunately, Danine qualified for disability and Medicaid benefits to cover her medical costs, but she wants to be independent. She wrote me a letter in which she said she "wants to get off

disability very, very badly. I am horribly ashamed that I collect a government check every month. But as it stands, I simply cannot afford private health insurance."

Danine writes that she has "heard a public option health insurance plan would sharply lower costs for people like me. Please put everything you have into making sure it is part of the health care reform bill."

Danine has already overcome incredible challenges. She wants to purchase health insurance but is denied that benefit by the existing system. So a public health insurance option would help ensure that Danine is guaranteed—guaranteed—affordable, high quality health care.

Too often Americans are at the mercy of the insurance companies when it comes to paying premiums and out-of-pocket costs and deductibles. While I commend the growing efforts of select insurers to increase transparency, for the most part consumers have little idea how much procedures cost, where premium dollars go, and whether they are truly getting the best value for their dollar. A public health insurance option would serve as a benchmark competitor for premiums, administrative costs, and benefits packages.

A strong public health insurance option is consistent with a healthy private market and effective private insurance plans. We have several insurers that operate in my home State of Wisconsin that provide great health coverage for their beneficiaries. Responsible insurers should have no trouble competing with a public insurance option on the merits of their plans, but a strong public health insurance option will provide a powerful incentive for less responsible insurers to reevaluate their own cost sharing and benefit plans to ensure that they are actually an attractive option for consumers.

There is another benefit of a public health insurance option which hits particularly close to home. My hometown of Janesville, WI, has one of the highest unemployment rates in the State. Recently, our GM assembly plant ceased production, and other related businesses throughout the community are struggling to stay afloat during these tough economic times. Of course, these challenges are shared by many other communities across the State of Wisconsin. A public health insurance option would be invaluable to families in Janesville and other parts of the State who have recently been laid off because it is a guaranteed, affordable option that can travel with an individual from job to job.

A public health insurance option would also make a tremendous difference to our small business owners who face crippling health care costs while trying to keep their business open.

Health care reform cannot wait. The President has said he wants a health reform bill on his desk by this fall, and

I will work hard with my colleagues to make sure we send him a good bill that guarantees every American high-quality, affordable health insurance, and that includes a strong public health insurance option. After so many years of delay and inaction, now is the time to act.

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

The PRESIDING OFFICER. Will the Senator withhold his request?

Mr. FEINGOLD. I withhold.

Mr. GREGG. Madam President, I rise to speak on the supplemental. Did the chairman wish to speak?

Mr. INOUYE. No, go ahead.

Mr. GREGG. I am happy to yield to the chairman if he wishes.

Mr. INOUYE. Please proceed.

Mr. GREGG. Madam President, first off, this is a very important piece of legislation. I congratulate the chairman and the ranking member, Senator COCHRAN and Senator INOUYE, for bringing it forward. It is critical that we adequately fund our troops in the field. This is our first responsibility as a government when we have troops in the field in harm's way—to give them the resources they need in order to protect themselves and defend our liberties. So this is a very important piece of legislation, and it must pass. It simply must pass.

However, ironically, as occasionally occurs around here—but in a piece of legislation that is this important to our troops shouldn't occur—this legislation had air dropped into it by the House of Representatives something that has nothing to do with our troops fighting in the field, and that is a bill called the cash for clunker bill.

I have no personal or philosophical disagreement with the concept of purchasing automobiles that are high-mileage vehicles, and they use a lot less gas, and exchanging them for lower mileage vehicles as an attempt to revive the economy and the auto industry and at the same time, hopefully, accomplish some environmental protections. I would simply note, however, that this bill that was air dropped into this legislation doesn't accomplish that.

Basically, this is a bill that was drafted in the House without the input of the Senate. There was a much better bill in the Senate—Senator FEINSTEIN and Senator COLLINS had it—which would have actually meant some mileage differential would have occurred, but it was not allowed to be put in because the bill, as it was put into the conference report, was unamendable.

So the bill itself is flawed because it basically only allows—it allows you to exchange your car and get money for your car, but the increased mileage on the new car you buy only has to be a mile or two a gallon, which is virtually nothing. It has virtually no impact.

So the philosophy of the bill itself is flawed. But the real problem with this bill, besides the fact it is in a piece of legislation it shouldn't be in, is the

fact that it is totally unpaid for. It is \$1 billion of new costs put on our children's shoulders. It is \$1 billion of new spending put on the Federal debt. We already know the Federal debt isn't sustainable. Almost every day we are hearing international purchasers of our debt—whether it be China or whether it be Russia or whether it be international economists or economists in the United States—saying the American debt situation has gotten out of control, and that we are at risk as a nation of having a situation where the cost of our debt will go up dramatically because we are putting so much debt on the books.

Under the President's budget, the deficit of the government will be a trillion dollars a year, on average, for the next 10 years. We will be running deficits of 4 to 5 percent of gross national product. The deficits will equal 80 percent, and we will have a debt that will equal 80 percent of the GDP. Just within the next 3 years, it will be 60 percent of the GDP. At the end of 10 years, it will be 80 percent.

What does that mean? It means we will have a debt and a deficit situation that will lead us down the road to having a government we cannot afford and our children cannot afford. Ironically, as I said before, our debt is getting so out of control and our deficits are getting so high and out of control that if we as a nation tried to enter the European Union, which is a group of industrialized countries that has rules as to what a country can do in the area of debt and deficit for solvency reasons, we could not get in because their rules say you cannot have a debt or deficit of more than 3 percent, and your debt-to-GDP ratio cannot exceed 60 percent. Latvia or Lithuania or some other nation might be able to get into the European Union, but we could not.

Our debt is an incredibly serious problem for us as a nation and for our children. The irony is, the bill that was airdropped into the defense bill, designed to pay for the troops in the field, came on the exact same day that the President of the United States and the Democratic leadership of the Congress met down at the White House to announce they were going to reinstitute the pay-go rules. What are the pay-go rules? The pay-go rules require that when you spend a dollar, you pay for it; when you create a new program, you pay for it. The President, with great fanfare, said the Democratic leadership of this government—the President and leadership of the Congress are going to put into place the pay-go rules. All future spending will be subject to pay-go rules, with a few exceptions he listed, which were pretty big exceptions.

He didn't list this bill, which spends a billion dollars and is not paid for.

After that press conference, which occurred around 12:30 in the afternoon, the House of Representatives passed the cash for clunkers bill, which spent \$4 billion dollars, and it wasn't paid

for. That bill added \$4 billion of new debt to our national debt—debt which will be paid by these young people up here, who are pages today, when they get jobs. What excuse do we have as a government for passing a bill to purchase cars today and sending that bill to our children and grandchildren as part of the debt we are passing onto them? It is inexcusable. It would be easy enough to pay for this bill. There are innumerable places in the government, which is spending trillions of dollars a year, to find a billion dollars to pay for this bill if it was a priority.

Clearly, if the President and the Democratic leadership are going to call on us to follow pay-go rules, we should follow them—at least for a day. They couldn't even get through a day without violating the rules they said they were going to follow—a billion dollars of new spending, which is unpaid for. Whether you agree with the policy of the bill or not—this cash for clunkers bill—the issue is it spends a billion dollars and doesn't pay for it and adds it to the national debt, which is out of control. The American people know it is out of control, and it is inexcusable that this Congress cannot discipline itself.

I have made a point of order that doesn't bring down the bill and doesn't harm our ability to fund the troops in the field. I made a point of order under a new point of order that was put into place at the beginning of this Congress by the Democratic leadership of this Congress in the Democratic body. This was a good rule. It was put into place by a bill entitled the "Honest Leadership and Open Government Act." Again, it is the Honest Leadership and Open Government Act. Its primary sponsor was Senator REID, and its second sponsor was Senator DURBIN, along with Senator SCHUMER and Senator STABENOW.

The bill was structured for the purpose of not allowing what happened with this defense bill, which is that people airdropped it into special interest legislation—unpaid for in this case. It is called rule XLIV, and I believe it is section 8. It says, essentially, that in a conference you cannot put in new language that was not part of that conference and which is targeting direct spending for the purpose of benefitting some defined group—in this case, for the purpose of passing the cash for clunkers bill. You cannot put it in. The rule says that. Why was it created? Because too often around here, this type of mismanagement of our finances occurs. People go into a conference and they know they have a train that is going to leave the station and, in this case, everybody wants to support the troops in the field and we are going to fund them. So they put in the conference all sorts of extraneous things that are inappropriate to that bill. It has become a pandemic. The Democratic leadership, much to their credit, passed the Honest Leadership and Open Government Act. They put in rule

XLIV, section 8, which says that exactly what happened with this language should not happen.

I congratulate the chairman of the committee, Senator INOUYE, because he has resisted, aggressively, allowing this type of action to occur. But in this case, the House of Representatives gave him no option. They put the language in over, I presume, some debate.

So this motion will knock out this language. It doesn't defeat the bill. The bill can be sent back to the House and it can pass. It would take another couple hours, at the most, to pass it. If people want to bring back the cash for clunkers bill, they can do it as a free-standing bill and, hopefully, they can do it by paying for it. That is the way it should be done. It violates another rule, which is the pay-go rule.

So this motion to waive is going to be the first test of this Congress on three critical issues. First, are we going to do something about the debt of this Nation? Are we going to start paying for new programs that we know are politically attractive? Every auto dealer in America wants this language included in the bill. Are we going to pay for it? Second, are we going to live by the rules that were put into place by the Democratic leadership in the Honest Leadership and Open Government Act? Third, are we going to live by the statement made by the President, surrounded by the Democratic leadership of the Congress, that pay-go would be the new way we will enforce fiscal discipline? Those are three major issues that will be addressed by this vote.

Members who vote to waive this rule will be voting to pass a billion dollars of debt on to our children, on top of the trillions we are already putting on their backs. They will be voting to waive a rule that was put in by the Democratic leadership for the purpose of avoiding this type of action—this exact type of action. They will be voting to override the pay-go rules, which many Members have so wrapped themselves in as the way they are going to fiscally discipline this place.

I hope people will not vote to waive this point of order, sustain this point of order, move forward on the supplemental, fund the troops; and let's not add a billion dollars of unnecessary debt on an extraneous program to the troop funding.

I yield the floor, and at the appropriate time, I will yield to Senator GRASSLEY such time as he may desire.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Madam President, I rise in support of the conference agreement on H.R. 2346, the supplemental appropriations bill.

The compromise agreement, which has been worked out in a full and open conference between the two Houses, represents the hard work of our conferees.

As has long been the tradition of the Appropriations Committee the compromise package before the Senate reflects the deliberations of our twelve

subcommittees. Each subcommittee has items in this measure and I am pleased to note that all of our subcommittees were able to reach agreement with their House counterparts.

As such, the bill before us represents a balanced compromise between the issues and funding recommended by the House and by the Senate.

As in any compromise neither body, nor individual Member, received everything he or she sought.

The House has agreed to support funding for the International Monetary Fund and the Senate has agreed to compromise language on how we deal with the detainees at Guantanamo. But, it is a fair compromise which I believe all Members should support.

At \$105.9 billion, the conference agreement is \$14.6 billion above the amount recommended by the Senate. However, it is important to point out to my Senate colleagues that nearly half of this increase represents additional funding for swine flu. This funding was included in response to a budget amendment submitted by the administration following Senate passage of this bill.

The managers of our Labor HHS subcommittees have responded to the potential need for additional swine flu resources by providing more than \$7 billion in funding, of which nearly \$6 billion is contingent upon the administration submitting additional requests for funds. We have been advised that funding may be required this summer to prepare for an outbreak next fall in the United States if the virus mutates over the next few months.

If that occurs, the American public can be assured that we will be ready. I can also promise my colleagues that our Labor-HHS subcommittee will be monitoring the flu virus and closely watching the administration's efforts to respond to this potential crisis.

Regarding the remaining increase above the Senate bill, the conference agreement funding levels are between the amounts recommended by the two bodies.

The bill includes the funding level sought by the House for the Department of State and "splits the difference" in the amount recommended by both bodies for defense and military construction.

One provision of note that was deleted from the measure relates to the public release of photographs of detainees. The Senate agreed to drop this provision only after the President sent a letter to Chairman OBEY and myself assuring us that he would not release the photographs in question.

While many of us support the intent of this amendment, it was clear that including the amendment would jeopardize passage of the bill in the House. That result would not have been an acceptable outcome.

Mr. President, this is a fair compromise and one which is worthy of the support of every Member of the Senate.

I understand that there may be one or two items that not all Members

agree with, but I would remind my colleagues that this is a must pass bill. The funding in this bill is critical to the Defense Department in continuing to support our servicemen and women fighting in Iraq and Afghanistan.

I would point out that if we cannot pass this bill, we will shortly run out of funds to pay our service members and to ensure funds are available to support the readiness of all our forces, not just those serving in Southwest Asia.

I want to thank my vice chairman for his counsel and support as we have worked through several difficult issues.

We have forged this agreement together. I would note that there were 30 Senate conferees on this measure and 27 signed the conference agreement.

Finally, I wish to thank all of our subcommittee chairmen and ranking members and their staffs for their hard work. This conference agreement would not have been possible without their efforts.

I yield the floor.

The PRESIDING OFFICER (Mr. UDALL of Colorado). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak as in morning business.

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

TREATMENT OF COMMITTEE WITNESSES

Mr. GRASSLEY. Mr. President, last week, there was a disturbing occurrence on the other side of the Capitol that I believe needs to be brought to the attention of my colleagues in the Senate.

On Tuesday, June 9, the Subcommittee on Energy and the Environment of the House Energy and Commerce Committee held a hearing on allowance allocations policies in the Waxman-Markey climate change bill. One of the witnesses who volunteered to testify before the subcommittee was David Sokol, chairman of MidAmerican Energy Holdings Company, based in my State of Iowa, in the capital city of Des Moines.

We are all very well aware there are very divergent opinions on the so-called cap-and-trade program advocated by Chairman WAXMAN and Subcommittee Chairman MARKEY. Hearing witnesses are typically invited to share different positions and offer different perspectives on prospective policies. That was the case with the MidAmerican CEO. His company supports the cap on emission reductions in the bill but strongly opposes the trading component.

In Mr. Sokol's testimony, he made clear his position that the trading mechanism in the Waxman-Markey bill will impose huge costs on customers. The costs will come in two ways: First, to pay for emission allowances, which will not reduce greenhouse gas emissions; and then for the construction of new, low, and zero carbon powerplants that will actually reduce emissions. So in those two ways, customers pay. He indicated MidAmerican's customers

would see an increase in electricity rates of somewhere between 12 percent at the low end and 28 percent at the high end under the climate bill now before the other body.

It appears that Chairman MARKEY did not appreciate the criticism leveled at his bill by Mr. Sokol. During the hearing, a letter was sent by Chairman MARKEY's office to the Federal Energy Regulatory Commission requesting information about MidAmerican's investment and other activities since the 2005 repeal of the Public Utility Holding Company Act—the short term around here, or acronym, is PUHCA.

The six-page letter also requested a reply from FERC within 2 days, "in order to better inform the Subcommittee's deliberations on this matter."

However, the 2005 repeal of PUHCA has absolutely nothing to do with Chairman MARKEY's climate change bill. It appears it is more than a coincidence that Chairman MARKEY was firing off a six-page letter concerning MidAmerican while the CEO was making critical comments on his bill before his committee. This appears to be a blatant use of power to intimidate a witness whose opinions differ from the chairman.

It has recently been reported that Chairman MARKEY was unaware that the letter was being sent at the time, and I would accept his position on that. Once the letter was brought to his attention, Chairman MARKEY realized how inappropriate it was and subsequently sent another letter to FERC clarifying his inquiry. This seems to indicate that there are unnamed committee staff who are trying to intimidate and prevent detractors from speaking against their climate bill. These types of strong-arm tactics should not be tolerated.

What lengths are proponents willing to go to if they are willing to intimidate people who disagree with them? Are they so unsure of their own position that they have resorted to apparent retribution to silence their critics? Quite frankly, those in the Senate should be skeptical of legislation that is advanced with such zeal that witnesses are being threatened with intimidation if they oppose it, whether that is by staff writing a letter or any other way.

Policymaking is a very complicated process. It is one that depends on the honest and forthright input of outside experts and stakeholders to give information; obviously, not to twist arms. After this incident, it seems the process going on in the House of Representatives is not open and fair to those who are critical of the Waxman-Markey bill. We owe it to the American public to restore this process to a more dignified level and assure all witnesses before Congress that they will be treated fairly and with respect, regardless of whether they agree or disagree with the chairman and/or staff.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. I 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. INOUYE. 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. INOUYE. Mr. President, I ask unanimous consent that the time during the quorum call be equally divided between the two parties.

The PRESIDING OFFICER. Is there objection?

Hearing no objection, it is so ordered.

Mr. INOUYE. Mr. President, I 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. LEVIN. 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. LEVIN. Mr. President, what is the time agreement?

The PRESIDING OFFICER. The majority has 36 minutes remaining.

Mr. LEVIN. I ask unanimous consent that I be yielded 4 minutes.

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

CASH FOR CLUNKERS

Mr. LEVIN. Mr. President, one way to stimulate a key part of our economy—auto sales—is to establish a so-called fleet modernization or cash for clunkers program that would provide a voucher for purchase of new vehicles to those turning in their older less fuel efficient vehicles. This program will encourage people to purchase new more fuel efficient vehicles and will both stimulate the sale of new vehicles and reduce overall fuel consumption and greenhouse gas emissions. By providing incentives for the purchase of new more fuel efficient vehicles, this program will provide a much-needed boost to the struggling auto industry, including manufacturers, dealers, suppliers and other related industries.

New vehicle sales of all auto companies in the world continue to suffer as we weather this unprecedented downturn in the U.S. economy. Since the end of last year, we have seen a decrease in sales of 30 to 40 percent over the same period a year ago. Therefore, it is imperative that we turn around this sales decline, and one way to help is with incentive programs such as the cash for clunkers program. Legislation to implement such a program was first passed by the House of Representatives as a stand-alone measure and has now been included as part of the Supplemental Appropriations Act before the Senate. Including this measure in this critical legislation will allow this program to be implemented quickly and begin to have a positive effect on the economy.

There is strong evidence that this type of program will work. Nearly every major industrialized country in the world with an auto industry has now some kind of vehicle scrappage program in place and there is documented evidence of increased sales. Germany has seen an increase in new vehicle sales of 25 to 40 percent since its program was implemented earlier this year. China saw an increase in new vehicle sales of 15 percent in March after its program was implemented. France has seen an increase in vehicle sales of 8 percent since its program was implemented at the end of 2008. Other countries—such as Japan and Korea—have more recently followed suit and implemented programs like this. It is too early to have sales data for these countries, but they are expected to show similar positive increases in sales of new vehicles.

Under the legislation passed by the House and included in the supplemental, an individual would be able to bring in an eligible older and less fuel efficient vehicle and receive a voucher for a new more fuel efficient vehicle. To be eligible to be turned in, the old vehicle would need to have a fuel economy value of 18 miles per gallon or less, or in the case of a work truck, be older than a 2002 model. The individual turning in the old vehicle would then receive a voucher for a new vehicle. The minimum threshold for the new vehicle purchased would be 22 miles per gallon fuel economy for new passenger cars, 18 miles per gallon fuel economy for new light duty trucks, and 15 miles per gallon fuel economy for new large trucks.

The amount of the voucher received for a new purchase would depend upon the incremental improvement in fuel economy of the new vehicle over the old vehicle. Individuals would receive a voucher of no less than \$3,500 toward purchase of the new vehicle, but could receive as much as \$4,500 based upon the fuel economy value of the new vehicle. Higher fuel economy, therefore, would bring higher savings—thereby creating a positive incentive for individuals to buy the most fuel efficient vehicles available. To ensure that the older less fuel efficient vehicle would not be used on the road again, the old vehicle would be taken to a registered disposal facility where it would be destroyed by dismantling the drive train and engine block. Any value of other used car parts would be protected, however, as these parts could be sold separately by the disposal facility.

The compromise before the Senate provides a well-crafted and balanced fleet modernization program. It will accelerate national economic recovery by stimulating up to an estimated 1 million new vehicle sales while at the same time pushing consumers toward purchase of more fuel efficient vehicles. This legislation is based upon months of work to develop a compromise among the administration, the auto companies, environmental organi-

zations, and auto dealers. It provides a reasonable compromise and establishes a solid program that will give consumers with older vehicles an immediate cash incentive to purchase new more fuel efficient cars and trucks. By including a hierarchy of cash vouchers for purchase of new vehicles that increases the amount available for the most fuel-efficient new vehicles, this legislation will both stimulate the economy and encourage consumers to purchase more fuel-efficient vehicles. This legislation strikes the appropriate balance between economic stimulus and fuel efficiency.

The proposal before us today keeps the focus on the primary purpose of this effort—to stimulate the U.S. economy by providing an incentive for individuals to turn in their older less fuel efficient vehicles and purchase a new more fuel efficient vehicle. It provides the proper balance—it encourages consumers to purchase more fuel efficient vehicles by including a hierarchy of incentives that offer a greater amount for a more fuel efficient vehicle. Stimulating vehicle sales while also getting older less fuel efficient vehicles off the road is surely an important national goal.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. I wish to associate myself with the remarks of the senior Senator from Michigan.

I suggest the absence of a quorum, and I ask that the time be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I rise to offer for the Record the Budget Committee's official scoring of the conference report to accompany H.R. 2346, the Supplemental Appropriations Act, 2009.

The conference report includes \$105.9 billion in discretionary budget authority for fiscal year 2009, which will result in outlays in 2009 of \$30.5 billion. Of this budget authority, \$90.7 billion is designated as being for overseas deployments and other activities pursuant to S. Con. Res. 13, the concurrent resolution on the budget for fiscal year 2010. This results in new outlays of \$27 billion in 2009. The conference report also includes \$16.2 billion in emergency discretionary budget authority, which results in outlays of \$3.5 billion in 2009. Finally, the conference report includes rescissions of existing budget authority and other changes that result in -\$1 billion in regular budget authority and -\$37 million in 2009 outlays.

The conference report includes several emergency designations each of which is subject to a point of order established by section 403 of the 2010 budget resolution. In addition, the conference report includes language relating to credit scoring that is within the

jurisdiction of the Budget Committee and as a result is subject to a point of order under section 306 of the Congressional Budget Act. Finally, the conference report includes several provisions that make changes in a mandatory program—CHIMPS—that result in

an increase in direct spending over the 9-year period, 2011–2019. Each of these provisions is subject to a point of order established by section 314 of the 2009 budget resolution.

I ask unanimous consent that the table displaying the Budget Committee

scoring of the conference report be printed in the RECORD.

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

H.R. 2346, SUPPLEMENTAL APPROPRIATIONS ACT, 2009 CONFERENCE REPORT

[In millions of dollars]

	Overseas deployment and other activities	Regular	Emergency	Total funding
Conference Report:				
Budget Authority	90,730	−1,048	16,169	105,851
Outlays	27,029	−37	3,530	30,522

Mrs. LINCOLN. Mr. President, I rise to thank my colleagues for their support of my amendment to the Federal Deposit Insurance Act with respect to the preemption of certain interest rate limitations that are applicable to the State of Arkansas. The adoption of this provision in the 2009 Supplemental Appropriations Act will aid in the economic recovery of Arkansas as demonstrated in the various letters from Governor Beebe, the Arkansas congressional delegation and the related data and communications that are to be printed in the record after my remarks.

With regard to the amendment itself, it is the intention of the drafters and the Senate, that despite the ordering of its paragraphs, the language concerning the uniform accessibility of provisions of the American Recovery and Reinvestment Act of 2009 are to apply to all bonds and obligations issued under that act for all purposes for which bonds under the act may be issued and are not limited to matters associated with housing. Without this amendment, Arkansas may not have ready access to the same Federal programs to which our sister States have access. Again, thanks to my colleagues for recognizing that the economy of and commerce in Arkansas affects and is affected by every other State and their respective commerce.

I ask unanimous consent that the following documents be printed in the RECORD as supporting documentation of the intent and reasoning behind this important provision: (1) a letter from Arkansas Governor Mike Beebe dated May 14, 2009, (2) a letter from Arkansas Governor Mike Beebe dated March 14, 2008, (3) a letter from the Arkansas Congressional Delegation dated May 14, 2009, (4) a letter from the Council of Development Finance Agencies dated May 29, 2009, and (5) Presentation to the Arkansas House Committee on State Agencies and Governmental Affairs regarding a proposed State constitutional amendment to deal with this issue. The inclusion of these documents serves to make clear our intent regarding this important provision.

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

MAY 14, 2009.
Hon. BLANCHE LINCOLN,
*Dirksen Senate Office Building,
Washington, DC.*

DEAR SENATOR: The American Recovery and Reinvestment Act of 2009 (ARRA) provides the first significant improvements to the federal public-finance legislation in decades. The municipal finance industry, cities, counties, and state finance agencies will have until 2011 to utilize the new authority given by Congress.

Unfortunately, governmental entities in Arkansas are still subject to provisions in the Constitution of Arkansas that impose interest-rate limits and restrict our use of the ARRA funds. The State is currently taking steps to amend our Constitution with respect to interest-rate controls, but such changes, if approved, will not become effective in time for the State to be able to fully participate in the National Recovery by utilizing these new financing tools.

In light of the negative impact of the current restrictions in the Arkansas Constitution, we respectfully request a temporary federal preemption of State interest-rate limits until January of 2011 for those federal programs that deal with public-finance matters addressed in ARRA.

The amendments and modifications in ARRA provide for more participation from investors, from private industry, and from governmental entities. We need temporary relief from the controls in Arkansas so that our State may participate fully in the development activities and the improved finance capacities enjoyed by the rest of the country. Thank you for your attention to this critical matter.

Sincerely,

MIKE BEEBE.

—
MARCH 14, 2008.
Senator BLANCHE LINCOLN,
*Dirksen Senate Office Building,
Washington, DC.*
Senator MARK PRYOR,
*Dirksen Senate Office Building,
Washington, DC.*
Representative MARION BERRY,
*Rayburn House Office Building,
Washington, DC.*
Representative MIKE ROSS,
*Cannon House Office Building,
Washington, DC.*
Representative JOHN BOOZMAN,
*Longworth House Office Building,
Washington, DC.*
Representative VIC SNYDER,
*Longworth House Office Building,
Washington, DC.*

DEAR FRIENDS AND COLLEAGUES: As you know, Arkansas is the only state that has a prescriptive usury provision in its constitution. With regard to some commercial transactions, this usury provision poses a problem for those entities that are not removed from its authority via federal preemption.

In recent years, Congress has enacted several laws preempting the Arkansas usury provision for Arkansas banking institutions, auto finance companies, and other similar entities. However, the usury provision is still applicable to certain transactions involving governmental entities, as a federal preemption has not been granted in their favor.

The recent reduction of the primary credit discount rate by the Federal Reserve Bank in its efforts to stimulate the economy has exposed the negative effects that the Arkansas usury provision can have on particular governmental entities. While the rate reduction may benefit the overall economy, it also has resulted in the reduction of the Arkansas usury limitation to 8.5 percent currently, with a likely decrease to 8 percent in the near future. This low usury limitation makes it exceedingly difficult for transactions that are mandated by the federal government or that are for the purpose of implementing federally established programs to take place.

Specifically, due to the Arkansas usury limitation, the Arkansas Student Loan Authority (ASLA) is finding it more and more difficult to finance activities that allow it to make student loans available for Arkansas students. Current distresses in the financial markets and the recent changes to the federal student loan program have greatly impacted the student loan industry. The credit market situation is predicted to worsen before experiencing improvement. Although ASLA has financial stability, it will need additional capital to fund loans when they reach the point that they are unable to continue recycling loan funds. The Arkansas usury provision is currently acting as a barrier to additional capital, as banks are not willing to accept bonds that may be limited by the current low usury rate. This is a problem that not only plagues ASLA, but also affects the manner in which the Arkansas Development Finance Authority (ADFA) implements its single-family mortgage program and its multi-family programs, as well.

Accordingly, I am asking you to consider enacting legislation that would grant a usury preemption provision in those instances when either a governmental or a private entity, such as ASLA or ADFA, is responsible for carrying out federally mandated programs or implementing federally established programs. We believe that when so expressed, the Congress's ability to preempt state usury laws under the commerce clause is broad enough to cover the federal preemption suggested. Representatives of both ASLA and ADFA have been working on a draft usury-preemption provision, and they, along with a representative from my office, will be contacting your office regarding this issue. I am hopeful that this can be accomplished in a manner similar to the preemption granted to Arkansas banking institutions through the Gramm-Leach-Bliley Act.

This is a developing matter of some urgency, and I very much appreciate your cooperation and consideration with regard to this issue.

Cordially,

MIKE BEEBE.

CONGRESS OF THE UNITED STATES,
Washington, DC, May 14, 2009.

Hon. HARRY REID,
Senate Majority Leader, U.S. Senate, Washington, DC.
Hon. MITCH MCCONNELL,
Senate Minority Leader, U.S. Senate, Washington, DC.

DEAR LEADERS REID AND MCCONNELL: As members of the Arkansas delegation, we are requesting your support for an amendment we will be offering to the Credit Cardholders' Bill of Rights Act of 2009 (H.R. 627) during Senate consideration. This is a critical legislative proposal that will provide temporary relief for an Arkansas-specific interest rate problem that is having a severe impact on Arkansas students, consumers, and businesses, as well as our municipalities and state government.

Arkansas is the only state in the nation with a constitutionally-defined, artificially low interest rate limit that is tied to the Federal Discount Rate. Under current law, the interest rate on special-revenue bonds and non-bank consumer loans may not exceed five percent above the Federal Discount Rate, currently set at .50 percent. Other bonds are capped even lower, at 2 percent above the Federal Discount Rate. As a result, Arkansas' state and local governments, public universities, and utilities in search of financing for construction and improvement projects are severely hampered by the current limit; as are Arkansas consumers, who are facing a lack of credit availability.

Practically speaking, the current interest rate limit in Arkansas on all non-bank lending is no higher than 5.50 percent. Not surprisingly, this low rate of interest has contributed to bond investors looking to other states across the country where their yields will be much higher, as well as credit rationing by non-bank lenders that have been forced to restrict funds to consumers, particularly now when capital is hard to come by.

Although we understand the Federal Reserve's actions in recent months to continue lowering the Federal Discount Rate were intended to combat the economic crisis and stave off a further decline in our financial markets, their actions have only exacerbated the economic challenges faced in our state. Additionally, many of the tools put in place in the American Recovery and Reinvestment Act earlier this year to jumpstart our economy, such as the Recovery Zone Bonds and the Build America Bonds, are not available in our state because of our lack of competitiveness in the bond market. As stated in a recent Arkansas Democrat-Gazette article on this issue:

"The bond market has responded to the Build America program. Since its introduction, investors have purchased \$8 billion in offerings, providing the bulk of activity in the taxable-bond sector. Arkansas is not in position to take part."

This is an issue that impacts Arkansas alone and Arkansas does indeed intend to fix the problem. However, we can't do so immediately because this archaic clause in Arkansas law must be rectified through a statewide ballot initiative. Therefore, a proposal to permanently modify this outdated law will be voted on by the people of Arkansas,

but not until the next statewide ballot in 2010. Unfortunately, the economic challenges our nation now faces are magnified in our state because of this problem and immediate, emergency intervention is essential.

There is precedent for Federal action on this issue, as the U.S. Congress enacted an Arkansas-specific provision to exclude Arkansas bank lenders from this exact interest rate limit in 1999. The amendment we are offering today is more limited in scope, allowing only a temporary relaxation of the current interest rate limit to a more reasonable level, not to exceed 17 percent; and it would only be in effect until the state ballot initiative is considered. This is merely a bridge to get us through the immediate crisis and to a point when our state can permanently address the problem next year.

This is a matter of great urgency for our state. We hope we can count on your support and look forward to discussing further if you have any questions or concerns.

Sincerely,

BLANCHE L. LINCOLN,
U.S. Senate.
MARK PRYOR,
U.S. Senate.
MARION BERRY,
Member of Congress.
VIC SNYDER,
Member of Congress.
JOHN BOOZMAN,
Member of Congress.
MIKE ROSS,
Member of Congress.

COUNCIL OF
DEVELOPMENT FINANCE AGENCIES,
Cleveland, OH, May 29, 2009.
Hon. BLANCHE LINCOLN,
U.S. Senate, Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR LINCOLN: The Council of Development Finance Agencies (CDFA) respectfully urges support and passage of the temporary federal preemption on municipal interest rates until December 31 of 2010 for those federal programs dealing with public finance matters addressed in the American Recovery and Reinvestment Act (ARRA). This preemption was proposed by Senator Lincoln as an amendment to H.R. 2346, a supplemental spending bill. It is a measure that would provide significant benefits to the State of Arkansas.

Most of the ARRA provisions only have a two-year window. Unfortunately, the governmental entities in Arkansas; state agencies, state bond authorities, cities and counties are still governed by the provisions in the Constitution of Arkansas that control interest rate limits. The State of Arkansas is taking steps to amend their Constitution with respect to interest rate controls. HJR 1004 has been referred by the State Legislature to the Arkansas voters during the 2009 legislative session. HJR 1004 is a proposed constitutional amendment that will remove the ceiling on interest rates for governmental units. That vote will be decided at the general election in November of 2010, which would essentially prevent Arkansas from utilizing the two-year provisions, including Build America Bonds.

CDFA is a national association dedicated to the advancement of development finance concerns and interests. We have a long history of working with Arkansas agencies that would be positively impacted by this amendment, including the Arkansas Development Finance Authority (ADFA). They have been a longtime member and active on our Board of Directors. ADFA is one of the leading de-

velopment finance agencies in the country and was recognized as having the best industrial development bond program in 2006 by CDFA. ADFA is also one of 10 organizations highlighted as case studies in CDFA's recently published book, the Practitioner's Guide to Economic Development Finance.

In light of the negative impact of the restrictions embedded in the Arkansas Constitution, CDFA respectfully requests a temporary federal preemption on interest rates until December 31 of 2010 for those federal programs dealing with public finance matters addressed in ARRA. This exemption would allow ADFA and other Arkansas agencies access to financing tools that would allow them to issue debt and finance new projects at significant cost savings to Arkansas taxpayers.

Sincerely,

TOBY RITTNER,
President & CEO.

PROPOSING A CONSTITUTIONAL AMENDMENT TO REMOVE FROM THE CONSTITUTION INTEREST RATE LIMITS ON BONDS ISSUED BY AND LOANS MADE BY OR TO GOVERNMENTAL UNITS

LEGAL HIGHLIGHTS

The proposed amendment eliminates constitutional interest rate limits currently applicable to governmental units.

The proposed amendment provides that the General Assembly shall have the power to establish interest rate limits.

The proposed amendment removes the interest rate limit on city and county bonds backed by taxes (such as sales, property, and hotel/restaurant taxes) which must be voter approved. Amendment No. 62 sets the limit at 2.00% above the Federal Discount Rate on the date of the election approving the bonds. The Federal Discount Rate is currently .50% which produces an interest rate limit of 2.50%.

The proposed amendment removes the interest rate limit on revenue bonds. Amendment No. 65 that authorizes revenue bonds to be issued without an election states that Amendment No. 60's interest rate limit is to apply to revenue bonds. That limit is 5.00% above the Federal Discount Rate when the contract or bond purchase agreement is signed. The Federal Discount Rate is currently .50% which produces an interest rate limit of 5.50%.

Any agreement that provides for an interest rate that is variable over its term is currently controlled by the initial limit established when a contract is signed, without regard to market changes over the term of the agreement.

The proposed amendment removes the interest rate limit on loans made by governmental units, including State Agencies that have project loan programs such as the Arkansas Development Finance Authority and the Arkansas Natural Resources Commission. The Amendment No. 60 limit mentioned above applies to such programs (5.00% above the Federal Discount Rate on the date any program loan agreement is signed, currently 5.50%).

The proposed amendment removes the interest rate limit on short term financing for cities and counties. Amendment No. 78 that authorizes short term financings sets a limit based upon one year U.S. treasury obligations. The limit changes quarterly.

**Examples of Planned or Pending Bond Issues Impacted by
Arkansas' Interest Rate Limitation**

Issuer	Type of Issue	Project	Status	Approximate Par Amount
Arkansas Methodist	Revenue	Hospital Improvements	Restricted by Interest Rate Limit	\$ 10,000,000
Arkansas Student Loan Authority	Revenue	Funding Student Loans	Restricted by Interest Rate Limit	800,000,000
Bradley County	Sales Tax	Hospital Improvements	Restricted by Interest Rate Limit	4,500,000
Children's Hospital	Revenue	Various Improvements Including: New Patient Tower and Utility Upgrades	Restricted by Interest Rate Limit	100,000,000
Conway Regional Medical	Revenue	Hospital Improvements	Restricted by Interest Rate Limit	30,000,000
City of DeWitt	Sales Tax	Street Improvements	Restricted by Interest Rate Limit	10,000,000
City of Farmington	Sales Tax	Recreational Facilities	Restricted by Interest Rate Limit	2,000,000
Garland County	Sales Tax	Jail Expansion	Restricted by Interest Rate Limit	34,000,000
City of Greenwood	Sales Tax	Street, Parks, and Fire Protection Improvements	Restricted by Interest Rate Limit	3,000,000
Ouachita Baptist University	Revenue	Campus Improvements	Restricted by Interest Rate Limit	10,000,000
City of Rogers	Sales Tax	Street Improvements	Restricted by Interest Rate Limit	100,000,000
City of Star City	Sales Tax	Water, Sewer, and Street Improvements	Restricted by Interest Rate Limit	3,500,000
City of Waldron	Sales Tax	Street Improvements	Restricted by Interest Rate Limit	2,000,000

**Examples of Previous Bond Issues that would be Unmarketable Today Due to
Arkansas' Interest Rate Limitation**

Dated Date	Amount	Final Maturity	Issue	Purpose
10/1/00 & 1/15/01	\$11,950,000	2020	City of Crossett, Arkansas Sales and Use Tax Bonds, Series 2000 and 2001	Construct and Equip Public City Library, Public Sports Complex; and Street Improvements
11/1/00 – 6/1/01	18,135,000	2013-2023	City of Blytheville, Arkansas Sales and Use Tax Improvement Bonds, Series 2000 and 2001	Sewer improvements, golf course, recreation facilities, streets, drainage and other
7/1/01	39,800,000	2012	City of Hot Springs, Arkansas Sales and Use Tax Refunding and Improvement Bonds, Series 2001	Construct and Improve Hot Springs Civic Center; and to Advance Refund a Prior Bond Issue
6/1/03	9,800,000	2026	Chicot County, Arkansas Sales and Use Tax Improvement Bonds, Series 2003	New Hospital Construction
8/1/03	7,400,000	2014	City of Malvern, Arkansas Sales and Use Tax Improvement Bonds, Series 2003	Sports Complex
9/1/03	10,900,000	2012	Jefferson County Sales and Use Tax Improvement Bonds, Series 2003	New Jail Construction
4/1/05	2,565,000	2025	City of Truman, Arkansas Sales and Use Tax Improvement Bonds, Series 2005	Various Municipal Improvements
6/1/05	10,000,000	2021	City of Rogers, Arkansas Sales and Use Tax Bonds, Series 2005	Street Improvements
9/1/05	6,365,000	2023	City of Mountain View, Arkansas Sales and Use Tax Refunding and Improvement Bonds, Series 2005	Sewer System Improvements and to Refund four Prior Bond Issues
10/1/05	18,690,000	2031	City of Stuttgart, Arkansas Sales and Use Tax Refunding and Improvement Bonds, Series 2005	Water, Sewer, Street, Fire, Police, Park, and Old Post Office Improvements; and to Refund two Prior Bond Issues
11/1/05	2,255,000	2030	City of Nashville, Arkansas Sales and Use Tax Refunding and Improvement Bonds, Series 2005	Water and Sewer System Improvements; and to Refund a Prior Bond Issue
12/1/05	30,150,000	2031	City of Cabot, Arkansas Sales and Use Tax Refunding and Improvement Bonds, Series 2005	Sewer, Street, Overpass, Community Center, and Animal Shelter Improvements; and to Refund two Prior Bond Issues
12/1/05	985,000	2030	City of Vilonia, Arkansas Sales and Use Tax Bonds, Series 2005	Construct and Equip a Municipal Complex
1/1/06	1,725,000	2035	Yell County, Arkansas Sales and Use Tax Bonds, Series 2005	Improvements to County Courthouses in Dardanelle and Danville
4/1/06	2,600,000	2025	City of Bentonville, Arkansas Combined Electric, Water and Sewer System Revenue Bonds, Series 2006 B (Federally Taxable)	Improvements to the Water Facilities of the City's combined Electric, Water and Sewer System
5/1/06	16,000,000	2030	City of Heber Springs, Arkansas Sales and Use Tax Improvement Bonds, Series 2006	Park and Recreational Improvements

Examples of Previous Bond Issues that would be Unmarketable Today Due to Arkansas' Interest Rate Limitation (continued)

Dated Date	Amount	Final Maturity	Issue	Purpose
9/1/06 & 4/1/07	16,990,000	2031 & 2022	City of Bryant, Arkansas Sales and Use Tax Bonds, Series 2006 and 2007	Construct and Equip Park and Recreational Improvements
11/1/06	865,000	2017	City of Camden, Arkansas Sales and Use Tax Refunding and Improvement Bonds, Series 2006	Fire Department Improvements and to Refund two Prior Bond Issues
11/1/06 & 10/1/07	64,340,000	2021 & 2026	City of Fayetteville, Arkansas Sales and Use Tax Capital Improvement Bonds, Series 2006A and 2007	Wastewater, Street, and Trail System Improvements
12/1/06	9,165,000	2031	Sebastian County, Arkansas (Sparks Regional Medical Center) Public Health Facilities Board Hospital Revenue (Junior Lien) Bonds, Series 2006	Construct and Equip certain Emergency Room, Imaging, Intensive Care and Surgical Facilities
3/1/07	1,130,000	2029	City of Dumas, Arkansas Sales and Use Tax Bonds, Series 2007	Street and Park & Recreational Improvements
4/18/07	3,400,000	2022	City of Little Rock, Arkansas Waste Disposal Revenue Bonds, Taxable Series 2007	Improvements to the City's Waste Collection and Disposal System
6/1/07	24,090,000	2047	Howard County, Arkansas Sales and Use Tax Improvement Bonds, Series 2007	Construct and Equip a Hospital Facility
7/1/07	\$ 3,910,000	2028	City of Farmington, Arkansas Sales and Use Tax Refunding and Improvement Bonds, Series 2007 A & B	Sewer System Improvements and to Refund a Prior Bond Issue
7/31/07	590,000	2013	St. Francis County, Arkansas Sales and Use Tax Refunding and Improvement Bonds, Series 2007	County Courthouse and Jail Improvements; and to Refund a Prior Bond Issue
8/1/07	37,080,000	2037	City of Magnolia, Arkansas Sales and Use Tax Bonds, Series 2007	Construct and Equip a Hospital Facility
8/1/07	2,995,000	2035	City of McGehee, Arkansas Sales and Use Tax Bonds, Series 2007	Justice Facility Acquisition and Early Warning System Improvements
9/1/07	4,335,000	2037	City of Atkins, Arkansas Sales and Use Tax Bonds, Series 2007	Water System Improvements
2/1/08	1,195,000	2023	Perry County, Arkansas Sales and Use Tax Bonds, Series 2008	Construct and Equip County Jail and Criminal Justice Facilities
9/1/08	3,920,000	2019	City of Brinkley, Arkansas Sales and Use Tax Bonds, Series 2008	Street, Water, Sewer, and Fire Department Improvements

ARKANSAS'S INTEREST RATE RESTRICTIONS

IMPACT ON STATE AGENCIES

EFFECT ON ARKANSAS STUDENT LOAN

AUTHORITY

The Arkansas Student Loan Authority (“ASLA”) provides student loans to Arkansas residents and students at Arkansas’s universities and colleges. ASLA also provides liquidity for Arkansas banks participating in the Federal Family Education Loan Program. ASLA raises the money from which it makes and purchases student loans by issuing bonds in the capital markets.

The maximum amount of interest that ASLA may pay a bond investor under the Arkansas interest rate restriction is determined at the time bonds are issued, and this rate cannot change even if the market changes over the 25-30 year life of the bonds. The current maximum interest rate under Arkansas law is 5.50%. The interest rate limit is determined by adding 5 percentage points to the Federal Discount Rate. The current Discount Rate is 0.50%.

ASLA was forced to redeem approximately \$80 million in bonds in 2008 due to the bond interest rates exceeding limits established at the time bonds were initially sold to investors. These funds would have normally been used to make or purchase student loans.

Previously, ASLA and other student loan issuers accessed funds in the capital markets primarily by issuing Auction Rate Bonds. The interest rate limit was a nuisance when issuing Auction Rate Bonds but was not an impenetrable barrier. The Auction Rate Bond market has collapsed and is not expected to return.

The most likely vehicle through which ASLA will access the capital markets is through Variable Rate Demand Bonds, which require a “liquidity bank”. The banks who typically act as liquidity providers are unwilling to do business in Arkansas due to the artificial interest rate ceiling placed on bonds issued by governmental agencies in the state.

The interest rate restriction affects much more than student loans; it is having a negative effect on Arkansas cities, counties, non-profits and State governmental agencies that depend on the issuance of revenue bonds to gain access to funding. Such agencies use revenue bonds to finance facilities for water, sewer, industrial development, education, recreation and other important projects that serve the needs of the citizens of Arkansas.

EFFECT ON OTHER ARKANSAS STATE AGENCIES

The inability of State of Arkansas bond issuers to lock in long-term interest rates for governmental, student loan, housing, economic development and 501(c) 3 projects puts Arkansas at a competitive disadvantage with the rest of the world. Arkansas borrowers who need fixed rate financing for their long-term assets are being subjected to interest rate risk and higher transaction costs due to refinancing, because the bonds are only able to be sold with shorter term maturities, if they can be sold at all.

Following this page is information on two example transactions completed to support economic development that were impacted by the existing constitutional interest rate limit. The bond issues were for the Hewlett Packard facilities in Conway and Sage Foods in Little Rock. Fortunately, these issues were completed before the Federal Discount Rate was lowered to its current level of .50%. Otherwise, the negative impact could have been greater.

Lenders located outside the borders of Arkansas that provide liquidity and credit enhancement to bond issues will not be extending credit if interest rates in Arkansas do not float up and down with the market. These out-of-state lenders do not want to

take interest rate risk on bond issues for their manufacturing clients that are located in Arkansas.

Arkansas governmental agencies that make loans and manage revolving loan funds need proper compensation for lending risks, making it easier to build sustainable pools of lending capital for the State of Arkansas.

Taskforce on the 21st Century Economy: (Web site—<http://taskforce21.arkansas.gov/>)

One charge of the 21st Century Taskforce: Define the programs and services needed for the state and its communities to be globally competitive within the role and scope of 21st Century economic development.

THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009—BUILD AMERICA BONDS

With rates currently capped at 5.5%, Arkansas will not be able to participate in this taxable bond financing program in a very meaningful way. Current federal law limits these new bond issues to years 2009 and 2010. Many other substantive changes were also made to federal tax law. Arkansas issuers will not be able to take full advantage of these changes.

CITY OF LITTLE ROCK, AR—TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS

[Sage V Foods, LLC Project]

\$4,455,000	\$1,545,000	\$5,000,000
Series 2008 A	Series 2008 A-2	Series 2008 B
Dated: November 1, 2008	Dated: December 1, 2008	Dated: December 1, 2008
S&P: A	S&P: A	S&P: A
ADFA Guaranty	ADFA Guaranty	ADED Guaranty

Sage Foods, LLC (the “Company”) is in the business of producing rice-based ingredients for the food industry. The Company operates a rice flour mill and a rice cooking facility in Freeport, Texas. The Company recently built a new flour mill and extrusion plant in Stuttgart, Arkansas. The Company needed \$11,000,000 to build a 90,000 square foot industrial facility for the production of instant rice and frozen rice in the Little Rock Port Industrial Park. The Bonds were originally structured to have \$6,000,000 issued with an Arkansas Development Finance Authority (“ADFA”) Guaranty and \$5,000,000 with an Arkansas Department of Economic Development (“ADED”) Guaranty, with level debt service and a final maturity of 2023.

Because of Arkansas interest rate limits, the true interest cost (TIC) on the Bonds is limited to 5% over the federal discount rate the day the bond purchase agreement is signed. The discount rate was lowered to 1.75% on October 8th, which meant the TIC couldn’t exceed 6.75% on the Bonds. With this limitation, \$4,455,000 of the ADFA Guaranteed Bonds were sold on October 28th with a final maturity of 2023. The Borrower needed the final series of bonds issued by year end. With the change in the discount rate to 1.25% on October 29th, the structure of the remaining Bonds had to be shortened to 2014 with the bulk of the bonds maturing in the final year. These bonds were sold in early December, a week before the discount rate was lowered to .50%.

Mr. FEINGOLD. Mr. President, just about 1 month ago I voted against the emergency supplemental spending bill and stated my reasons for doing so at some length. I will not repeat what I said then, but my concerns also apply to the conference report we are considering. While the President has provided a timeline for redeployment of our troops from Iraq, I remain concerned that we may see upwards of 50,000 U.S.

troops remain in that country. Leaving such a substantial number of troops in Iraq could undercut the benefits of redeployment, and might result in a significant uptick in violence against U.S. troops.

I am also concerned that this supplemental pads the defense budget with items not needed for the war and outside the normal appropriations cycle.

Finally, and even though President Obama has a plan to focus the government’s attention and resources where they are most needed—on Afghanistan and Pakistan—I am worried that the current strategy does not adequately address, and may even exacerbate, the serious national security problems we face in that part of the world. Those problems could be made worse, not better, by sending 21,000 more U.S. troops to Afghanistan and they may be further aggravated if there is not an adequate response to the nearly 3 million Pakistanis who have recently been displaced.

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

The PRESIDING OFFICER (Mr. UDALL of New Mexico). Without objection, it is so ordered.

Mr. REID. Mr. President, we will soon vote on a motion to waive a point of order. In the last Congress, we heard our colleagues say things such as:

I cannot understand how we can claim to support our troops and yet put them in increased jeopardy as a result of our failure to act.

Here is another:

It is so irresponsible to tell these young men and women who are serving in uniform with the orders of their Commander in Chief that you’re not going to give them the necessary ability to defend themselves. In my view it’s terribly misplaced priorities.

And another:

It is time to put politics behind us and support our troops with the funds they need.

Each of these quotes were spoken by Republicans when a Republican was in the White House. Today, with a Democrat in the White House, some Republicans threaten to stand in the way of our efforts to support our troops. Our soldiers, sailors, airmen, marines have done everything we have asked of them and more. As always, our troops and commanders have gone above and beyond. The least we can do is give them the basics they need to fight this war against terrorists. This bill does that. It gives our brave troops, including more than 1,000 men and women from the State of Nevada, the resources they need to do their jobs and to return home safely. It provides \$80 billion for the wars in Iraq and Afghanistan.

In this important piece of legislation, we are also dedicating billions of dollars to make sure we are prepared for and to respond to a potential flu pandemic. We must be ready. There is no other opportunity than this legislation to be ready by this fall. We are also dedicating billions of dollars in this legislation to strengthen the security

along our borders, and we are also dedicating billions of dollars to support counterterrorism programs both at home and abroad. This is very important.

But in this bill are not merely numbers. This legislation also contains our commitment to strengthen our military, rebuilding our relationships with key allies around the world and reducing key security threats.

Rather than restoring our standing in the world, some Republicans are standing in the way, period. I repeat, rather than restoring our standing in the world, some Republicans are standing in the way. They are threatening to block this entire bill and the good it does because of one small but significant part of it. That small but significant part is actually a tremendously important and good program. It is called cash for clunkers.

This is a program that has been tested in other places. In Germany, it has been tremendous for their economy. It helps our economy and our environment. Here is how it works. If you trade in your car over the next 4 months, we will give you up to \$4,500 toward a new car that is more fuel efficient. That sounds pretty good. Everybody benefits, the environment and the economy. Those who oppose this may not think it is a worthy goal, but they should not hold hostage the equipment and training our troops need because of this small provision in the bill. They should not let less than 1 percent of this entire important bill sink the whole thing, but that is exactly what some of our colleagues are planning to do.

Are they doing it to embarrass the President? Are they doing it because they don't think the troops need the resources to fight those two wars? Why are they doing this?

Because everyone should understand, if this point of order is not waived, this bill is finished. The House had a difficult time passing this legislation because the House got no support from Republicans. The question is whether these Senators still agree we must never walk away from our troops or if they only believe it when their party is in the White House. I sincerely hope Senate Republicans do not follow the lead of the House Republicans. Out of 435 Members of the House of Representatives, 5 Republicans voted to support our troops. They had a different excuse in the House. What they said was: We are not going to do this because there is a small amount of money in there for the International Monetary Fund. There hasn't been a word raised in this body over that because it is so important. It is supported by Democrats and Republicans over here, that particular provision in the supplemental.

In the Senate, they have raised another issue, cash for clunkers. Some are saying: Well, cash for clunkers isn't bad, but I don't like this version of it. I think we could do a version that would be more environmentally friend-

ly and so, as a result, I am voting against it.

Everyone should understand, especially those who care about our armed services—and I know the American people support them 100 percent—all the American people should understand, if there is not a waiver of this point of order, the troops will not get their money. Secretary Gates has been very good. He has not sent out any blue slips telling them they are going to lose their jobs, to civilian employees first, and then the pink slips to others that they will lose their jobs permanently. But that time is fast approaching. We cannot simply revitalize this bill in a matter of a few minutes. We have to do it today. There are provisions in this bill that are important to our standing in the world. We have to support our troops.

I, personally, with 5 children and 16 grandchildren, am a little concerned about the flu pandemic that all scientists, with rare exception, are telling us is going to hit in the fall. We are spending this money at this time so we can be ready for that and have shots that people can get to stop them from getting sick or not getting as sick.

Our troops, each and every one of whom volunteered for duty, are the last people who should be caught in the crossfire of political gamesmanship.

I hope the point of order will be waived and that the money for the troops will be on its way in a matter of hours.

THE PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I thank the majority leader for his statement. I know there is controversy involved in this so-called cash for clunkers, which is a humorous name for a very serious proposal. Let's be real honest about where we are in America today. We have seen the largest decline in automobile sales in 50 years. Sales are down 29 percent. Automobile production is down 46 percent from where it was just 17 months ago. Plummeting auto sales have reduced production, and it has had a ripple effect across the economy, forcing dealerships and factories to close. We have lost 280,000 American jobs in the automobile industry. That is what this is about, 280,000 American jobs that are lost and more that will be lost if we do nothing.

Some would have us do nothing. While the automobile industry is roiling from job losses and declining production, many consumers in the market for new cars are waiting. They are holding back. The purpose of this legislation is to put some movement into the purchasing of new automobiles. It is a targeted way to give incentives to Americans to buy cars, get them back in the showrooms, back on the lots buying the cars that start moving the inventory, creating demand, and creating a more positive feeling about the automobile industry. Are there better ways to have written this? Yes. I think I could have sat down

with others and spent more time. But that is the case in almost every bill that comes before us.

Some have argued: Listen, this just came up in the conference committee. It passed the House of Representatives before it was brought up in the conference committee. I will concede that I wish that bill would have been debated and passed here, but we didn't have the opportunity to do it. We literally did not. This is a matter of seizing an opportunity that could make a profound difference.

Has this concept of giving cash incentives to customers to buy cars ever been tried? It turns out it has. It was tried in January of this year in Germany, where they offered \$3,300 to consumers to replace old cars with new ones. At the end of the program's first month, car sales in Germany dramatically increased by 21 percent. The bad news? That same month automobile sales in the United States went down by 41 percent. Germany knew how to create a surge in purchasing by consumers with similar legislation to what is being brought to the floor.

Let's be honest about the automobile industry. Next to the housing industry, it is at the base of our economic pyramid. We need to make sure a strong auto industry is available to America so we can rebuild out of this recession and start creating jobs. Those who want to kill this provision are walking away from incentives to put people back to work in dealerships selling cars, servicing cars, and producing cars across America.

I beg those who oppose this to understand what we will face if we do nothing, which is what they want to do, nothing. I think that is a terrible outcome. If we want to stand behind recovering from this recession and restoring consumer confidence, if we want to move old cars off the road, the so-called clunkers, and bring new cars on the road with higher gas mileage, this is our opportunity. Let's not get caught up in some procedural tangle. Keep our eye on 280,000 Americans out of work in this industry, more to follow if we do nothing. This is going to be an important measure for us in the long run. We need to build on it. First, we need to pass this today.

As Senator REID has said, it is an important provision in the House of Representatives. Without it, we are not sure we can pass this supplemental bill, which has so many other important provisions, not the least of which is providing for our troops in the field. It is a delicate balance that brings this to the floor. I hope those who oppose it don't want to stand back and do nothing as this recession continues, understand the gravity of this automobile industry being flat on its back at this point in time, and realize that we owe President Obama passage of this supplemental legislation. President Obama did not want to ask for this bill to pay for the wars in Iraq and Afghanistan. But, unfortunately, the previous

President made us fund these wars on an emergency basis. So we had to come in with a supplemental appropriations bill to pay for the war. That will not happen again.

Next year, President Obama is putting it in the regular budget. This is one of the last things we have to do to clean up a situation left for this President by President Bush. This bill for automobiles—this one that has a broad cross section of bipartisan support—includes support of business and labor: the United Auto Workers, the National Association of Manufacturers, the U.S. Chamber of Commerce, and the National Automobile Dealers Association, as well as more than a dozen Governors.

It is important we defeat this procedural objection to this program, that we put this money into our economy, give people a chance to buy a new car that is more fuel efficient, and put people back to work across America, so we can start digging ourselves out of this recession hole.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, first off, I appreciate the assistant majority leader clarifying the situation unalterably; that this waiver issue is solely about the issue of cash for clunkers—a piece of legislation which has absolutely nothing to do—nothing to do—with funding our troops in the field and was airdropped into a conference without being paid for, adding \$1 billion of new debt to our children's backs. That is what this waiver is about.

The majority leader has said this waiver will, in some way, harm the ability to fund the troops. I believe that to be totally inaccurate. This motion comes out of a piece of legislation which the majority leader and the assistant majority leader authored. They wrote the bill called the Honest Leadership and Open Government Act. That bill created this point of order specifically to address this type of situation, where in a conference one or the other of the two bodies sticks into a bill that is a must-pass bill language which has nothing to do with that bill and which is not paid for.

In this case, it is \$1 billion of spending not paid for which has nothing to do with the troops in the field. The reason they structured the rule this way was so it would not harm the underlying bill, so that if this point of order is successful, this bill goes back to the House and they can vote for it and send it to the President and fund the troops.

Is it the position of the assistant leader that this cash for clunkers bill is so important that the House of Representatives would not fund the troops if the language was not in the bill? Is he saying the Democratic leadership of the House is holding the funding of the troops hostage to spending \$1 billion on an extraneous program, which creates virtually no environmental improvement in our fleet and which is simply

part of the economic effort to revive the auto industry—which we have already spent \$83 billion on, by the way. Is that what he is saying?

That seemed to be the implication of his language: that the House will not pass the funding for the troops if we take it out of it—under a rule created for the purpose of disciplining ourselves this way, a rule created by the majority leader and by the assistant majority leader; authored by them and designed specifically to address this type of situation, where a conference is truly abused relative to funding and spending money which we do not have.

I do not believe that is realistic. I do not believe the Democratic membership of the House is going to vote against this bill if the cash for clunkers language is taken out on a surgical strike under a procedural right which was created by the Democratic leader and the Democratic assistant leader.

In addition, of course, there is the fact that pay-go is being violated. There is the great irony that the President of the United States, surrounded by the Democratic leadership of the Senate and the House, held a very dramatic press conference at the White House, at 12:30 in the afternoon, saying they were going to reestablish the pay-go rules for future spending, that new programs would have to be paid for. And then that House leadership went back up to Capitol Hill, and on the same day, passed this cash for clunkers bill, which was not paid for and violated the pay-go rules. The hypocrisy of it is so extraordinary that it cannot even be described. But that is what happened.

And then, in order to protect this bill, which was an unpaid-for violation of the pay-go rules, they stuck it into the conference report to fund the troops. How outrageous is that? So a pay-go point of order, which might take down this whole bill, is not appropriate to make. But it is appropriate to make this very targeted point of order, which will only eliminate the cash for clunkers language.

The policy of cash for clunkers is debatable. Maybe it makes sense; maybe it does not make sense. But it certainly should not have been put into this Defense bill, which is necessary for funding our troops. If it is a strong idea, let it stand on its own two feet on the floor of the Senate. Let it be debated. Let it, hopefully, be paid for. But at least let it be amended so those of us who think it should be paid for can propose ideas for paying for it.

Under the bill as it is being handled now, there are no amendments allowed. We have to take this \$1 billion of new debt, like it or not, whether we support the program or not. We have to pass a bill which is going to add this \$1 billion of additional debt on our children's backs. It is a totally inappropriate way to legislate.

My effort is not to slow down or to stop or to marginalize in any way the

funding for our troops—I voted for every troop funding bill that has come through this Congress, and I intend to continue to vote for them—but it is to take out this language, which is inappropriate, to live by the rules the majority leader passed, the assistant majority leader put in place—rule XLIV—to live by the pay-go rules, to not, in the name of addressing a special interest group, spend \$1 billion for which we will pass the bill on to our kids and our grandchildren.

Why should our grandchildren have to pay for cars we are going to buy today? Does that make any sense, that for the next 20 years we are going to end up paying these bills? Of course, it does not make sense.

So we should take this language out. It is not going to slow this bill down, not at all. This bill will go back to the House. It will be passed, and it will be sent to the President. It will be an act of fiscal responsibility, and we will be limiting the amount of debt we will be putting on our children's backs, which is the way we should be approaching legislation.

Mr. President, I reserve the remainder of my time.

How much time is there available?

The PRESIDING OFFICER. Sixteen minutes on the Republican side; 10 minutes on the majority side.

Mr. GREGG. Mr. President, how much time does the Senator from Oklahoma wish to have?

Mr. INHOFE. Twelve minutes.

Mr. GREGG. Well, Mr. President, I will reserve the remainder of my time. I see the Senator from Michigan on the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Michigan.

Ms. STABENOW. Mr. President, let me communicate that we are talking about a motion to waive less than 1 percent of this bill. It is an emergency bill. It is a supplemental. It is less than 1 percent. In terms of the overall scope of what is before us, it is small. But I can tell you, in small towns and cities all across America, this is a big deal.

We have up to 3 million people who, in some way, work with our automobile industry. We have small businesses all across this country that are looking at this vote. We have had colleagues come to the floor. We have had hearings held, letters, and press releases about helping dealers at this time. This is the moment. This is the moment and the vote as to whether we will do that.

I am very grateful for the chairman of the committee and his graciousness in working with us on this issue and to our leadership.

We know that while this has not come through the regular process in the Senate, in the House it went through the committee. It was reported out of committee. It was passed on the House floor, with 298 votes from Republicans and Democrats. Over two-thirds voted for this.

The reason it has been moved into this emergency supplemental is because it is an emergency, because we are seeing dealers that have been told they are going to have to phase out who have inventory to sell. We are seeing dealers all across America that are seeing sales go down and down and down; and the question is, How long are they going to be able to hold on?

The average dealer hires 53 people in their dealership. These are small businesses. I grew up on a car lot. My dad and my grandfather had a car dealership. I know what this is about for a small town.

When we look at the fact that from January to May every automobile company—for GM, it has been a 41.8-percent reduction in sales; for Toyota, it has been a 39-percent reduction in sales; and there are the reductions in sales for Ford, Chrysler, and Honda. All across the board, these sales are down.

This may not seem like an emergency to people here, but I can tell you, this is an emergency for families and small businesses, for an industry that has been the backbone of our economy for a generation, with up to 3 million people working in this industry. This, in fact, is an emergency and worth our time to put this into this bill as less than 1 percent—less than 1 percent—of the emergency spending that is in front of us.

Every other country with an automobile presence has, in fact, done something to help their industry. Germany found that in the first month, in January, when they put a similar kind of incentive plan in place, they raised sales 21 percent—21 percent at the same time our sales were falling 40 percent.

We have seen similar plans in China, Japan, Korea, Brazil, Great Britain, Spain, France, Italy, Austria, Portugal, Romania, and Slovakia—Mr. President, Slovakia. But the United States has not yet acted on a program that has been effective around the world, when we have so many small businesses right now, literally, whose futures are hanging in the balance.

This is something supported by business and labor, by the U.S. Chamber of Commerce and the National Association of Manufacturers, and, of course, the auto dealers.

I am also very pleased it is now supported by the Sierra Club. We know that, from an environmental standpoint, there is always more we can do. But we know this moves us in the right direction. In terms of the environment, this is a win with every single new car that is sold. Every car or truck sold under this program will be more fuel efficient, will be cleaner than the car or truck it replaces. That is a fact.

This bill will save 133 gallons of gasoline per vehicle per year and reduce greenhouse gas emissions by 1.45 million metric tons.

In 2010, vehicles from model year 1998 or earlier will account for 25 percent of the miles driven but 75 percent of all the tailpipe emissions.

So if we are able to get older vehicles, vehicles that are worth \$4,500 or less, off the road—they are scrapped when they are turned in, so they can no longer pollute—and people buy a vehicle that gets 22 miles a gallon or more, or if it is 10 miles per gallon better than their old car, they get a \$4,500 voucher. That seems to me to be a step in the right direction.

Is it all it could be? No. It never is here. We work hard. We take one step. We take two steps. We take three steps. But this is certainly a step forward.

This bill is about jobs. This is a bill about jobs. It is about small business. It is about the environment as well. We will see immediate reductions in fuel use, carbon emissions, and air pollution. Our constituents, from the major business organizations to labor and the Sierra Club, are supporting this effort. Not only are carmakers interested in this, as I have said already, but the people who work in the offices, the engineers, the designers, the clerks, the office managers, the salespeople, the mechanics, the car washers, the printers, the advertisers, local newspapers, television, and radio, who all depend on their local dealer. This is a program that has been successful around the world. There has been a tremendous amount of effort that has gone into this.

I thank the bill's sponsor in the House, Congresswoman SUTTON, who introduced the first bill and worked so hard and introduced the bill that was finally passed. I thank all of those who worked together on both sides of the aisle to put together something that passed overwhelmingly in the House. It comes to us now in a bill labeled "emergency spending."

This bill goes way beyond just helping the automakers. It would particularly benefit dealers, auto suppliers, State governments, workers, communities, and consumers in every State in the country. I wanted to clarify for the record that this legislation is meant to include dealers in every State in the country. Although, the term "State" is used in several definitions of title XIII, I would like to clarify that the CARS legislation is intended to have the same meaning as the term "State" defined in 49 USC 32304(a)(14) to ensure coverage of the program in the District of Columbia, Puerto Rico and other U.S. territories, just as it applies to the 50 States.

On behalf of the auto dealers, large and small, across this country, the people who depend upon these businesses, depend upon the making of these automobiles, the selling of these automobiles, I would ask my colleagues to please give us the opportunity for a short-term stimulus. This is a matter of a few months. It is less than 1 percent of this entire bill, which is an important bill for our country and our defense and for our troops. This is a small piece of what is in front of us, but for small businesspeople and Americans

working hard every day across this country, it is a big deal and it is a chance to help. I hope we will.

Thank you. I yield the floor.

Mr. GREGG. Mr. President, how much time remains?

The PRESIDING OFFICER. There is 13 minutes 30 seconds.

Mr. GREGG. And on the other side?

The PRESIDING OFFICER. Two minutes.

Mr. GREGG. Mr. President, I am going to yield to the Senator from Oklahoma, but before I do, I wish to take just 30 seconds to respond quickly to the Senator from Michigan.

The idea that we haven't done anything for the automobile industry is really hard to accept, \$83 billion having been spent on the automobile industry. The idea that \$1 billion is just a small amount of money is also very hard to accept; \$1 billion of new debt is \$1 billion that our children are going to have to pay, and it is not a small amount of money, and it compounds. We fly in the face of the procedures which the Democratic leader set up around here to have pay-go and to have the Open and Honest Leadership Act, we fly in the face of that by putting in this bill this special interest piece of legislation, unpaid for, and it is totally inexcusable.

This has nothing to do with funding the troops—nothing. The fact that \$1 billion is being spent and not paid for is totally irresponsible. It is debt our children do not need to receive.

At this point, I yield 10 minutes to the Senator from Oklahoma.

Mr. INHOFE. Mr. President, I ask to be made aware when I have 1 minute remaining.

The PRESIDING OFFICER. The Senator will be so notified.

Mr. INHOFE. Mr. President, on June 16, the House passed the bill we have been talking about here. I have concerns that have not been discussed in the last few minutes.

Although the Senate voted 90 to 6 on a bipartisan amendment to prohibit funding for the transfer of Gitmo detainees to the United States, the supplemental appropriations conference report deleted that language. That language came from an amendment that was authored by myself and my good friend from Hawaii, Senator INOUYE, but they stripped that language. The Senate's bipartisan amendment would have effectively prevented the closing of the terrorist detention facility at Gitmo. Since President Obama announced that he intended to close Gitmo, it has become widely circulated that these detainees could be transferred to American prisons for prosecution in U.S. criminal courts and potentially released in the United States.

In February of this year, I led a delegation—I have been there several times—a delegation that had never been down to Gitmo, and they saw the fine treatment the detainees get down there and saw the rooms where torturing supposedly is going on. Not one incident of torture has ever been documented.

After I returned, I introduced S. 370 to prevent the detainees at Gitmo from being relocated anywhere on American soil. Since that time, it has been called to our attention that the administration is talking about maybe 17 locations in the United States to put these terrorists. One of those locations was Fort Sill in my State of Oklahoma. I went down there, and I found out that would not be at all workable. In fact, Sergeant Major Carter, who is in charge of the prison at Fort Sill, said: Why in the world would they close a place like Gitmo? It is the ideal place to keep these people.

Currently, even though they are talking about putting them in supermax prisons, the only supermax facility is located in Florence, CO. According to the Bureau of Prisons, as of May 21, only one bed has not been filled at supermax. Obviously, this isn't going to work. The rated capacity of BOP facilities at the beginning of this month was 13,648 inmates, while the total prison population of those facilities was far more than that—exceeding 20,000.

Despite claims by Senator DURBIN that supermax prisons in the United States are ready to receive detainees, the supermax prisons in the United States are at or above their maximum capacity.

Additionally, the civilian prisons do not meet the same standard as currently exists at Gitmo. In 2002, an entire wing of a jail in Alexandria, VA, was cleared out for the 9/11 "20th hijacker," Zacarias Moussaoui, to be housed in the jail. That was just one detainee. For one detainee, they are talking about clearing out the entire wing. So moving detainees to the United States would not be reasonable.

It would also place America and its citizens at risk in inevitably creating a new set of targets. This is the problem we have. We have 17 places in the United States where we would be putting these people. We have 17 magnets to draw in terrorists located around the country.

Three weeks after I called for President Obama and my Senate colleagues to go see firsthand the facility at Gitmo, Attorney General Eric Holder—he is our new Attorney General appointed by President Obama—went down there, and he came back with a glowing report that the facility is well run by its current military officers. This affirms what I have been saying all along; that is, Gitmo is a state-of-the-art facility that provides humane treatment for all detainees and is fully compliant with the Geneva Conventions.

When the war supplemental came to the floor in the Senate, I was extremely pleased that Democrats and Republicans in the Senate joined together and announced they would not include the \$80 million in the war supplemental to close Gitmo. Sadly, this bipartisan initiative has fallen victim to partisan politics without any regard

for our national security or the wishes of the American people.

Senator REID, HARRY REID, declared—and I agreed with him—in a press conference after my bipartisan Senate amendment was passed that, "We will never allow terrorists to be released into the United States." I think that is a good statement. I agree with it. He went on to say, "We don't want them around the United States. I can't make it any clearer than the statement I have given you. We will never allow terrorists to be released in the United States." Well, that sounds real good, and I agree with him and I hope he is right. However, the problem is, if you try to try these people in our Federal court system where the rules of evidence are different in terms of admissibility of evidence, many times we would not be able to get a prosecution and they would be turned loose.

Finally, Senator DURBIN said the feeling was at this point that we were defending the unknown, we were being asked to defend a plan that hasn't been announced. Well, I have to say it still hasn't been announced.

Two weeks ago, the Obama administration again went against the will of Congress and the American people by transferring the first Gitmo detainee to the United States for his trial in New York City. This was Ahmed Khalfan Ghailani. This is a guy, if you remember, who is the terrorist responsible for the bombing at the American Embassies in Tanzania and in Kenya. He was later captured in Pakistan in 2004 while working for al-Qaida preparing false documents and facilitating a transport of arms to insurgents across the Afghan and Pakistan border. Intelligence shows that Ghailani met both bin Laden and Khalid Shaikh Mohammed in Afghanistan and remained in close association with al-Qaida until his capture in 2004. Now this bona fide terrorist will have the privilege of a U.S. civilian court trial in the United States. Ahmed Ghailani was just 1 of 239 detainees housed in the state-of-the-art facility at Gitmo.

According to the Wall Street Journal today, a government official has said that well over 50 detainees have been approved for transfer to other countries and that negotiations were continuing with Saudi Arabia to take a large group of Yemen detainees. Attorney General Eric Holder estimated yesterday that more than 50 detainees may end up in trial by U.S. authorities. This news comes as more and more Americans are growing opposed to the closure of Gitmo. In fact, I would have to say this: Recently, we have had more and more polls taken, and it is now about a 3-to-1 ratio that people don't want these people tried in the United States, they don't want to have them housed in the United States.

So we have a very serious problem. Not only are we talking about detainees down there, we are also talking about an increase in the surge in Afghanistan, and even though Afghani-

stan does have two prisons, they won't take any detainees unless they are Afghans. So if they are from Yemen or from Djibouti, they won't take them. So this is the problem we have right now.

The views of Congress haven't changed. In 2007, the Senate voted 94 to 3 to a nonbinding resolution to block detainees from being transferred to the United States, declaring:

Detainees housed at Guantanamo should not be released into American society nor should they be transferred stateside into facilities in American communities and neighborhoods.

In 2009, the Senate voted 90 to 6 to again keep detainees out of America.

The views of the American people have not changed. I mentioned the polls. The polls are all conclusive that the American people do not want to have these people turned loose into the United States, which is exactly what could happen.

While the quality of the facility of Gitmo has not changed, it is the only facility of its kind that is currently—it has six levels of security from the different levels of security. It has one doctor for each two detainees, and, as everyone agrees, it is the ideal place.

I might add that this is one of the few good deals we have in government in that it only costs us \$4,000 a year. We have had this place since 1903, and it is something we can't get rid of. The only reason I mention this now is because I have the bill that is filed, which is S. 370, that meets the will of the American people.

The PRESIDING OFFICER. The Senator from Oklahoma has 1 minute remaining.

Mr. INHOFE. I thank the Chair.

So this bill I have, S. 370, will give people in this Chamber an opportunity to vote to keep the detainees—to keep the terrorists—out of the United States of America.

I would say this: If there are some people who would be voting for the supplemental as it is right now, at least they would have another opportunity to express their will, as they have expressed on two other occasions, that we don't want the detainees, we don't want the terrorists tried in America or to be detained within the United States of America.

So with this, it is my hope the majority will allow an immediate vote on the bill I have filed, S. 370.

I yield the remainder of my time.

Mr. McCONNELL. Mr. President, as the Senate takes up legislation today on emergency funding for combat operations in Iraq and Afghanistan, U.S. forces overseas can be reassured by this: unlike some of our previous recent debates, broad bipartisan agreement now exists in support of the proposition that the efforts of our service men and women should be funded and supported.

The supplemental agreement we are considering today includes nearly \$80 billion for the Defense Department.

This funding will allow General Odierno and our uniformed men and women in Iraq to preserve the security gains they achieved during the surge, continue the transition to greater Iraqi control and capability, and deny refuge to al-Qaeda in Iraq.

These funds will also be used to support a surge of forces in Afghanistan. And to those of us who ignored previous calls for arbitrary withdrawal dates in Iraq, it is particularly encouraging to see that President Obama has accepted the recommendations of General Petraeus for sending additional forces into Afghanistan. Success there isn't assured. Looking ahead, we can expect continued challenges associated with the upcoming Afghan national elections, the need to continue the expansion of the Afghan National Army and Police, and the need to combat corruption within the Afghan ministries. But the President was right to direct a surge of forces, appoint a new commander, and refocus our efforts on a broad counterinsurgency strategy to combat the Taliban.

Republicans support this surge and understand that broad security gains in Afghanistan cannot be achieved without the sustained improvement of the Afghanistan National Army and police forces. But this strategy will also require a sustained effort on the part of the government, the people, and the military forces of Pakistan to deny the Taliban, al-Qaeda, and associated groups sanctuary in the tribal areas of Pakistan.

Just 2 months ago, the situation in Pakistan appeared to be so dire that the Secretary of State openly voiced concern that "the Pakistani government is basically abdicating to the Taliban and to extremists." Since that time, the Pakistani military has moved in force into the Swat Valley to combat this threat. Our commitment to helping Pakistan prevail in this fight, which must be conducted as a counterinsurgency if it is to succeed, must be sustained. Fortunately, the supplemental contains funds to allow it.

Another important issue that must be addressed is the effort by some to force the release of photos depicting the alleged mistreatment or mistreatment of detainees in Iraq and Afghanistan. I am afraid that those encouraging the release of these photos fail to appreciate the potential consequences of such a release. The United States has painfully come to learn that al-Qaeda and the Taliban are sophisticated communicators who exploit the airwaves and the internet. That is why the concerns expressed by our military commanders over the release of additional photos depicting the alleged mistreatment of detainees were of equal concern to our allies and friends. Iraq, Afghanistan, Pakistan, Egypt, Jordan, Saudi Arabia, and other countries deal each day with the threat of militant radicals. They know how these images can be exploited by ter-

rorist groups, and the bitter consequences that could follow. Senators LIEBERMAN, GRAHAM, and MCCAIN should be commended for making these concerns their own and carrying them to the American people.

Senator GRAHAM noted on the floor yesterday that he believes the President shares the Senate's concerns about the potential dangers of releasing these photos. Last evening we passed legislation that would prevent any additional strategic harm from the release of photographs like these. Now the House must act.

Although Republicans support the President's support in the supplemental for our operations and overall objectives in Iraq and Afghanistan, a bipartisan majority disagree with the President in one important respect—and that is the administration's request for \$80 million from Congress for the purpose of closing the detention facility at Guantanamo Bay before the administration even has a place to put the detainees who are housed there, any plan for military commissions, or any articulated plan for indefinite detention or for transferring detainees in a manner that ensures the safety of the American people.

During January of this year, by Executive order, the President established an arbitrary date for closing the detention facility at Guantanamo Bay. In April, the administration submitted its funding request to close Guantanamo as part of this supplemental bill, and the Senate voted 90-6 against including that funding. But it is worth reminding the Senate that the defense budget request for fiscal year 2010 includes a similar funding request, so the Senate will consider this matter again in the near future.

Bipartisan majorities of both Houses and the American people oppose closing Guantanamo without a plan, and several important questions remain unanswered: why was it necessary to bring detainees to the United States for prosecution, rather than using the courtroom at Guantanamo? If these terrorists are found to be not guilty by a civilian court, will they be returned to detention or released? What threat assessments were conducted prior to the recent transfers of detainees to Iraq, Chad, and Saudi Arabia?

The task force established by the President to review the closure of Guantanamo is scheduled to conclude its work in July, so Congress may learn of the administration's plans later this year. But this conference report requires the President to report to the Congress concerning the threat any further detainees who are released or transferred pose to the American people and our service members overseas. This will be of increasing importance as the task force decides the fate of detainees from Yemen.

As I said, Republicans supported the President when he reconsidered his plan to withdraw forces from Iraq. It is our hope that he will show similar

openness when it comes to his arbitrary deadline for closing Guantanamo. The Senate has spoken clearly on this issue repeatedly. It is our hope that the administration heeds the wishes of the American people as expressed through their elected representatives when it comes to releasing and transferring dangerous terrorists.

As the arbitrary closure date approaches, we will continue to press this issue forward.

The wars in Iraq and Afghanistan have placed a great strain on our combat forces, the weapons and equipment that they need to succeed and on the training base that helps to keep the force ready. This bill continues the Senate's support for this force, and for the dangerous missions that they undertake on our behalf, and therefore it deserves our support. It is not perfect, but it meets the needs of our commanders in the field. America remains a nation at war. Our forces fighting these wars deserve our support, and the funding in this bill.

Mr. GREGG. Mr. President, I understand the chairman wishes to close, so I will just speak and then yield back the remainder of our time, and so the chairman can make his closing comments.

I just have to reemphasize how much of an affront it is to the process which we set up at the beginning of this Congress to try to have fiscal discipline if we do not support this point of order. This point of order was specifically put in to address this type of situation, where there is an extraneous piece of legislation airdropped into a conference report by one House or the other House, and in this case, it is \$1 billion of spending which will go directly to the debt of this country.

We have heard from the Chinese that they are getting worried about buying our debt. They are the ones who are financing us. We have heard from our own experts and economists that the American debt rating, which is AAA-plus, may be at risk. We know we are running up debt at such an extraordinary rate right now—\$2 trillion this year, over \$1 trillion next year, \$1 trillion a year on average for the next 10 years—that our debt is going to double in 5 years and triple in 10 years.

Where do we start to discipline ourselves? Well, one would hope we would start to discipline ourselves with something that so obviously violates the rules we set up here for fiscal discipline. It violates pay-go. It is not paid for, even though the President calls for pay-go.

This is a new program, unpaid for, and it violates the new rule put in under the Openness in Government and Honesty in Leadership Act, authored by Senators REID and DURBIN, and Senator STABENOW was a cosponsor. It said don't put into a conference report things that are extraneous and aren't paid for. Yet this does exactly that. Will it affect the troops in the field? No. This bill will pass now. If this point

of order is sustained, this bill will pass this House and fully fund the troops. Then it will go back to the House of Representatives.

I cannot believe, under any scenario, that the House of Representatives is not going to vote to fund the troops, that they are going to hold the funding of the troops in the field hostage to spending \$1 billion and adding new debt on an extraneous program that has to do with buying old cars. Nobody is going to do that. That doesn't even pass the smell test as being credible.

The bill will pass the House and be sent to the President probably before the day is out. That is the way it should be. That is why this point of order was put into place. That is why the Senator from Illinois, working with the Senator from Nevada, the leaders on the other side of the aisle, created this very good and appropriate rule, so things like this could be addressed in a surgical way, so they would not lead to adding \$1 billion—in this case—which is a lot of money.

A couple of Members have said it is just a little bit. In New Hampshire, \$1 billion will run our State government for a considerable period of time. That

is a lot of money. I have never seen it. It is a lot of money.

There is no reason to pass on to these young pages that debt. If we think the cash for clunkers idea is a good one, let's pay for it. There are a lot of places we can find \$1 billion in a \$2 trillion-plus budget. So let's pay for this. Let's budget effectively. Remember the words of the chairman of the Budget Committee because they are prophetic: The debt is a threat. It is a threat to this Nation.

We have a chance to do a little bit—\$1 billion worth, which is a significant amount—to try to address the debt problem by supporting this point of order.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I find it very difficult to be on the opposing side of my dear friend from New Hampshire. There has been a lot of discussion on the premise that conferees did not pay for the cash for clunkers bill.

Technically, that is correct. But I believe my colleague should be advised that under the Congressional Budget

Office scoring, the conferees are scored with a savings of \$1.47 billion in discretionary spending in this bill.

In title 14 of the bill, the conferees included a provision which mandates that more than \$1 billion in discretionary spending in rescissions shall be allocated as savings in the bill not used as an offset.

While the conferees were required to designate the Cash for Clunkers title as an emergency for technical reasons, it is also true that we included a \$1 billion offset in discretionary spending which for all practical purposes offsets the spending for Cash for Clunkers.

So while much of the debate about this matter has involved the fact that the conferees didn't pay for this provision, that is not completely accurate.

I ask unanimous consent to have printed in the RECORD the last page from the scorekeeping document of the appropriations committee on the supplemental which shows \$1 billion \$47 million in savings.

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

FISCAL YEAR 2009 SUPPLEMENTAL CONFERENCE AGREEMENT

[Amounts in thousands]

		Budget Authority		
		Request	House	Senate
				Conference
CONGRESSIONAL BUDGET RECAP				
Scorekeeping adjustments:				
O&M, Navy transfer to Coast Guard:				
Defense function		-\$129,503	-\$129,503	
Overseas deployments and other activities		129,503	129,503	
Non-defense function				
Overseas deployments and other activities				
O&M, Defense-Wide transfer to Department of State:				
Defense function		-30,000	-30,000	-\$30,000
Overseas deployments and other activities		30,000	30,000	30,000
Non-defense function				
Overseas deployments and other activities				
Department of State transfer to other accounts:				
Diplomatic and Consular programs		-137,600	-157,600	-\$135,629
Overseas deployments and other activities		137,600	157,600	135,629
Other United States department or agency				137,600
Overseas deployments and other activities				
SPR Petroleum Account transfer to SPR account:				
Non-emergency function			-21,586	-21,586
Overseas deployment function			21,586	21,586
(Emergency)				21,586
Dept of Education account transfer to CTAE:				
Non-emergency function				-10,000
(Emergency)				10,000
Less emergency and contingent emergency		1,125,000	-799,836	-2,743,251
TOTAL, scorekeeping adjustments		1,125,000	-799,836	-2,743,251
				-16,168,838
Total (including scorekeeping adjustments)		93,270,120	95,917,135	88,539,868
Amounts in this bill		(92,145,120)	(96,716,971)	(105,851,549)
Scorekeeping adjustments		(1,125,000)	(-799,836)	(-2,743,251)
				(-16,168,838)
Total mandatory and discretionary		93,270,120	95,917,135	88,539,868
Mandatory				89,682,711
Discretionary				
Overseas Deployments and Other Activities (ODOA)		93,270,120	95,917,135	88,539,868
Fiscal Year 2009 ODOA Cap (S. Con. Res. 13) (Sec. 104(21))				89,682,711
ODOA versus Fiscal Year 2009 ODOA CAP			99,280,821	89,227,551
Discretionary (less ODOA)			(90,745,000)	(90,745,000)
				90,730,504
				(90,745,000)
			8,535,821	-1,517,449
			93,270,120	-3,363,686
				-14,496
				-687,683
				-1,047,793

Mr. INOUYE. Mr. President, I submit pursuant to Senate rules a report, and I ask unanimous consent that it be printed in the RECORD.

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

Disclosure of Congressionally Directed Spending Items

I certify that the information required by rule XLIV of the Standing Rules of the Senate related to congressionally directed

spending items has been identified in the statement of managers which accompanies the conference report on H.R. 2346 and that the required information has been available on a publicly accessible congressional website at least 48 hours before a vote on the pending bill.

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

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

Under the previous order, the question is on agreeing to the motion to waive all points of order under rule XLIV.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. BYRD) and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

Mr. KYL. The following Senator is necessarily absent: the Senator from Nevada (Mr. ENSIGN).

The PRESIDING OFFICER (Mr. UDALL of Colorado). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 60, nays 36, as follows:

[Rollcall Vote No. 209 Leg.]

YEAS—60

Akaka	Feingold	Mikulski
Baucus	Feinstein	Murray
Bayh	Gillibrand	Nelson (FL)
Begich	Hagan	Pryor
Bennet	Harkin	Reed
Bingaman	Inouye	Reid
Bond	Johnson	Rockefeller
Boxer	Kaufman	Sanders
Brown	Kerry	Schumer
Burris	Klobuchar	Shaheen
Cantwell	Kohl	Specter
Cardin	Landrieu	Stabenow
Carper	Lautenberg	Tester
Casey	Leahy	Udall (CO)
Cochran	Levin	Udall (NM)
Collins	Lieberman	Voinovich
Conrad	Lincoln	Warner
Dodd	McCaskill	Webb
Dorgan	Menendez	Whitehouse
Durbin	Merkley	Wyden

NAYS—36

Alexander	Enzi	McCain
Barrasso	Graham	McConnell
Bennett	Grassley	Murkowski
Brownback	Gregg	Nelson (NE)
Bunning	Hatch	Risch
Burr	Hutchison	Roberts
Chambliss	Inhofe	Sessions
Coburn	Isakson	Shelby
Corker	Johanns	Snowe
Cornyn	Kyl	Thune
Crapo	Lugar	Vitter
DeMint	Martinez	Wicker

NOT VOTING—3

Byrd	Ensign	Kennedy
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The PRESIDING OFFICER. On this vote, the yeas are 60, the nays are 36. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. DURBIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

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

Mr. REID. Mr. President, we have had a long conversation with the Republican leader. Senator MCCAIN is going to speak for a while. After that, it is my understanding we will have a vote on passage of the supplemental conference report. The matter to follow that is the tourism bill, which is so important to every State. The managers of this bill are Senators DORGAN and MARTINEZ. What we will do is start with five amendments—Republicans can have three, and we will have two—see if we can work through this bill before we have to do anything procedurally.

This is a heavily bipartisan bill. I don't know if there has been a bill this whole Congress that is more bipartisan. The reason it is bipartisan is tourism is so important.

The Presiding Officer's State is a beautiful State to go to—Aspen, to Vail, all the many things they have in the national parks. Nevada, people think it is the bright lights of Las Vegas and Reno, and it is, but it is a lot more. People don't realize Nevada is the most mountainous State in the Union, 314 mountain ranges. We have 32 mountains over 11,000 feet high, one 14,000 feet high. Every Senator here could boast about why people should visit their State. I have been to virtually every State in the Union. They are all beautiful. All work promoting tourism.

In our country, we do not promote tourism. We are the only industrialized Nation that does not. Some nonindustrialized nations promote their countries; we don't. We need to have people come here. Since 9/11, the number of people coming to the United States has dropped significantly because of 9/11. They haven't been told it is the safest place in the world to come. People should come here. So this public-private partnership that is in this legislation will have programs set up.

Frankly, it is comparable to what happens in Las Vegas with the Las Vegas business authority. They have done such a remarkable job of bringing people to Las Vegas. This should be done nationwide. I didn't draft the bill, but they did copy a lot that has made Nevada successful.

I hope we can work our way through the amendments and, in the process, do something good for the country. I don't believe there is anyone who wants to deep-six this bill. But I hope people who are offering amendments will offer amendments that are relative and germane. If they don't, they have a right to do that, and we will be happy to take a look at them. I have no concern whether the legal jargon of germaneness may not apply. I would rather not have to file cloture on this bill. Because of the supplemental, I guess there has been a lot of concern by the Republicans, but that should be gone now. I think we have satisfied all their demands on the supplemental. Hopefully, we can move forward with this and a number of nominations.

There will be more votes tonight. Maybe it will only be one more vote, but we will have one vote on passage of the supplemental. Then we will see what we set up for tomorrow and next week.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, here we have a supplemental appropriations conference report, supposedly, ostensibly to fund the wars in Afghanistan and Iraq and to make sure the men and women who are serving have the necessary equipment and wherewithal to pursue those conflicts with the utmost

efficiency. It is business as usual in our Nation's Capital. It is business as usual in the Congress of the United States. Instead of legislation to fund our troops and efforts in Iraq and Afghanistan, we have a bill that includes such things as \$2 million for freeze-dried platelet and plasma development, \$35 million for the FBI to investigate mortgage fraud, predatory lending, financial fraud and market manipulation, \$13.2 million for payments to air carriers for participation in the essential air service program.

Of course, one of the most remarkable feats of legerdemain I have seen in my many years here, cash for clunkers. Someone should at least attempt to explain how cash for clunkers has any relation whatsoever to the wars in Afghanistan and Iraq. It bribes Americans to trade in less fuel-efficient vehicles, considered clunkers, despite the fact that the car could have been bought yesterday, for a voucher worth up to \$4,500 toward the purchase of a new car that must get at least 18 miles per gallon, at least 18 miles per gallon—18 not 38? It is estimated to cost about \$1 billion, but some economists have declared the real cost will be between \$3 and \$4 billion. I predict it will be a lot closer to \$3 to \$4 billion than it will be to \$1 billion.

A giveaway of this nature will be obviously something that will be irresistible to many.

Here we are considering a supplemental appropriations conference report totaling \$105.9 billion, \$13 billion less than the President's request, \$9 billion more than the House-passed bill, and \$14.6 billion above the Senate-passed bill. So what we have done is, we pass a bill over here, they pass a bill over there, and we add to the sum of both. The conference report provides crucial funding for ongoing military, diplomatic, and intelligence operations. It provides emergency funding to strengthen response to the H1N1 influenza outbreak and the borrowing authority for the International Monetary Fund and, as I mentioned, vouchers for consumers to trade in old cars for new, "old" meaning as short a time as 1 year.

The majority of the conference report contains urgently needed funding for our troops in Iraq and Afghanistan. In Afghanistan, our military is engaged in an effort that can and must succeed. It also contains important assistance for the Government of Pakistan, including funding for the Pakistan counterinsurgency fund. The provision of this funding should send a message to the people of Pakistan that the United States has made a long-term commitment to stand by their side in the region and at home as they battle domestic insurgents and extremists. However, the conference report also contains billions of dollars in unrequested spending that is largely unjustified and certainly nonemergency.

President Obama's message to the Congress was to keep funding focused

on the needs of our troops and not to use the supplemental to pursue unnecessary spending and to keep earmarks and other extraneous spending out of the legislation. Despite the President's insistence not to include unnecessary spending in the supplemental, the conference report contains a number of earmarks and unrequested congressional program additions.

I am disappointed the majority chose to use the supplemental as a vehicle to add billions in unrequested funding and policy proposals which should have been fully vetted and considered on their own merits, while at the same time stripping out the Senate-passed detainee photo provision offered by Senators LIEBERMAN and GRAHAM. The conference report is also being used by the appropriators as a back door for funding fiscal year 2010 "base" requirements.

The House allocations for 2010—commonly referred to as 302(b) allocations—cut defense spending by \$3.5 billion and reduced international affairs funding by \$3.2 billion. In other words, the sleight of hand of adding non-emergency program funding to supplemental appropriations is becoming all too familiar as a way of skirting fiscal discipline by increasing discretionary spending above congressional discretionary caps outlined in the budget resolution. In other words, we are continuing what was, unfortunately, common in the previous administration. Again, about cash for clunkers, it is remarkable.

On June 16, 2009, Citizens Against Government Waste wrote a letter to all Members of the Senate stating that this provision "is really another bailout for the auto industry. American taxpayers have already spent \$85 billion."

We now own two automotive companies, we and the unions. Why do we need another bailout for the auto industry?

The "Cash for Clunkers" provision has no place in a bill that provides emergency war funds.

I couldn't agree with Citizens Against Government Waste more.

The Wall Street Journal wrote in a June 11, 2009, editorial:

Congress wants to pay you to destroy your car . . . as economic policy, this is dotty. It encourages Americans to needlessly destroy still useful cars and then misallocates scarce resources from another, perhaps more productive, use in order to subsidize replacement. By the same logic, we could revive the housing market by paying everyone to burn down their houses, to collect the insurance money and build new ones . . . The proposal is really intended to help Detroit out of a recession by subsidizing new car purchases . . .

Maybe that is why the president and CEO of the Alliance of Automobile Manufacturers wrote asking all Senators to support this program, as well as the United Auto Workers legislative director, who called this provision "the single most important step Congress can take right now to assist the auto industry."

Hasn't Congress done enough for the auto industry? When is \$85 billion not enough for the auto industry?

Lastly, this provision is a lemon, according to a June 13, 2009, article from the LA Times that stated:

Critics say the improvements required in the trade—as little as 1 mile per gallon for certain light trucks—

In other words, you trade in your old light truck and buy another one that is 1-mile-per-gallon more fuel efficient. So you can swap one gas guzzler for another.

So for \$1 billion, this provision doesn't achieve the environmental goals its authors set forth either. My colleagues, Senators FEINSTEIN and COLLINS, argued such in an opinion piece published in the Wall Street Journal on June 11, 2009, and also wrote that this provision "being pushed by the auto industry is simply bad policy," that it is "designed to provide Detroit one last windfall in selling off gas guzzlers currently sitting on dealers lots because they're not a smart buy."

This unrelated provision is an unwise use of taxpayers' hard-earned money and bad environmental policy. It doesn't belong in this bill, and I strongly disagree with its inclusion.

There are a few more earmarks I would like to highlight: \$2.2 billion in unrequested funding for eight C-17 Globemaster cargo aircraft. Currently, we have either bought or ordered 30 more C-17 cargo aircraft than is the military requirement. This is not a jobs program, as the backlog of C-17s is so great that Boeing will not begin building these eight aircraft for another 3 to 5 years. While Secretary Gates called the C-17 "a terrific aircraft," he stressed that the military users "have more than necessary capacity" for airlift over the next 10 years. These are, again, testimonies to the power of the military industrial congressional complex in Washington, DC.

An unholy alliance between manufacturers, Members of Congress, and lobbyists brings these things about. There is \$504 million in unrequested funding for seven C-130 Hercules cargo aircraft. In testimony on May 14, 2009, Secretary Gates said:

We have over 200 C-130s in the Air National Guard that are uncommitted and available for use for any kind of domestic need.

All I know is that I have a great deal of unused capacity in the C-130 fleet.

That is what the Secretary of Defense says. So we are going to spend \$504 million more for seven C-130 Hercules cargo aircraft.

There is \$3.1 billion in unrequested funding for international affairs operations and programs. The additional funding added by the House majority and agreed to in conference is to offset the \$3.2 billion reduction recently made by the Congress to the base budget request.

There is \$49 million in unrequested funding for hurricane damage repairs

to the Mississippi Army Ammunition Plant. This funding was added even though the Army advised the managers of this bill there are no storm-related repairs required at the plant—so we are going to spend \$49 million to repair a plant that does not need to be repaired—and that no valid military requirement exists for the funding.

Mr. President, \$186 million is provided above the President's request for lightweight howitzers built in Mississippi for the Marine Corps. The additional funding is not requested in the Future Year Defense Plan, nor was it on the fiscal year 2009 or fiscal year 2010 Marine Corps Unfunded Requirements Lists. In other words, the Marine Corps does not need it. The Department of Defense says it is not needed, but we are going to spend \$186 million additionally for howitzers built in the State of Mississippi.

Mr. President, \$150 million is included for Air Force A-10 Warthog aircraft wing kits and installations. While Davis Montham Air Force Base is in my State of Arizona and additional wing kits would be welcomed, the additional funds were not requested by the administration, and I oppose this \$150 million.

It end runs the Defense Base Realignment and Closure, BRAC, process by prohibiting the Secretary of Defense from carrying out a 2005 BRAC decision to discontinue the Armed Forces Institute of Pathology.

I was very disappointed the House Democrats succeeded in their efforts to strip from the supplemental spending bill the detainee photo provision offered by Senators LIEBERMAN and GRAHAM. This provision, which would support the President's efforts to bar the release of photos of past detainee abuse, would help protect our troops from the inevitable recriminations that these photos would incite. Releasing the photos would not supply new information about the issue of detainee abuse, but, rather, expose evidence of alleged past wrongdoing and put our fighting men and women in greater danger.

That is not my view. It is that of our leading military commanders, including GENs David Petraeus and Ray Odierno. Both of these distinguished military leaders have stated that the release of these images could endanger the lives of U.S. soldiers and make our counterinsurgency efforts in Iraq and Afghanistan more difficult.

That is why I commend the leadership demonstrated by Senators LIEBERMAN and GRAHAM, both of whom have steadfastly demanded that this crucial provision be addressed now by the Congress. Their efforts culminated in the passage, by unanimous consent, of stand-alone legislation that will help prevent the release of these damaging images.

So there are other troubling aspects of detainee policy included in this supplemental bill. Provisions in this bill attempt to address detainee policy in a

piecemeal way that fails to constitute a comprehensive plan for what to do with detainees at Guantanamo and those terrorist suspects captured off the battlefield in Afghanistan.

It does not include the \$80 million requested by President Obama to close Guantanamo. This is a serious rebuke by Congress and reflects a bipartisan backlash against the idea of announcing a date for the closure of Guantanamo while failing to provide a plan for what comes next.

Mr. President, I ask unanimous consent that the fiscal year 2009 supplemental earmarks and unrequested congressional add-ons be printed in the RECORD.

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

FY 2009 SUPPLEMENTAL EARMARKS AND UNREQUESTED CONGRESSIONAL ADDS

\$2.2 billion not requested by the President for 8 Air Force C-17 aircraft.

\$1 billion not requested by the President nor included in the Senate or House-passed bills for vouchers of \$3,500 or \$4,500 to be applied toward the purchase or lease of a new fuel efficient automobile or truck.

\$504 million not requested by the President for 7 Air Force C-130 aircraft.

\$439 million not requested by the President for barrier island restoration in Mississippi.

\$150 million not requested by the President for Air Force A-10 aircraft wing kits and installations.

\$150 million not requested by the President for Army Stryker vehicles.

\$117 million above the President's request for Lightweight Howitzers built in Mississippi.

\$100 million above the President's request for UH-1Y and AH-1Z helicopters.

\$94 million above the President's request for Defense Education Agency programs.

\$61 million not requested by the President for Link 16 aircraft communications equipment.

\$49 million not requested by the President for an Army ammunition plant in Mississippi.

\$26.7 million not requested by the President for the Navy's Saber Focus program.

\$20 million not requested by the President for additional Air Force Reserve flying hours.

\$20 million above the President's request for Navy expenses related to countering piracy.

\$17.9 million above the President's request for Marine Corps Manned Reconnaissance Systems.

\$15.9 million not requested by the President for Army tethered surveillance balloons.

\$15.5 million not requested by the President for the Air Force's Project Liberty program.

\$4 million not requested by the President for a Vision Center of Excellence in Maryland.

\$2.2 million not requested by the President for Afghan intelligence and surveillance infrastructure.

\$1.2 billion in Foreign Military Financing (FMF) not requested by the President to offset the \$3.2 billion reduction made by the Congress to the President's FY 2010 base budget request. The increase is to pre-fund 2010 base budget requirements for Israel, Egypt, Jordan, Mexico and Lebanon.

\$404 million in Diplomatic and Consular program funding not requested by the President to offset the \$3.2 billion reduction made

by the Congress to the President's FY 2010 base budget request.

\$135 million in Peacekeeping Operations (PKO) funding not requested by the President to offset the \$3.2 billion reduction made by the Congress to the President's FY 2010 base budget request.

\$150 million in Global Health and Child Survival funding not requested by the President.

\$700 million for a new Pakistan Counter-insurgency Capability Fund not requested by the President. Funds are not needed in 2009 because the conference report provides the DoD \$400 million for the same purposes in 2009. Funding is intended to pre-fund FY 2010 programs.

\$400 million in international food assistance not requested by the President.

\$98 million in International Narcotics and Law Enforcement funding not requested by the President to offset the \$3.2 billion reduction made by the Congress to the President's FY 2010 base budget request.

\$57 million in Migration and Refugee assistance funding not requested by the President.

\$23 million in Embassy Security, Construction and Maintenance funding not requested by the President.

\$40 million in Disaster Assistance funding not requested by the President.

\$2 million not requested by the President for Freeze Dried Platelet and Plasma Development.

\$40 million not requested by the Administration for the Economic Development Administration to provide grants under Trade Adjustment Assistance to communities and firms adversely impacted by trade.

\$60 million not requested by the Administration for the Department of Justice for detention costs due to increased enforcement activities along the US-Mexico border.

\$10 million not requested by the Administration for the U.S. Marshals Service for enhanced judicial security in districts along the southwest border, the apprehension of criminals who have fled to Mexico, and to upgrade surveillance equipment used to monitor drug cartels and violent gang members.

\$35 million not requested by the Administration for the FBI to investigate mortgage fraud, predatory lending, financial fraud and market manipulation.

\$20 million not requested by the Administration for the DEA to expand its Sensitive Investigation Unit program in Mexico.

\$10 million above Administration's request for the ATF for upgrade technology for ballistics evidence sharing with Mexico and Project Gunrunner firearms trafficking activities along the Southwest border.

\$10 million not requested by the Administration to meet increased workloads resulting from immigration cases and other law enforcement initiatives.

\$8 million not requested by the Administration for the necessary expenses of the Financial Crisis Inquiry Commission established in the Fraud Enforcement and Recovery Act of 2009.

\$10 million not requested by the Administration for necessary expenses for investigations of securities fraud.

\$46.2 million not requested by the Administration for salaries and expenses, including the care, treatment and transportation of unaccompanied alien children and border security issues on the Southwest border of the U.S.

\$5 million not requested by the Administration to respond to border security issues on the Southwest border of the United States.

\$66.8 million not requested by the Administration for the care, treatment and transpor-

tation of unaccompanied alien children and border security issues on the Southwest border.

\$139.5 million not requested by the Administration for expenses to support Operation Iraqi Freedom and Operation Enduring Freedom for the operation and maintenance of vessels, law enforcement detachments, port security units and salaries for the Coast Guard Reserve on active duty.

\$30 million not requested by the Administration for Operation Stonegarden to assist State and local law enforcement agencies which may be impacted by the increased violence in Mexico and to help prevent its spill-over into the U.S.

\$2 million for the Congressional Budget Office not requested by the Administration for salaries and expenses.

\$13.2 million not requested by the Administration for payments to air carriers for participation in the essential air service program.

Mr. MCCAIN. So in what the American people believed was a time of change, the American people now should know that it is business as usual. A combination of lobbyists, industry campaign contributions, unnecessary spending continues completely out of control. This was a piece of legislation that was supposed to fund the wars in Iraq and Afghanistan. So now we add billions of dollars for things such as cash for clunkers, unneeded and unnecessary and unwanted military equipment that is made in the home States of certain powerful Members of Congress.

It is not good. Sooner or later, the American people will demand that it comes to an end.

I yield the floor.

The PRESIDING OFFICER (Mrs. SHAHEEN). The Senator from California.

Mrs. BOXER. Madam President, I wish to be heard briefly.

We heard Senator MCCAIN attack this bill that is before us that primarily funds two wars, takes care of our wounded warriors, invests in new hospitals for them to be treated for their brain injuries, helps them with their childcare, and essentially starts us on the path of bringing our troops home from Iraq—something President Obama promised to do—and changes our focus in Afghanistan, which has been very scattered, and focuses us on routing out the Taliban, who make it possible for al-Qaida to thrive. So this bill protects the American people.

I have been very clear, I have said I want to see our Afghanistan policy work. I said I am going to give it this year for that to happen, and I hope it does happen. Because we were attacked by al-Qaida. We were attacked by Osama bin Laden. We were attacked because al-Qaida had sanctuary in Afghanistan. And instead of going into Afghanistan, the way we should have, we shortchanged that mission that I voted for and turned around and went into Iraq. We had President Bush, with his constant focus on Iraq, lead us to a very dark period—very dark period—in our history, where we lost thousands of our soldiers, thousands more were

wounded—and you all know the story of the torture and all the rest that accompanied this—and led us to a place where America has lost its standing in the world.

This President inherited two wars. Yes, he is trying to end one and refocus another. He inherited the worst recession since the Great Depression. I call it the “Great Recession.” And he also had to cope with threats from North Korea, Iran, from pirates on the open seas, instability in Pakistan. And then, on top of it all, he is facing, and we are facing, a health threat from the swine flu, the H1N1 virus. So he comes to us with an emergency spending bill.

Do I like everything in this bill? I do not. This is about a compromise. I do not like everything in this bill. But to tear down the attempt of what we are trying to do here, which is to begin moving our troops out of Iraq, refocus our effort in Afghanistan, focus on the wounded warriors, focus on global AIDS reduction, focus on the world recession—that is another thing we are doing. I think it has to be done. I would much rather do it all in the normal budget process. That is why President Obama has said this is the last war supplemental we will have. I compliment him on that. President Bush sent supplemental requests to Congress year after year after year. This President says this is the last time, and I take him at his word.

I think it is important, instead of being so terribly negative, to at least give a balanced overview. Many of the funds in the bill for Afghanistan will go to help the women and the children of Afghanistan. It is very hard for me to understand how anyone could oppose that. We have women who have acid thrown in their face if they do not obey their husband or they take off a face covering. We have children being stoned—girls—on their way to school. It seems to me that we ought to give it a chance before we leave these women high and dry. I, for one, cannot do that.

Again, I have said we have to do this right, and we have to do it quickly. Because I am not going to give my vote to an open checkbook for another war. But I believe this administration gets it and I believe they are training the troops in Afghanistan and I believe they are working to build a civil society there. Because, at the end of the day, we cannot be the policemen of the world. We have to make sure the people we are helping want to be helped and want to run their own societies. That is our hope in Iraq, finally. That is our hope in Afghanistan.

As I look around and I look around the world and I look around this country and I see the pain and suffering in this country—this recession—we have to understand we are in a global economy. That is why the President wanted those IMF funds: So we can avert a depression out there in the world.

There are peacekeeping funds in this bill. Anyone who is following what is happening in Africa—whether it is

Darfur or the Democratic Republic of Congo or other places—understands the brutality that is going on. We need to help end the brutality, particularly—and I know my colleague in the chair knows this—the brutality against the women, where in these countries rape is used as a tool of war and rape is used as a tool of ethnic cleansing. We cannot allow that to happen. It is an obligation we have as the leader of the free world.

I guess I wish to say to my colleague from Arizona, I totally understand his frustration with spending. I have to tell him, this Democratic Congress is going to wrap its arms around spending. We did it before under President Clinton. We had horrible deficits that President Clinton inherited from the other George Bush, and we got our act in order. We had pay as you go. We are going to do that with this President.

But let me tell you, this President has been in office for five months, January through June, and we have averted economic disaster and we have a foreign policy on the right track. There was an election in Lebanon where the Lebanese people elected a pro-Western government. We have other things happening around the world today that indicate people hear now. In very high-tech ways, they are learning that freedom is valuable. But it does not come to us free.

Yes, I do not like everything in this bill. I could go through my list too. Because each one of us would write a different bill. But I will tell you what I like less, the loss of jobs, the threat of the swine flu, the threat of AIDS, the threat of world instability, the spread of weapons.

So I say, we should vote for this bill, as flawed as it is, sending a clear message to our President that we agree with him, but that this should be the last war supplemental. Let’s do these things on budget. Let’s go back to paygo. Let’s wrap our arms around fiscal responsibility, the way we did in the 1990s.

Let me remind my colleagues on the other side of the aisle, who are ranting and raving about deficits, under their President we had the most outrageous deficits, the most outrageous debt. We Democrats, under Bill Clinton, got a balanced budget in place, and we had a surplus—not a deficit, we had a surplus—and we had the debt going down. It was going to be eliminated. Then George Bush came in. He started this war in Iraq—a war with an open checkbook, no end in sight, no checks and balances on it, and tax breaks to the people who earn \$1 million or more. It drove us into the ground. That is what brought us to this January, when our new President took all this on his shoulders and shared the burden with the Democratic Congress. I think we have averted the worst of it. We have a long way to go. I think this supplemental will help us get the rest of the way. Coming at us is pay as you go. Coming at us is fiscal responsibility.

Coming at us is a challenge. We are going to have to make those difficult choices. That is one of the reasons we want to take care of health care and energy because, at the end of the day, those will help our economy.

The challenges are great. There is plenty of stuff in this bill I don’t like, but I think, overall, this bill moves us in the right direction, in terms of helping our men and women in uniform, helping our national security, helping our public health, helping the global recession, and moving us toward a better day.

So I will support this bill. I thank you very much, Madam Chair.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BURRIS. Madam President, I ask unanimous consent to speak as in morning business.

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

JUNETEENTH INDEPENDENCE DAY

Mr. BURRIS. Madam President, next month, the Fourth of July, this Nation will pause to remember the moment when we asserted our independence and declared ourselves free from tyranny. It is a day all Americans hold dear, and rightly so.

But on the 19th of this month, which will be tomorrow, many in this country observe another independence day. It echoes the ideals laid down in that first declaration. It celebrates liberation from a more oppressive tyranny. It marks a “new birth of freedom” for the slaves who had been excluded from the promise of the American dream.

That is why I have submitted this Senate resolution observing the historical significance of that day—Juneteenth Independence Day.

Slavery officially ended in the Confederate States of America when President Lincoln signed the Emancipation Proclamation on January 1, 1863. But many slaves did not learn of their freedom until much later.

Finally, on June 19, 1865, more than 2 years after the Emancipation Proclamation, Union soldiers led by Major General Gordon Granger arrived in Galveston, TX. They brought news that must have been almost unbelievable to all who heard it—especially those who had known no existence outside of bondage. The Civil War was over, they announced, and all slaves were free.

From that day on, former slaves in the Southwest celebrated June 19 as the anniversary of their emancipation.

Over the past 144 years, Juneteenth Independence Day celebrations have been held to honor African-American freedom. But this date has come to hold even greater significance.

Throughout the world, Juneteenth celebrations lift up the spirit of freedom and rail against the forces of oppression.

At long last, Juneteenth is beginning to be recognized as both a national event and a global celebration. The end of slavery marked a major step towards achieving equal rights for every American, regardless of race, creed or color.

Just as the Fourth of July marks the beginning of a journey that continues even today, we must not forget that the long march to freedom that started on June 19 is far from over.

Our progress along this path and our progress as a Nation can be measured in many ways, but none so dramatic as the popular election of an African American to the Presidency of the United States.

America has come a long way since that first Juneteenth, and yet we have a long way still to go.

Juneteenth should be a day of reflection—a day to remember those who came before, who fought and suffered and died. But it should also be a day of action; a day for all of us to stand together and hold up the liberties we hold so dear; a day to look ahead to the future, to continue the fight for freedom and equality; a day to think of our children as much as our forefathers.

Together, we must ensure that our sons and daughters know an America that is even more free, more fair, and more equal than the America we live in today.

When we leave this place, let us share in the joy of those who greeted General Granger's arrival into Galveston on that fine June day more than 140 years ago. And let us stand with our forefathers to continue this journey in our own lives.

Madam President, I urge my colleagues to join with me in supporting this resolution observing the historical significance of Juneteenth Independence Day.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Madam President, I ask unanimous consent, on behalf of the leader, that no further points of order be in order during the pendency of the conference report to accompany H.R. 2346, and that at 4:40 p.m. the Senate proceed to vote on adoption of the conference report, with the time until then equally divided and controlled in the usual form. That is the consent request, which would have been offered earlier but a Senator had the floor so it was not. The hour of 4:40 having arrived, it is now the time specified for commencement of the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SPECTER. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the conference report.

The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. BYRD) and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

Mr. KYL. The following Senator is necessarily absent: the Senator from Nevada (Mr. ENSIGN).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 91, nays 5, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—91

Akaka	Gillibrand	Mikulski
Alexander	Graham	Murkowski
Barrasso	Grassley	Murray
Baucus	Gregg	Nelson (NE)
Bayh	Hagan	Nelson (FL)
Begich	Harkin	Pryor
Bennet	Hatch	Reed
Bennett	Hutchison	Reid
Bingaman	Inhofe	Risch
Bond	Inouye	Roberts
Boxer	Isakson	Rockefeller
Brown	Johanns	Schumer
Brownback	Johnson	Sessions
Bunning	Kaufman	Shah
Burr	Kerry	Shah
Burris	Klobuchar	Shelby
Cantwell	Kohl	Snowe
Cardin	Kyl	Specter
Carper	Landrieu	Stabenow
Casey	Lautenberg	Tester
Chambliss	Leahy	Thune
Cochran	Levin	Udall (CO)
Collins	Lieberman	Udall (NM)
Conrad	Lincoln	Vitter
Corker	Lugar	Voinovich
Cornyn	Martinez	Warner
Crapo	McCain	Webb
Dodd	McCaskill	Whitehouse
Dorgan	McConnell	Wicker
Durbin	Menendez	Wyden
Feinstein	Merkley	

NAYS—5

Coburn	Enzi	Sanders
DeMint	Feingold	

NOT VOTING—3

Byrd	Ensign	Kennedy
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The conference report was agreed to.

Mrs. LINCOLN. Madam President, I move to reconsider the vote.

Mr. UDALL of Colorado. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. LINCOLN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BROWN. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BROWN. Madam President, I ask unanimous consent to speak in morning business.

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

HEALTH CARE REFORM

Mr. BROWN. Madam President, as Members of the Senate and the House tackle health reform, two overriding objectives have become apparent. We must bring down cost and we must ex-

pand access, while allowing people who are happy with their health care to stay in the plan they are in now. Fix what is broken; preserve what works. Perhaps nowhere are these needs more obvious than the area of biopharmaceuticals or so-called biologics. Biologics are the fastest growing segment of prescription drug spending. With costs to biologics ranging anywhere from \$10,000 to \$200,000 per patient per year, biologic treatments pose a significant financial challenge for patients, for insurance companies, for employers who are paying the bills, and for Federal and State governments that are also paying the bills. Let me give examples.

If you suffer from an inflammatory condition such as rheumatoid arthritis or psoriasis or Crohn's disease, you probably would be prescribed Enbrel or Humira or Remicade. These biologics cost about \$14,000 a year, more than \$1,000 a month. Do you know what that does to an individual's pocketbook, an insurer or taxpayer? If you are diagnosed with multiple sclerosis—as 200 Americans are per week, some 30 Americans every day—you would probably be prescribed an interferon like Avonex, Betaseron, or Rebif, at a cost of \$19,000 per year. If you need Zevalin to treat lymphoma, which strikes nearly 75,000 Americans every year, it costs up to \$30,000 for a full round of treatment.

When other prescription drugs go off patent, after they have had patent protections for many years, there is a process at the Food and Drug Administration for approving lower cost generic versions. So you will see, when you go to a drugstore, many drugs which now are off patent. They have provided good profits for the developer, the drug company, but they are now off patent. So there could be generic competition in many of the drugs we use. That has worked to keep the price down and to bring competition to the industry. But no such process for biologics exists, no allowance of a generic substitute to compete with the biologic.

As it stands, biologic manufacturers are in the enviable position of having a permanent monopoly. No one can compete with them. Even after their patent has expired, FDA, under law, cannot legally approve competing products because of a gap in FDA law. At this point the only thing that stands in the way of establishing a generic approval process for biologics is the political muscle of the biologics industry. Here is what the industry tells us. They don't want any kind of approval process for generic biologics. They don't want competition. They want to continue to charge \$14,000 if you have Crohn's disease, \$19,000 if you have MS, and \$30,000 per round of treatment for the 75,000 Americans who have lymphoma.

If we do establish such a process, they want to render it useless by granting biologics the equivalent of a permanent patent extension. Maybe you