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Senate

The Senate met at 2 p.m. and was called to order by the Honorable RICHARD BLUMENTHAL, a Senator from the State of Connecticut.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal Lord God, the center of our joy, Your word says You bless those who do not walk in the counsel of the ungodly. You also say that those who delight in Your word day and night are like fruitful trees planted by streams of water. Today, let Your word guide those who serve here on Capitol Hill. Infuse our Senators and their staffs with Your presence, power, and peace. Lord, make Your power available to them hour by hour so that they will have the physical, intellectual, emotional, and spiritual stamina to complete the duties of this day. And Lord, in the midst of the business of this day, allow them to experience Your peace that passes all understanding.

We pray in Your gracious Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable RICHARD BLUMENTHAL led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 13, 2011.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable RICHARD BLUMENTHAL, a Senator from the State of Connecticut, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mr. BLUMENTHAL thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business until 6 p.m., with Senators permitted to speak therein for up to 10 minutes each.

Mr. JOHANNIS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THUNE. I also ask unanimous consent I be allowed to enter into a colloquy with my colleague from Nebraska, Senator JOHANNIS.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ETHANOL

Mr. THUNE. Mr. President, tomorrow the Senate will vote on a cloture motion that deals with an amendment that would do away with a tax provision that was enacted many years back by Congress but was extended just this

last December. In fact, there were a whole series of tax extenders that were passed by the Congress in December of last year, but this particular one, the volumetric ethanol excise tax credit, was also extended. It was extended until the end of the year 2011. December 31 of this year is when it would expire with the amendment we will be voting on tomorrow—or at least the cloture motion we will be voting on is with regard to an amendment that would eliminate that and end it now. There are a number of problems associated with that approach, one of which is this issue of economic certainty. We have lots of people across this country who have made investments. We have lots of jobs that are impacted by this industry. In fact, if you look, there are 204 plants, ethanol plants, in America today, spread across 29 States and on the order of about half a million jobs—all of which, I might add, are American jobs—you have half a million American jobs impacted by this industry. The ironic thing, too, is coming on the heels of an announcement last week that Venezuela, Libya, and Iran will block OPEC from producing more oil to relieve gasoline prices, we continue to be held more and more hostage every single day by our addiction to foreign oil.

We send \$1 billion a day outside the United States to purchase foreign oil—\$1 billion every single day to purchase foreign oil. The ethanol industry, which now represents about 10 percent of the fuel mix in this country, displaces 445 million barrels of oil every single year. That is the equivalent of \$34 billion that we don't send overseas—445 million barrels of oil displaced every single year, \$34 billion that we don't have to spend purchasing foreign oil. So this is an issue that has a direct bearing on the issue of energy independence, the issue of continuing what I think is a very dangerous dependence on foreign sources of energy, foreign oil, and has a direct bearing as

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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well on the price consumers pay at the pump. Clearly, if you took 10 percent of the fuel mix out of production or out of that mix, you would put an additional pressure on the price that currently is being paid by consumers.

In fact, there was a study done by Iowa State University that said, in 2010, if you took away the contribution ethanol makes to the fuel mix in the country today, you would see gasoline prices increase by 89 cents per gallon. When you are already facing \$4 gasoline prices in this country, which I think is having a profound impact on our economy and particularly on consumers who, day in and day out, are having to deal with these high prices, it seems ironic that we would be looking at legislation and policy that would further drive up the cost of gasoline. We ought to look at ways we can reduce it, and this clearly would have the opposite effect.

A few weeks ago there was a proposal to put additional taxes on oil and gas or at least to change some gas policy with regard to oil and gas which many of us argued would add to the cost of gasoline in this country. It would essentially, in effect, be raising taxes on gasoline.

This proposal would have the same effect. It would increase the cost of energy and obviously impact many of the jobs to which I just alluded. It would also break faith with the commitment made by this Congress last December when we extended the VEETC, the volumetric ethanol excise credit, for another year. We have a lot of folks who made investments, you have people across the country whose livelihoods and jobs depend upon this, and I think it makes sense, when we put policy in place and we say it is going to be in place for a certain period of time, that that be honored.

Having said that, I have been working closely with my colleague from Nebraska and others of our colleagues on both sides of the aisle, Republicans and Democrats, on a proposal that would reform the VEETC and move us in a direction that puts us on a pathway or a trajectory into the future that will take greater advantage of this contribution that is being made by biofuels to our country's energy independence and also phase out the VEETC tax credit but that does it in a way that does not impact and disrupt in a way that this would, where you say you are going to end this today. As I said, you have lots of people who made investment decisions based on current policy. You would change that policy immediately and abruptly, but that is not the right way or correct way to go about this. There is a better way. That is what my colleague from Nebraska and I have been working on. I hope my colleagues in the Senate will vote tomorrow against this attempt to end this abruptly and to disrupt this market and do tremendous harm to an industry that is contributing, in a significant way, to America's move to-

ward energy independence and is helping to keep gas prices lower than they would otherwise be were it not for the 10-percent contribution ethanol makes year in and year out to our energy.

So there are lots of reasons why we think it is a bad idea to move forward with the amendment that will be offered tomorrow and the cloture motion that would get on that amendment. I hope my colleagues will defeat that cloture motion so we can work on a more responsible, reasonable way that phases out the VEETC and, in a responsible way, that would allow those who have made investments to be able to plan accordingly.

I would simply say, as we get into that debate tomorrow, this is an issue which has ramifications for our economy because of the price of fuel and the impact ethanol has on the price of fuel in this country. It has an impact on the old issue of energy independence and whether we are going to continue to be held hostage and over a barrel by oil we have to import from other places around the world. Of course, it has implications as well for just the jobs that are created here at home, American jobs that could very well be lost if we move down a path that, in my view, would be very harmful for this industry and its ability to create jobs.

I have my colleague from Nebraska here as well this afternoon and I would welcome his thoughts on this subject and would like to enter into a dialog with him about the impact this industry has on his State of Nebraska—and not just the impact it has on Nebraska or South Dakota but the impact it has on this country by creating jobs, by lessening the dependence we have on foreign sources of energy, and by keeping gas prices at a more reasonable level than we would otherwise see if it were not for the contribution ethanol makes to our fuel mix.

I am going to yield to the Senator from Nebraska for his observations about this subject.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. JOHANNIS. I wish to start out thanking my colleague from South Dakota. He has been a very reasoned voice on this issue, and he has brought forward some ideas that I believe are the right approach to dealing with ethanol. If you think about it, about 50 percent of our oil is now imported from another part of the world. The more dramatic piece of that is that oftentimes the importation of that oil comes from parts of the world that do not share our philosophy, do not share our view of the world, are not democracies, and do everything they can to, in effect, fight against what we believe in. So not only are we dependent on foreign oil, we are dependent on a source of foreign oil that oftentimes is contrary to the values and beliefs of American citizens.

One of these days, I think we are going to learn the lesson of that dependency, and we are going to alter our

course. We are going to do a whole host of things that make sense: more drilling, more exploration, more nuclear power plants, as Senator LAMAR ALEXANDER has advocated for, and just everything on the list. It is all a piece of the puzzle.

A piece of that puzzle is also renewable fuels. It could be biodiesel, it could be ethanol, it could be cellulosic ethanol, which I championed when I was Secretary of Agriculture. Again, I think it is going to be a whole host of things.

Ten or twenty years ago, if I were on the Senate floor making those statements, many would have looked at me and said: Well, MIKE, that is just a pipedream. But as the Senator from South Dakota points out, 10 percent of our fuel in the United States is now ethanol—10 percent. It did displace 445 million barrels of oil last year. There is nothing else going on out there that has had that kind of impact. We can report that \$34 billion was kept in the U.S. economy. We often hear about this massive transfer of wealth that is occurring by us sending our hard-earned dollars to other parts of the world—again, parts of the world that do not share our values. In this case, with this product, we kept \$34 billion here. At least one study indicates the average family saved \$800 a year because of this. Our gas prices are about 89 cents lower per gallon than they otherwise would have been. Those are real savings to people who are out there trying to figure out how to pay for filling the tank.

Many years ago, when I was Governor of Nebraska, we took a long, hard look at our State. We wanted to know how we might best diversify our economy. Some of the things we did worked. I am very pleased to report our unemployment rate during this time never got over 5 percent. Today it is about 4.2 percent. I am also pleased to tell you we balanced the budget. We did not borrow money to do it. One of the things we did was we said: Look, ethanol is a piece of this puzzle in Nebraska, and so we actually created State programs to try to encourage the construction of ethanol plants.

I will tell you, at the time I was Governor, I thought maybe two plants would be built. Well, the marketplace responded and we built a number of plants. Today, Nebraska is the second largest producer of ethanol. We have 24 plants in the State. Those 24 plants produce 2 billion gallons per year, \$4 billion of capital investment. It directly employs 1,300 Nebraskans in high-quality jobs. It also does some great things for our livestock sector because our cattle industry—well, they buy the distiller grains. They have real value if you are feeding cattle, which we do a lot in our State.

We have recognized in Nebraska, and I think across the country, that it is time to move to the next step when it comes to ethanol production. That is why I was pleased to sign on to Senator

GRASSLEY's bill when he introduced it. I was also pleased to work with Senator THUNE who has provided such excellent leadership in this area. Basically, what this plan does is it says: Let us take a thoughtful, measured approach. Let's not jeopardize someone's situation and cause them to pay higher fuel prices at the pump because we did something in a rash and hasty sort of way. It also helps to pay off some of the deficit. We are literally saying: OK, if we are going to make some changes, we will make a contribution to deficit reduction.

Well, let me wrap up my comments and say: Senator THUNE's approach is the right approach. It is an approach that says: Look, we are not going to take this industry, which has become such an important part of our energy strategy, and walk it off the cliff and just see how it lands. Instead, what we are going to do is, we are going to take a measured approach. We are going to build the infrastructure necessary. We are going to add some money to reduce the deficit, and we are not going to jeopardize somebody's price at the pump. It is already expensive enough. I am very pleased to support that approach. My hope is that our colleagues will listen to this approach, get behind it, and support it because it is the right approach. It is the right approach for Nebraska, but it is the right approach for the country.

With that, I thank the Senator from South Dakota for his help.

I yield the floor to him.

Mr. THUNE. Mr. President, if I might just say to the Senator from Nebraska, because I am wondering if perhaps in his discussions with farmers and ranchers in his State—I am sure the issue which he alluded to, which I think is an important one, comes out—I wonder if other people around the country realize, when we make a gallon of ethanol, we take a bushel of corn—which is a remarkable thing that we have gotten to, where the technology enables us to do that—we produce 2.7 gallons of ethanol from a bushel of corn. We have almost 3 gallons of ethanol from a bushel of corn which goes into our fuel supply and represents about 10 percent of all the fuel we use. I wonder if a lot of people realize that one of the byproducts of that, as the Senator from Nebraska has mentioned, is something called dried distillers grain. The DDGs, as we refer to it, is something that is then used to feed livestock.

Now, a lot of people think there is this whole corn debate about food versus fuel, but I don't think most Americans realize that only about 12 percent of our corn crop in this country actually ends up in foods. It is either consumed directly, such as corn chips, or indirectly, such as high fructose corn syrup. But one-third of the grain that goes into ethanol production comes out as dried distillers grain, these DDGs, and for each bushel of corn used in the ethanol-making process—as I said, the 2.7 gallons of eth-

anol—18 pounds of DDGs and 18 pounds of carbon dioxide.

If we took, let's just say, for example, 5 billion bushels of corn used for ethanol production in a year, the feed product equivalent of about 1.7 billion bushels of corn is returned to the livestock food chain as an ethanol byproduct. So we take about one-third of all of the grain that is put into the process to make ethanol, and that comes back in the form of something we feed to livestock and something that has been a great source of protein for livestock producers in this country. I don't think most Americans even realize we are not just talking about the fuel component; we are not just talking about that liquid we use to blend with petroleum products and get ethanol in this country; but there is also this other byproduct which is essential for livestock producers to feed their livestock.

I am wondering if, in the conversations the Senator from Nebraska, I assume, has with his farmers and ranchers—of course, they are very familiar with this—the average person around this country understands this.

Mr. JOHANNIS. Mr. President, that is an excellent point. When I was Secretary of Agriculture, this whole debate started about food versus fuel. It was almost like there was this impression that you took that bushel of corn, you somehow burned it up to create ethanol, and that is all you got out of it. Then there was this big debate about whether that was worth it. As the Senator from South Dakota points out, a whole different process is occurring.

So in our State, it is not just the dried distiller grains because to dry them down takes some energy. We have the cattle yards in close proximity to the ethanol plants. So they buy the wet mash, which is what we call it. They ship it over, they feed it immediately, and it is a wonderful product to feed to cattle.

When we think about the approach the Senator from South Dakota has come up with, we realize it hits on all cylinders. It does reform the ethanol tax credit. Again, I believe the industry has come to the conclusion that is a thoughtful, reasonable step.

No. 2, it invests in the blender pumps. One of the challenges I had for a long time was with the flex-fuel vehicle. I am in the State that is the second largest producer of ethanol. Yet I could not get the E-85 unless we really went out and searched for it. What if we had a pump where I could literally pull up to it and dial it up to E-85 and put that in my vehicle? So it invests in the blender pumps.

It extends cellulosic tax credits for the small producers. Here is what I would say: The next generation is not going to be just corn-based ethanol. That will be a part of the picture, but I believe we will see the day—and we are already seeing the day—where we will have a cellulosic product converted into ethanol.

Then, finally, \$1 billion is added to deficit reduction. The ethanol industry is saying: Look, we agree we need to do our share. We agree we need to start on this process of phasing this out.

So I think the Senator from South Dakota has hit all the right points. It does not take this industry and drop it off the cliff. It is a thoughtful, measured approach to dealing with this issue.

Again, I thank the Senator from South Dakota for his leadership, and I yield to him.

Mr. THUNE. Mr. President, in closing, I wish to, first of all, thank the Senator from Nebraska for joining us. He has a great wealth of experience, not only having grown up on a family farm in his early years but representing his State as a mayor, as a Governor, and then representing our Nation as the Secretary of Agriculture. I recall working with him when he was the Secretary of Agriculture on a lot of these issues.

One of the things that strikes me about where we are today relative to where we were then is the prosperity that has returned to the agricultural sector in our economy, to rural America. We can't say the biofuels industry has been solely responsible for that, but certainly a contributing factor. We have seen growth in the economy in the Midwest.

Again, what I would point out about this, which is so important for people to realize is that these are American jobs. This is our home-grown industry. We are either going to get fuel in the United States or we are going to buy it from some foreign country. That is what we have been doing, and that is what we continue to do to the tune of \$1 billion every single day. So to the degree we can promote domestic energy production in this country and add to the supply in this country, which is what biofuels does, it is for the American consumer and, obviously, good for America's economy and America's dangerous dependence we currently have on foreign energy.

So the proposal the Senator from Nebraska is a cosponsor of and that he and I have worked together on and that we will file as a bill today will present an alternative to the approach that will be advanced, or that they will attempt to advance tomorrow, which is to just right now, in a very disruptive way, abruptly end something that we just voted on in December to put in place. We have people who have made investments in it, and it has made a tremendous impact on jobs in this country.

The approach the Senator from Nebraska and I are advocating I believe is a reasoned approach. It is forward looking in the sense that it promotes the next generation of biofuels, advanced biofuels, and cellulosic ethanol. In the same way the Senator from Nebraska mentioned, it gets us to where we have more choices for American consumers when they come into a filling station by investing in some of the

pumps out there and giving consumers more choices.

Then, finally, as the Senator from Nebraska said, it also puts money toward the debt, toward deficit reduction, and phases out the tax credit that is available today to ethanol producers in this country. It is a reasonable, responsible and, as the Senator said, measured way of dealing with this, not the way that is being proposed by the vote we are going to have tomorrow.

So I hope our colleagues will join us in working in a constructive way to continue to grow this industry and do it in a way that creates jobs for Americans and lessens our dependence on foreign nations.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

ECONOMIC DEVELOPMENT REVITALIZATION ACT OF 2011

Mr. KYL. Mr. President, I am going to talk about the basic underlying bill we are debating, not the amendment my colleagues have just been talking about. As a way of framing the discussion about this bill, I will cite some statistics that I think will help us understand the nature of the problem our country faces right now and why, in my opinion, this particular legislation does not solve that problem.

According to official statistics, the unemployment rate in the U.S. has risen from 6.8 percent when President Obama was elected in November of 2008 to 9.1 percent in May of 2011. Between the end of 2008 and the year 2010, America experienced a net job loss in the nonfarm sector of almost 7 million jobs. So just since the end of 2008 through 2010, 7 million jobs lost. In that same time, the unemployment rate peaked at 10.1 percent—that was in October of 2009. It averaged 9.3 percent during 2009, 9.6 percent during 2010, and the 5-month average for 2011 so far is 9.1 percent, where we are right now.

We are not making progress. In short, since President Obama's stimulus was enacted, unemployment has averaged more than 9 percent a year, and that is up from 6.8 percent when he took office. This is not progress.

The May unemployment figures show that the U.S. economy added only 54,000 jobs—far fewer than the 150,000 needed just to keep pace with population growth, let alone to help dig us out of the recession. So we only had about one-third of the jobs created that we need just to stay even. We are getting deeper in the hole. In fact, the number of unemployed totals now almost 14 million Americans, and the long-term unemployed increased to 6.2 million.

Real growth in our economy, the GDP growth from the end of the recession in mid-2009 has been only about half as strong as it was during each of the previous nine recessions since World War II. So unlike previous times,

we are not recovering as fast as we recovered from those earlier recessions.

On the TV program "Meet the Press" this weekend, the host, David Gregory, asked the chair of the Democratic National Committee, Representative DEBBIE WASSERMAN-SCHULTZ:

Why should Americans trust Democratic governance right now on the economy, and particularly the president's?

Amazingly, the head of the Democratic National Committee answered:

Because we were able to, under President Obama's leadership, turn this economy around.

Well, the economy has not turned around. The unemployment statistics I just cited demonstrate that it is getting worse.

Most observers recognize that the steps the President took to try to revive the economy have not worked. I think it is time we admit that our massive debt and deficit, which were exacerbated by the 2009 stimulus spending bill, have hurt our economy. It has made things worse.

Republicans are not recommending reductions in government spending just for the sake of austerity. We are pushing for the government to get its fiscal house in order so that the job creators in the private sector will have the confidence to begin hiring and expanding their operations. Right now, uncertain of their future tax liability, worried about the general fiscal path of this country and the increasing regulatory burdens imposed upon them, job creators are sitting on the sidelines. We need to cut government spending to keep our tax burden low, approve pending free-trade agreements, and make a serious effort to reduce red tape so our economy can begin growing again. In other words, we need to realize that the government does not create private sector jobs. What we can do in Washington is to create the environment where the private sector is free to grow and create jobs.

This bill we are talking about right now, the Economic Development Revitalization Act of 2011, is touted by some of its proponents as being a job creator. The bill is not a jobs bill. Calling it that doesn't make it so. The bill has 21 sections. The truth is, many of these provisions would have zero effect on facilitating the creation of American jobs. For example, section 16 moves the State of Montana from the Denver office to the Seattle office. That doesn't create any jobs. Most of the provisions of the bill don't have anything to do with creating jobs. There are only four that even mildly could be called related to job creation.

The central component is a reauthorization of the bill's amount of spending, and it would reauthorize it at \$500 million a year—\$½ billion a year. Remember that almost half of that has to be borrowed. We don't have the money to spend \$½ billion a year, so we will have to go out and borrow the money from someone in order to be able to spend it.

Given the fiscal constraints facing our Nation today, we can't afford that. Ironically, even the White House is not shy about admitting the fact that this EDA bill is too expensive. Specifically, the President's budget for 2012 requested only \$324.9 million for EDA, not \$500 million. Additionally, the administration's Statement of Administration Policy declared:

The bill would authorize spending levels higher than those requested by the President's budget, and the administration believes that the need for smart investments that help America win the future must be balanced with the need to control spending and reduce the deficit.

Well, this is one thing on which I agree with the administration. This bill would spend too much money. Hopefully, we will get a chance to vote on amendments, including one by the ranking Republican on the committee, Mr. INHOFE, to reduce this level to a more reasonable and realistic one.

The rest of the bill includes provisions, as I noted, that are of little importance. Section 11, for example, creates a \$5 million-per-year grant program related to renewable energy and brownfields sites. Section 12 relates to energy and water efficiency and decreasing foreign oil competition. These are part of a green jobs fad and are not really going to provide significant job creation for our country. If we really want to decrease the consumption of foreign oil, of course, and create U.S. jobs, we should develop more of our own resources. I mentioned another meaningless provision—just moving one State from the jurisdiction of the Denver office to the Seattle office.

Again, these are things that are not going to produce jobs in our country. So it seems to me, rather than spending time on bills such as this EDA bill, which will not actually create jobs, we should actually be focusing on the big cliff we are heading for and begin preparing for the debt ceiling debate. This is where we can insist on a very large down payment of reduced spending, reform entitlements, and put a straitjacket on future congressional budgets—all of which will give businesses and markets greater certainty about our fiscal future. As a start, we should have a thorough debate and a vote on a constitutional balanced budget amendment, which would get us on the right path to a sound fiscal future.

In the long run, the only way for our economy to create jobs is for the government to spend, borrow, and tax less, thus freeing America's enterprises to do what they do best. I suggest we not wait any longer. It is time to begin this debate. Let's have a vote on a constitutional amendment, find ways to reduce spending, ensure we do not increase taxes, and create the climate in which America's businesses can get back to work and put their fellow Americans back to work.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PATENT REFORM

Mr. GRASSLEY. Mr. President, I wanted to address the issue of patent reform—a bill the Senate has already passed by an overwhelming margin. It is my understanding the House of Representatives is expecting to pass a patent reform bill the House wants, and in the process the House wants the Senate to agree very soon thereafter and do it without a formal conference.

I want my colleagues to understand why I hope the House-passed bill will contain a provision that was not in our Senate bill but passed unanimously out of the House Judiciary Committee.

The House committee report recognized that the “need to modernize patent laws has found expression in the courts” but that “the courts are constrained in their decisions by the text of statutes at issue.” That is from the House committee report.

The House Judiciary Committee amendment that passed unanimously resulted from a recent Federal court case that had as its genesis the difficulty that the FDA—the Food and Drug Administration—and the patent office face when deciding how to calculate Hatch-Waxman deadlines. The Hatch-Waxman law was a compromise between drug patent holders and the generic manufacturers. Under the Waxman-Hatch law, once a patent holder obtains market approval, the patent holder has 60 days to request the patent office to restore the patent term—time lost because of the FDA’s long deliberating process eating up valuable patent rights.

The citation for the case I am talking about is 731 F. Supp 2nd 470. The court case found:

the FDA treats submissions to the FDA received after its normal business hours differently than it treats communications from the agency after normal hours . . . when notice of FDA approval is sent after normal business hours, the combination of the patent trade office’s calendar day interpretation and its new counting method effectively deprives applicants of a portion of the 60-day filing period that Congress expressly granted them . . . an applicant could lose a substantial portion, if not all, of its time for filing a patent trademark extension application as a result of mistakes beyond its control . . . an interpretation that imposes such drastic consequences when the government errs could not be what Congress intended.

That is the end of the judge’s statement on why he ruled as he did in this particular case. Congress did not intend those drastic consequences that happen as a result of a difference between whether you are making an application to or an application from an agency. In other words, there should

not be any difference. Congress did not intend the consequences that come from such a different application of the law. So the court clarified the law so when FDA sends a notice of approval after normal business hours, the 60-day period requesting patent restoration begins the next business day. The House Judiciary Committee takes the court decision where common sense dictates: to protect all patent holders against losing patent extensions as a result of confused counting calculations.

I want to quote Ranking Member CONYERS of the House Judiciary Committee who sponsored the amendment and committee Chairmen SMITH who supported Mr. CONYERS. Ranking Member JOHN CONYERS stated during markup the amendment is needed to “remove what amounts to a trap and would clarify the term ‘business day’ . . . and so, our attempt here is to make the congressional effort at patent reform more clear, more efficient.”

Chairman LAMAR SMITH also advocated passage of this amendment during markup in the House Judiciary Committee. I will quote him.

I will recognize myself in support of the amendment. Now, the gentleman’s amendment—

Meaning the Conyers amendment—

clarifies the counting rules that are imposed on patent holders who must submit documents to the agency within statutory time limits. It has been established that the PTO has inconsistently applied these rules, which is not fair to various patent holders. The gentleman’s amendment tracks the recent court case decided in favor of a patent holder that originally applied for an extension 10 years ago. My understanding is that there are not scoring problems with this provision and I support it.

That is what Chairman LAMAR SMITH of the House Judiciary Committee said.

This is a commonsense amendment. It improves our patent system fairness through certainty and clarity, and I hope the House will leave that in their bill when it sends it over here to the Senate.

My interest in this amendment is because I opposed it 2 or 3 years ago when it was first brought up. Because of the court decision, I am convinced the different application of the 60-day rule is very unfair. As ranking member of the Senate Judiciary Committee, I want the House Judiciary Committee to know that several Republican and Democratic Senators have asked me to support the Conyers language as well.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE ECONOMY

Mr. BOOZMAN. Mr. President, the latest unemployment numbers indicate that nearly 106,000 Arkansans are unemployed. This 7.7 percent unemployment rate is higher than when the so-called stimulus passed that President Obama and Majority Leader REID promised would produce jobs for hard-working Americans. Although this rate is below the national average, the numbers show that out-of-work Arkansans continue to struggle to find gainful employment.

What is more alarming is that the President and the majority here in the Senate are resisting real change and insisting on more of the same borrow, spend, and tax policies that have given us record unemployment and a sluggish economy.

In November, Americans gave a clear sign that job creation needs to be a priority. Unfortunately, the Senate majority and President Obama have failed to prove that this is at the top of the agenda. Time and time again, the Senate and our President add to the uncertainty that is stifling job creation. Commonsense legislation that would create the conditions for job growth is not brought to the floor. It is not because the Senate has more pressing issues. There is no excuse as to why the Chamber avoids voting on legislative and policy items that will provide real relief for the unemployed, such as the stalled free-trade agreements.

As news reports have pointed out over the past several weeks, the business in this body is progressing at a historically slow pace. As the Washington Post reported last week, “Quorum calls have taken up about a third of its time since January, according to the C-SPAN statistics.”

Americans are tired of the games. They need jobs, and it is our duty to help.

Linda from Mountain Home, AR, recently wrote to me asking the same thing millions of Americans want to know: “Where are the jobs?” She continued her e-mail asking what legislation Republicans introduced that will stimulate the economy and create jobs. I want to thank Linda for her letter and let her know my colleagues and I are on the side of the American worker, and that is evident by the legislation we have offered. These practical free market ideas will put Americans back to work, and, like the millions of Americans who are looking for jobs, we are anxious to vote on them and approve these measures.

In February, we introduced the REINS Act, of which I am a proud cosponsor. Too often, Federal agencies overstep their boundaries and enact expensive mandates that strangle investment and job creation without congressional approval. This commonsense legislation provides a check and balance between Congress and the executive branch and allows business to focus on growth instead of how to comply with burdensome regulations.

This starts with making changes to unfunded mandates by the Environmental Protection Agency. Unnecessary and burdensome regulations imposed on our businesses cost money and cost jobs. EPA has put a target on America's industrial, manufacturing, and agricultural job creators. Clean air, clean water, and conservation are all very important, but the heavy-handed regulations coming from this EPA have little or nothing to do with clean air or clean water. We are witnessing a Federal bureaucratic power grab on behalf of a radical, job-destroying agenda. These regulations are making food more expensive, energy more expensive, and gasoline more expensive, and they are driving jobs out of our country. Our competitors are taking our jobs and emitting far more pollution into our atmosphere and oceans than we would here in the United States. Again, it is all pain and no gain. As the administration works to drive up the cost of energy, they seem to forget that a prosperous country is a country that can invest in conservation and protect the environment.

The President still wants to blame his predecessor for our sluggish economy and lack of jobs. The blame game won't help the President politically, and it won't help turn our economy around. It is true that President Obama inherited a weak economy, but he made it worse. Before President Obama took office, the Federal Government was carrying out many policies that distorted the market and contributed to the meltdown. In 2008, we were spending too much money and running severe deficits. Now our deficit is three times as big. Sadly, President Obama has made each of our economic problems worse.

I believe it is important to provide American businesses with an equal opportunity to compete and succeed while opening new markets for American products. I strongly believe that when presented with a level playing field, American businesses and workers can outperform any in the world in terms of quality and value.

With three pending trade agreements on the table waiting for approval, we are wasting precious time and resources at our disposal to open foreign markets to U.S. products. The lack of action on the Colombia, Panama, and South Korea agreements is concerning. I believe we need to move forward as quickly as possible to ratify these policies. American companies and their workers are losing market share and are being denied valuable business opportunities. That is why one of the first pieces of legislation I cosponsored as a Member of the Senate was S. Res. 20, legislation that urges this Chamber to consider and approve the pending free-trade agreements with these countries.

On multiple occasions, President Obama expressed support for the implementation of all of these trade agreements in order to reduce our Nation's

deficit and create American jobs for American workers. So far, there is still a failure to act on any of these agreements.

Americans deserve legislation that will promote job growth, but one of President Obama's legislative cornerstones, health care reform, actually costs jobs. We were told ObamaCare would create 4 million jobs, but reality tells a different story.

According to the Congressional Budget Office, there will be 750,000 fewer jobs. This legislation is bad for business. That is why we voted to eliminate the onerous 1099 reporting requirements included in this flawed legislation.

I will continue to fight for a full repeal of this law as we seek meaningful health care reform that provides quality, affordable access for all citizens based on free market principles.

The simple truth is there are 14 million Americans out of work and millions more who have been forced into retirement or gave up looking for a job. These 14 million Americans are calling for our help, yet the majority and the administration continue to ignore their pleas.

We have a plan that is ready to move, and the practical free market ideas it is based upon will put Americans back to work. Let's show Linda in Mountain Home and the millions of Americans looking for a job that we are working to change the direction our country is headed and be a job creator.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SESSIONS. I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COONS). Without objection, it is so ordered.

THE ECONOMY

Mr. SESSIONS. Mr. President, I had the opportunity this morning to catch the CNBC program that had Jack Welch, former CEO of GE on, and I thought he made a number of valuable points. He is very worried about our economy. He believes we are facing serious troubles, and we need to take action to do something about it. As a corporate leader of great renown, one of the more respected corporate leaders in America at this time, he evidenced a real frustration at the lack of leadership this administration is showing with regard to our financial crisis.

He said a number of things. One of them was classic leadership, classic thought by a manager, a man who has managed a very large corporation worldwide with many moving parts. He said we have to have a strategy, and we have no strategy. I think that is correct. I do not believe the American people sense that this country is able to articulate a serious strategy to con-

front the difficulties with which we are now dealing.

He said everything needs to go through a screen, and in his opinion the screen should be what our strategy is and our strategy should be, in general, to create an economy that is productive, innovative, and growing; creating jobs, creating wealth, creating prosperity, and everything ought to be judged by that.

One of the points he mentioned was drilling for oil and gas in America. We have all kinds of government agencies here, all kinds of regulations and a permitorium, a blocking of the giving of permits, that has substantially reduced the ability of this Nation to produce oil and gas at home, a critical factor if we are going to be competitive and economically prosperous.

We need to quit buying so much abroad, sending wealth abroad, and keep it at home. He just threw that out as one of the things that would never get through a screen. Instead of helping this country to be more prosperous and create jobs and growth, it does just the opposite. Yet in this massive government, we take contradictory actions, and as a result we are muddling along at a very unhealthy rate, and the American people are worried about it.

Last week was the sixth consecutive week that the stock market fell. We were told in January, when things were progressing, that everything was just doing great and that we are creating a lot of jobs; we are creating jobs, and the market is doing better. But in fact it is not moving very well. If we read the financial pages, we see that the people who spend their lives dealing with the economic threats we face are uneasy about our future.

Just read those articles in Barron's that just came out over the weekend about the roundtable of worldwide economic experts. It was very troubling to me. Many of them had serious concerns about the future. Would we have a doubledip? Some seem to say yes. The Presiding Officer, Mr. COONS, is on the Budget Committee and knows the numbers we are dealing with and has heard the testimony that Mr. Bowles, former Chief of Staff for President Clinton, and Alan Simpson, in their Fiscal Commission Report, said we are facing the most predictable crisis in our history, and it could cause economic difficulties for us soon. Mr. Bowles said 2 years, give or take. Not just for our grandchildren, but soon.

This is why the experts say we have a problem. I do not believe we have from the White House any call to the kind of action necessary to alter the unsustainable debt trajectory we are on.

I do not think the American people fully understand, but they understood enough to punish the Congress in this last election. I am afraid they are going to punish us again because no Congress can defend itself from the criticism that we have presided over a government that is borrowing 40 cents

of every dollar and spending \$3.7 billion and taking in only \$2.2 billion and borrowing the rest. We are on a path that does not alter that. The President's budget is the most irresponsible ever submitted and would make our debt path worse rather than better, so I am worried about it. So the majority leader announces: Well, it would be foolish to have a budget. Senator REID said it would be foolish to have a budget, at a time when we have never faced a greater threat to the integrity of our economic system than we face today.

Let me repeat that. We have never been in a position in which the economy could do as much harm to our Nation as it can today. We are heading to the wall at warp speed. It is a dangerous circumstance. But we can get off this path. We have to do some things that are not very pleasant, but not impossible, that are being done by mayors and county commissioners and Governors all over America and in countries around the world. The British made some very substantial cuts to their overall spending program, far more than we are discussing, and some people pushed back and said, We are cutting too much. That debate will happen here, if we cut spending here.

The International Monetary Fund, certainly no bastion of conservative economic thought, said, No, U.K., stay the course. Don't weaken now. You set a good, tough path for constraining and reducing spending, and if you stay the course you will be more successful than if you give up and quit under the pressure that you might be under today.

So how do we get there? How do we get to the point where we deal with these issues? Harvard economist Alberto Alesina, drawing from his and others' research on large fiscal adjustments across multiple nations, said this:

Spending cuts are far more effective than tax increases in stabilizing the debt and avoiding economic downturns. In fact, in several episodes, spending cuts adopted to reduce deficits have been associated with government expansions rather than recessions.

Goldman Sachs has also done a study that indicates that. We have empirical evidence that countries that have taken firm steps to get their financial house in order have found that, maybe almost to their surprise, they have had economic growth quicker than many had projected.

So where are we today? Apparently, we are not going to have any kind of regular budget process in the Senate, to my great disappointment. I believe Senator CONRAD, the chairman of the Budget Committee—I am the ranking Republican on that committee—was prepared to have a markup, but the Democratic leadership has decided not to. Senators can't call a Budget Committee markup; only the chairman and the leaders can do those kinds of things. They have decided not to. Under the Congressional Budget Act, the Budget Committee should have marked up and passed a budget resolu-

tion by April 1 of this year, and Congress should have passed it by April 15. We are now getting close to July 4 and we have had no real public discussion, no national debate, about the challenges this Nation faces.

First we had the Gang of Six. They have been meeting in secret, and I don't know who advised them. I don't think average Americans, in their struggles—maybe they have lost their job or haven't seen their pay increase or have seen their overtime eliminated—were in the room with them. They are good people. I was kind of getting anxious for a month or so to hear something from them. Maybe it would be a good deal. Maybe it would be something to get us moving. I don't know. I had my doubts about it, and I expressed that, but I expressed my support to see what they could produce. Maybe it would be worthwhile. I am withholding judgment. So now we are not hearing from them, although they apparently have enough work product—maybe even a plan—that they met with 10 other Senators, I understand, to discuss what they are planning on. They haven't let anybody else in on the deal.

But now we hear, Don't worry about the Gang of Six. If that doesn't work, we have the Vice President. President Obama has asked him to have meetings with a very small group of Senate and House leaders, and they are going to write us a budget. There are some good people meeting in that group. I don't have any doubt about that. But weeks have gone by. We had a week recess and apparently it was over 2 weeks that they didn't even meet.

The President is traveling around the world making speeches, raising money, and this country has not had a budget in 775 days. This Senate has not passed a budget in 775 days. The Budget Act requires us to pass a budget. It can't be filibustered. It can be passed with a simple majority. If it is going to be a partisan effort—and sometimes it is a purely partisan vote—53 Democratic Senators here ought to be able to pass a budget. We passed a budget when Republicans had a one-vote majority. Sometimes you can get a bipartisan agreement on a budget. That is the best thing. Sometimes it is done with a simple majority. So we have the potential to do that.

But, oh, no. Weeks have gone by and we are waiting on these meetings at the White House. Nobody knows exactly what is happening there. It is supposed to be secret. Normally a budget is brought up, it is brought before the Budget Committee, the chairman lays down the chairman's mark, everybody gets to offer complete substitutes, gets to offer their whole budget or technical amendments or significant amendments to that budget, and they get voted on, and the matter is discussed. The American people can get a copy of the chairman's mark and the amendments offered by the other members of the committee. That is how we

do business in a democracy, the last I heard, and then we are accountable, right? By how much do you think we ought to raise taxes on the American people? By how much do you think we are going to cut spending? Are you going to dare to make any changes in Medicare? I will not vote for it if you make any change in Medicare. Or: You have to do something about these entitlements. You didn't do anything about the Medicare entitlements? You are going to let them go broke? Those are the kinds of good discussions we would be having, and the American people could see it. Then it comes to the floor of the Senate. It has an expedited process, but there is a real opportunity to have amendments—even hundreds of amendments—to offer to the Budget Act, and we then have something that at least is seen by the American people and at least they will know if their representatives voted for or against it. But I think this idea of doing it in some other order, not the regular order, is an unhealthy process, and I hope we can do better.

I wish to conclude by saying that in 775 days, I don't believe we have fulfilled our responsibility. We obviously have not fulfilled our statutory responsibility under the Budget Act, which says we should have a budget by April 15. It also says we should have held a markup by April 1. Well, it is tough business, standing before the American people in this crisis we are in, and proposing the kinds of severe actions that are going to be necessary to put our country on the right path—not the path to decline, not the path to debt crisis, but the path to prosperity. It is going to take some effort. It is going to be painful in some ways. But we are not moving in that direction at all.

What about the House of Representatives? They passed a budget. They passed a bold budget—a budget that goes 10 years and then even further, and it laid out a historic plan. It confronted the growth in entitlement programs that is a threat to their very viability. It encouraged economic growth. It reduced spending, which has surged in the last several years. Indeed, in the last two cycles, we have increased nondefense discretionary spending 25 percent. People act as though if we cut spending, we are going to sink in the ocean. That growth could be eliminated and we would be no worse off than we were 3 years ago.

So the House did their duty. And what happened? Our Democratic leader over here in the Senate, instead of producing his own budget, calls up the House budget and he wants to talk about how horrible it is and then vote on it. It got quite a number of votes in the Senate—certainly not enough to pass. We got a lot of votes. So I offered the President's budget, the one he submitted a couple months ago and that I call the most irresponsible budget ever to be presented to this Nation—and I

stand by that. We are in a systemic crisis that has to be confronted with serious decision making, and the President's budget comes nowhere close to doing that. So I offered it. The President's budget failed 97 to 0. Not one Member of this Senate, Republican or Democrat, voted for that budget.

I think this is irresponsible. We have seen 775 days pass. We didn't have a budget last year. We didn't pass a single appropriations bill last year. Everything was cobbled together in this monumental CR we heard about, the continuing resolution. It is a totally ineffective method of governing this country and spending money. Congress ought to do its 12 appropriations bills properly every year. First, they should have a budget that tells all the committees how much money they have to spend and then they should pass the 12 appropriations bills. Each one should be brought up subject to amendment and voted on.

We have been in this irresponsible circumstance. My request is to our colleagues who are working either in the White House with the Vice President or whatever they are doing over there, the Gang of Six or Five or whatever—whatever they are doing—how about getting busy. How about let's see some numbers so we can get to work. I don't think it is going to be well received by Members of the Senate to have plopped down in our lap, on the eve of some important matter such as the debt ceiling, a budget proposal that nobody has had a chance to study and that the American people don't know the details of. I thought that was one of the things we learned in the last election. I thought we learned the American people want transparency. They want accountability. They want to know what their representatives are doing, and they want to see them working in the light of day, not the dark of night. I think that is reasonable. That is the way our Congress was set up to work. That is what I wish to see.

I think it is time for these meetings to start wrapping up. I think it is time for us to start seeing some numbers. What are they going to do, wait for the last possible day to raise the debt ceiling and then waltz in here with some sort of agreement we are all supposed to rubberstamp in a state of panic? I don't appreciate that. I don't think the American people will either. It is not good government. If they have a plan, let's start seeing what it is. Let's bring it up and let's start having a public discussion on it and vote on it. I think that is the right way to go about our business.

I am very concerned that we have gotten away from the regular order. I believe we have gotten away from our august responsibility to pass a budget, to decide openly and publicly how much we think we can spend, how much we are going to tax, how much debt we are going to have. We ought to do that publicly and openly. I believe that will be held before the public and

it will help the American people understand how deep a hole we are in. It is far deeper than most of us realize. I have looked at the numbers. They are very grim indeed. We need to get started sooner rather than later.

I thank the Chair.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

ETHANOL

Ms. COLLINS. Mr. President, I am pleased to join with Senators COBURN and FEINSTEIN in offering an amendment to repeal the ethanol excise tax credit and the ethanol import tariff. These policies are fiscally irresponsible, environmentally unwise, and economically indefensible.

Historically, our government has helped a product compete in one of three ways: either we subsidize it, we protect it from competition, or we require its use. Right now, ethanol may be the only product receiving all three forms of support.

The ethanol tax break is extraordinarily expensive. The Government Accountability Office has found that the tax credit costs American taxpayers a staggering \$6 billion annually. This is quite a sum to prop up a fuel that is causing land conversion for corn production, commodity and food prices to rise, and is barely putting a dent in our Nation's dependence on foreign oil.

With our amendment, which has an effective date of July 1, we have the opportunity to immediately save American taxpayers nearly \$3 billion in just the 6 months remaining in this year.

The 2007 Energy Independence and Security Act requires the production of at least 36 billion gallons of biofuels in 2022, up from the original 2005 Energy Policy Act, which required 7.5 billion gallons by 2012. Collectively, the first generation biofuels industry will receive tens of billions in unnecessary subsidies through the year 2022.

If the current subsidy were allowed to continue for 5 years, the Federal Treasury would pay oil companies at least \$31 billion to use 69 billion gallons of corn-based ethanol that the Federal Renewable Fuels Standard already requires them to use. We simply cannot afford to pay the oil industry for following the law.

The data overwhelmingly demonstrates that the costs of the current ethanol subsidies and tariffs far outweigh their benefits. The Center for Agricultural and Rural Development at Iowa State University estimated that a 1-year extension of the ethanol subsidy and tariff would lead to only 427 addi-

tional direct domestic jobs at a cost of almost \$6 billion. That is roughly \$14 million of taxpayer money per job.

While expanding our capacity to generate alternative domestic fuel sources is an important step toward becoming less dependent on foreign oil, I have serious concerns about the effects of increased ethanol use. There are other alternative sources of energy that make far more sense.

The energy, agricultural, and automotive sectors are already struggling to adapt to the existing ethanol mandates. I am disappointed the Environmental Protection Agency has issued a partial waiver for the use of E-15, a blend of gasoline containing 15 percent ethanol. Many residents in my State have already experienced difficulties using gasoline blended with 10 percent ethanol, finding that it causes problems in older cars, snowmobiles, boats, lawn mowers, and off-the-road vehicles. The EPA's E-15 waiver fails to adequately protect against misfueling and will add unnecessary confusion at the gas pump for consumers. We simply cannot place so many engines in jeopardy.

These first-generation biofuel mandates also present environmental concerns, as they could result in energy efficiency losses and increased emissions of air pollutants because the mechanical failures can jeopardize the effectiveness of mission control devices and systems installed on engines.

In addition, over recent years, we have seen food and feed prices increase as crops have been diverted to first-generation biofuel production. I think of it this way: We should be raising crops for food, not for fuel.

Senate Homeland Security Committee chairman JOE LIEBERMAN and I held a series of hearings in 2008 that examined the impact of corn-based ethanol on food prices, and we found that it certainly had a negative impact. For one thing, crops that had been grown to support other grains were being converted to produce corn. The land was being switched to corn production, and the corn was no longer available for the products that used corn for food, but instead was being diverted to the production of ethanol.

The bottom line is that we can no longer ignore the cost of this policy to our Nation and its taxpayers, particularly given our current fiscal crisis. At a time when we are projecting a deficit, this year alone, of \$1.5 trillion, why in the world are we spending \$6 billion subsidizing ethanol? Subsidizing the blending of corn-based ethanol into gasoline is simply fiscally indefensible.

I urge my colleagues to join me in supporting the Coburn-Feinstein amendment to repeal the ethanol excise tax credit and to eliminate the ethanol import tariff.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

MEDICAID

Mr. ROCKEFELLER. Mr. President, in 1964 President Johnson envisioned an America that “rests on abundance and liberty for all.” It was against LBJ’s backdrop of the Great Society that we reignited a tradition of community. This was a little spillover of the 1960s and our flight to the Moon and all of that, but the Nation somehow came together, and we sensed that we were a community and that we had a mutual obligation to each other, and that is at the very least characteristic of the American people, more then than now. Programs such as VISTA, Peace Corps, Social Security, Medicare, and Medicaid were born in those few years, 1961 through 1964.

Sadly, nearly 50 years after LBJ’s war on poverty, we have witnessed vicious attempts to roll back government programs designed to give low-income Americans a hand up in life. I do not mean just low-income Americans but disabled Americans, very poor senior Americans who qualify for both Medicare and Medicaid—such a difficult journey they have. What we want to do is not to give people a hand up but simply to be a safety net. That is what he said this country owed its people. That is true about defense, and that is true about social policy. We have responsibility, all of us, to do that, to make sure nobody is left out.

There is no question that we must reduce our deficit, and I have a whole series of ways that can be done in abundance, but we should not do so on the backs of working families still struggling under the weight of this recession. Oh, yes, we are in a recession, so everything that was true about people who were having a hard time before is a lot truer now. Yet bill after bill proposed by Republicans seeks to do exactly that.

The House Republican H.R. 1 was a direct attack on America’s working families and the successful education, job-training, and community development programs designed to combat poverty.

The Republican budget proposal for next year goes even further. It attacks Medicare and Medicaid, the health programs on which over 100 million American people rely—some more than others, but all have to have that as a safety net.

At a critical moment in our economic recovery, Republicans are more focused on settling old scores—evidently from health care reform and the bitterness of that fight—than they are on creating jobs or protecting people. The Republican plan for getting our deficit under control amounts to an upside-down government. Instead of helping those who depend on government programs to support their families, the Republican plan would guarantee that millionaires, billionaires, and large corporations continue to receive trillions of dollars—to wit, \$4 trillion under the new budget—in government subsidies, subsidies that will grow ex-

ponentially over time and substantially increase their benefit. They will do very, very well indeed were we to make the tragic mistake of accepting that.

Republicans are not for a fair or balanced approach to deficit reduction, and it is a great mystery to me. It is a quandary to me. I mean, you can say it is theological or whatever, you can make up all kinds of nasty political views of it, but nevertheless that is what it is. What they are there for is a government that only exists to support big business and wealthy Americans—kind of a perpetual TARP for their friends.

Well, I reject that notion, and the American people do too. In my estimation, there is no government program that more fully embodies our Nation’s tradition of community than Medicaid, our sense of mutual obligation. Some people are born wealthy. Some people are born very poor. Some people are born in between. Some people are born wealthy and then become poor. Some people are born poor and then become wealthy. But while they are down, they have a safety net, and it is called Medicaid. You don’t hear people talking about it very much, particularly, frankly—somewhat disappointedly—from my side of the aisle.

After almost 50 years, Medicaid is still a lifesaving part of what we do as a government, what we are meant to do as a government. Medicaid is simply too important to millions of people.

Nationally, there were 68 million people enrolled in Medicaid in 2010—68 million children, seniors, people with disabilities, pregnant women. These are families who are living on the edge and barely making it. They now have a safety net, more efficient than any private insurance program in existence. They have that.

In West Virginia, there were over 402,000 people enrolled in 2008, 152,000 of those aged and disabled and 191,000 children—children. So almost 50 years later, Medicaid is still a lifesaving part of our Nation’s health care system. In West Virginia, Medicaid covers 50 percent of all births. That tells you something.

In our country, 40 percent of all births are taken care of by Medicaid. That says a lot.

Sixty-two percent of long-term care is Medicaid and, along with the Children’s Health Insurance Program it covers 34 percent of the children in our country. There are a lot of people who fought very hard over a number of years to get the Children’s Health Insurance Program that would insure more children who were not at that point eligible. Well, they are still getting it, but the House wants to get rid of that program altogether. That is 34 percent of the children in our country.

Medicaid provides an essential lifeline to families during difficult economic times, when people lose jobs that have provided them health insurance.

Medicaid is the health care program that helps States during crises—not just people but States—including, obviously, the September 11 attacks, Hurricanes Katrina and Rita, the recent floods and tornadoes in the South and the Midwest—all being helped by Medicaid.

Medicaid is part of the fabric of our great Nation, and to be clear at this point, I need to say that the House bill that was passed by the House—and who voted for it and who did not obviously is very much on record—would devastate Medicaid and government in general out of discretionary spending.

Anyway, people who are covered by Medicaid do matter. They are people. They are families. They have their needs, their wants, their ambitions, their dreams, their sadnesses, their depressions, whatever.

Darren Hale, from Princeton, WV, wrote me.

I am a disabled West Virginian whose family relies on Medicare and Medicaid.

That may be a dual-eligible—you know, poor enough to be on Medicaid, old enough to be on Medicare, not able to survive simply on just one or the other.

I hope and pray that these health programs won’t be ended or totally changed. Please do not support Republican changes to these programs as a way of cutting costs to the taxpayer. The poor of West Virginia and elsewhere should not and cannot bear the burden of the deficit reduction that Republicans want.

We need to think very seriously about our priorities. That is what this conversation really leads me to.

Let’s say I am a 10-year-old boy, and I am being brought up in West Virginia. My means are meager. I step out into a road, and I am hit by a car. I don’t die, but perhaps my spine is fractured—probably—legs broken, and I am condemned to a life in a wheelchair.

Now, that child is not protected by the private enterprise system. That child, unless they are an unusual child from a fairly wealthy family who then can provide insurance—but they will spend themselves down, with that insurance being so incredibly important, and they will eventually qualify for Medicaid.

You know, when you are hit by a car, that is not something you plan on. It is not something you failed to do because you did not have a work ethic or whatever the common wisdom would be about that. It is just something that happened. But the fact remains that your health care is cut, your life is changed, and it grows more miserable because you have nothing in the way of a safety net if the Republican budget is passed, if we get too aggressive about cutting Medicaid.

I am troubled. Members of Congress and senior advocates have rightfully rallied in staunch defense of Medicare. You can find wonderful groups here in Washington who rise up in anger when people talk about cutting Medicare. They are for Medicare. They know

what it is. They know what it was intended to do. They know what it does. They know what a difference it makes. But aside from an occasional editorial or story, there has been an unsettling silence about Medicaid, even from members of my own party. This is despite the fact that the five main arguments made in support of Medicare, which seem to have had a rebirth recently, are also true of Medicaid.

No. 1, the public strongly supports Medicaid, just as they do Medicare. Sixty percent of people say they would prefer to keep Medicaid as it is now. That surprises me. I would have thought the figure would have been much lower. I will get into that in a moment.

No. 2, Medicaid also creates jobs, unlike tax cuts for oil companies and rich people, et cetera. Every \$1 million in Federal Medicaid spending results in 17.1 new jobs. Sounds boring. Maybe it is, but not to the people who get those jobs. That is at hospitals, that is at nursing homes, community health centers, and doctors' offices because that is what Medicaid covers.

No. 3, a Medicaid block grant or a spending cap, which is proposed by some—the cap is proposed by some to get away from the words “block grant,” but the effect—don't be fooled by that—is the same. They would both reduce the Medicaid benefits and increase cost sharing for seniors—for all of the recipients on Medicaid from day one. Understand that clearly, I would say to my colleagues. Much has been said about a Medicare voucher system, but capping Medicaid spending would be just as bad for the 5.5 million seniors and 11 million individuals with disabilities enrolled in Medicaid.

No. 4, instead of reducing the deficit, the savings achieved by drastically cutting Medicaid would also be used to pay for more tax breaks for wealthy Americans and large corporations.

Here is where I come to what I just don't understand about what is going on in this body.

Evidently, it is not going on outside in America. Sixty percent don't want Medicaid touched. The fact that it is a majority in Medicaid is amazing and wonderful to me. I just don't understand, Mr. President. I think it is political. I think people know that poor people and the disabled—I run into them often and seek them out sometimes, the disabled. They gather in clusters of 30, 50, or 75 people in wheelchairs. They depend upon Medicaid. That is what they depend on. We see them in the Capitol. Do people stop to see them? Not particularly, no. They know that. They are not very good lobbyists. They cannot be because it is hard for them to get around. So is it political?

The Ryan budget cuts taxes on the wealthy, on big deal people and big deal corporations, by \$4 trillion. But it cuts Medicaid. Is that an act of social conscience or budget wisdom, or is that a thought-through value system? Is it

just political, basically because they know that poor people don't vote? That is what I think the answer is.

You get worried about Medicare real fast.

We saw the results. We saw the House back off from that. But Medicaid? Not so. And it won't be so unless people stand up for Medicaid because they don't have lobbyists; they cannot afford them. They don't even speak that much for themselves. I don't get as many letters from them as from others, by a factor of 10. They have a sense that life has it in for them. That is partly an Appalachian characteristic, and I think many other parts of the country. There is a certain fatalism in life—that God has a plan for you, and it is not necessarily very good. If people accept that—which I don't—as a theory, then they are not going to fight for what Lyndon Johnson gave to the Nation and passed overwhelmingly in 1965.

Cuts to Medicaid will also, to the pleasure of some, undermine the health care reform law that we just passed—which is still law. Medicaid is the underpinning of the entire coverage expansion of reform. We talk about 32 million people that we are going to cover. That goes way down, Mr. President, if these Medicaid cuts are made.

So I ask my colleagues, why is Medicaid so often treated like a second-class program? More to the point, why are people who are on Medicaid treated so often as second-class people? How does that work out? Is that a product of the American sense of justice, or is that a thoughtful America looking around them? We all have friends who have been on Medicaid, or are on it, and have made it out.

Unfortunately, sometimes those people forget their Medicaid background and turn away from it because they are on to a new and better life. Somebody has to fight for these people.

Is it the feeling that maybe they are an unwanted burden on society? We have a tendency in America to say if you don't work, it is because you don't want to. If you don't have a decent job and you have a shabby home, it is because that is what you sought, not what was given to you in your, at least, destiny of the moment.

Again, I think, is it because most of the people enrolled are low-income people and many do not vote? I think that sums it up pretty well. But it is more than that. You can't go into the hollows of Appalachia or Nebraska or many other places and organize poor people to vote because their sense is, why? What does it get me?

Decade after decade, a little bit—is there a little disdain on the part of the American people for those on Medicaid? It is a glorious program, but sometimes it is an inglorious word because it implies they don't want to better themselves.

I won't go through my experiences in West Virginia for the 58th time on this floor. But I have seen so many exam-

ples of people who are beaten down—not with a cudgel but because all economic opportunity vanished from their lives. The coal mines shut down, or there weren't any other jobs around. They didn't get to go to school because no schoolbus would come because they were too far away and county law said they don't have to be picked up.

So is the deck stacked against them? Yes, it is. Out of that group, there is one—I guess a guy who is about 40; I will not mention his name. He has a terrific job. He works with the CSX System as one of their railroad maintenance people. He has a good family and is a wonderful person. But his parents were killed in a vehicle crash, and his brothers have been fighting all kinds of problems. So it really takes something special to fight your way out of that self-defined position and make your move forward.

I must say to my colleagues, the point of a representative democracy is not to serve the few, not even to serve the many, but to serve all as best we can. Does that mean we don't touch anything in Medicaid? No, but does it mean that we keep Medicaid as a safety net? Yes, it does.

We are not here elected by some people with incomes above X amount of dollars. We are here for all people—even the people who didn't vote for us or didn't vote at all. I take that very seriously, and I take my experience in West Virginia very seriously.

Sixty-eight million people are enrolled in Medicaid. They deserve a voice in this debate, and I, for one, will speak out for them. It is because somehow we feel that Medicaid recipients are not worthy—and I have expressed that in different words—simply because they have fallen on hard times or were born in hard times.

How do you help the fact that your father or mother didn't work because there wasn't any work available? What do you do about that situation? Or you were born in the ghetto. Oh, you just rise above that. Barack Obama did, therefore, anybody can. Life doesn't work like that, and the Presiding Officer knows that very well.

Then I must ask of my colleagues, how could this be? We all have neighbors, friends, and family who have or do benefit from Medicaid—even perhaps in their distant past. In fact, nearly half of all Americans have a friend or a family member that has received Medicaid assistance at some point, and they are absolutely worthy of our support.

Is it because we believe Medicaid spending is truly out of control? Then I remind colleagues that Medicaid costs per beneficiary grew much lower over the past decade than costs for any private health insurance coverage. The administrative costs in Medicaid are between 1 and 2 percent. An average health insurance company is probably 10, 15, or 20 percent—and all of this despite the fact that Medicaid has more comprehensive benefits. They are much

larger benefits that cover more. They do more for people, and significantly lower cost sharing.

I fervently believe the American tradition of shared responsibility—everybody working together for the greater good—is a tradition worth upholding and that a government has an ongoing role to play in its preservation. It cannot play that role perfectly, but it can do it as best and most fairly as possible.

Instead of shortchanging Medicaid, we must have the courage to rein in tax breaks for corporate America and for people of great wealth. Medicaid does exactly what it was designed to do all those years ago: provide a safety net for low-income Americans. There are lots of worthwhile and positive ways we can improve the program, I grant you that. But trashing Medicaid, gutting Medicaid—especially if it is sort of flipping it aside for political gain—cannot be an option.

I thank the Chair and yield the floor. The PRESIDING OFFICER. The Senator from Iowa is recognized.

ETHANOL

Mr. GRASSLEY. Mr. President, tomorrow afternoon we will vote on Senator COBURN's amendment dealing with ethanol.

I come to the floor at this time to express my strong opposition to that amendment. Senator COBURN's amendment would raise the tax on domestic energy production. It would do this by repealing an incentive for the use of a home-grown renewable fuel called ethanol.

With conflicts in the Middle East and crude oil priced at \$100 a barrel or more, we should be on the same side. Let me make that clear. We have Middle East problems. We have crude oil priced at over \$100 a barrel. Oil interests and biofuels interests, if both are domestically produced, should be on the same side of the energy issue.

Why would anyone prefer less domestic energy production? In other words, why would anyone prefer importing more oil over domestically produced energy, whether it is fossil fuel or renewable? We should all be on the same side of more domestically produced energy.

The tremendous cost of America's dependence upon foreign oil has never been more clear. I support drilling here and drilling now. I support renewable energy. I support conservation. I support nuclear energy. The reason I support different forms of energy and why we have to support more energy is that if we are going to have an expanding economy and create more jobs, we are obviously going to use more energy.

Remember, I included conservation in my energy program. So the attacks on domestic energy are quite a remarkable thing happening right now, when gasoline is \$4 a gallon. We are spending \$835 million a day imported oil. So whether it is oil or renewable energy,

we should not be fighting each other over any source of domestic energy. We should be fighting together against OPEC and these foreign dictators and oil sheiks—some of them hate the United States—from holding our economy hostage.

The author of the amendment has argued that the production of clean, home-grown ethanol is fiscally irresponsible. It is important to remember that the incentive exists to help producers of ethanol to compete with the oil industry—in other words, to have a level playing field for all forms of energy.

Remember, the oil industry has been well supported by the Federal Treasury for more than a century. The Senator from Oklahoma, the sponsor of the amendment, has touted with much fanfare a letter from oil companies that says they don't need or want the credit. It is my understanding that many of the oil refineries are no longer in the business of downstream ethanol blending and, subsequently, do not pay the excise tax on gasoline and do not benefit from the credit.

Now, isn't it easy to be advocating repeal of something when you don't benefit from it? It is even easier to advocate for repeal when doing so would undercut your competition.

It shouldn't surprise anyone that the oil refiners and Big Oil are advocating a position that would reduce the competitiveness of renewable ethanol. Refineries enjoy a cozy monopoly on our Nation's transportation fuel. They opposed the Renewable Fuels Standard because it cuts into their monopoly.

Alternatively, if the members of the National Petrochemical and Refiners Association say they don't want or don't need the credit, then it is pretty simple: Don't take it. It is a tax credit which they must apply for to the Internal Revenue Service. If they don't want it and they don't need it, they shouldn't file for that credit with the Internal Revenue Service. I would be glad to work with the Senator from Oklahoma in getting the members of the National Petrochemical and Refiners Association to return the credit to the Federal Treasury. No one is forcing them to take the credit. Since they seem eager to return it, perhaps Senator COBURN and I can work together to get them to return it.

If you like tight gasoline supplies and if you like \$4 gasoline, join the campaign led by Big Oil and the National Petrochemical and Refiners Association. If you want less dependence on foreign oil and more use of home-grown, renewable fuels, support ethanol producers.

The fact is, the portion of the industry that blends ethanol and sells it to the consumers supports maintaining this credit. The Society for Independent Gasoline Marketers of America, or SIGMA, recently wrote to the Senate majority leader and minority leader opposing efforts to prematurely and abruptly eliminate the blender's credit:

On behalf of our client, the Society of Independent Gasoline Marketers of America, I write to you to oppose efforts in Congress to prematurely and abruptly eliminate the VEETC—that is the ethanol blenders credit.

Increasing the tax paid on ethanol-blended gasoline makes no sense at a time when consumer fuel prices are already high and the need to maximize domestic energy sources is so very critical.

Very true at the time when gasoline is \$4 a gallon.

SIGMA's members account for 37 percent of the petroleum retail market. SIGMA works to promote competition in the marketplace to help keep consumer fuel costs down. This is contrary to the position of oil refiners who prefer no competition.

I have further words from that letter.

This incentive has been an extremely useful tool in helping the Nation's fuel marketers and chain retailers deliver fuels to the market at a competitive price.

By providing long-term price competitiveness for ethanol-blended fuels, VEETC also helps provide assurances to marketers and retailers that important infrastructure investments necessary to deliver these fuels will continue to provide returns, and not result in wasted improvements.

Simply put, SIGMA opposes recent moves to prematurely or abruptly end the subsidies without any consideration for future fuel and fuel-delivery costs.

To end this incentive immediately would no doubt result in an immediate spike in consumers' fuel costs.

SIGMA believes that a policy that provides an effective transition for the industry from the current tax structure is a better alternative to the slash and cut budget strategy being promoted by some Members of Congress.

I ask unanimous consent to have this letter printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. GRASSLEY. The Senator from Oklahoma also mentioned the total cost of the blender's credit as a reason for supporting repeal of VEETC. He claimed the American people will have spent \$32 billion on this credit over the past 30 years. That may be the case.

Again, I don't believe we should be debating ethanol incentives by themselves or in a vacuum. For comparison's sake, I wish to inform my colleagues of the cost and duration of a few oil subsidies.

The Senator from Oklahoma has derided the 30-year-old ethanol blender's credit, arguing that the industry is mature. Well, what about our century-old oil industry? Don't forget, oil was discovered in Pennsylvania in 1859. We haven't had the incentives for that long, but according to the Government Accountability Office, the tax break allowing for the expensing of intangible drilling costs began in 1916, more than 95 years ago, and continues today. The percentage depletion allowance was enacted in 1926, 85 years ago, and it still exists today. After 95 years, is the domestic oil industry not mature?

I know my colleagues will be interested in how much these two subsidies

have cost the American people. A report issued by the General Accounting Office in the year 2000 looked at the subsidies for oil production. It reviewed the 32-year period between 1968 to 2000. During that timeframe, the intangible drilling subsidy cost the American people as much as \$52 billion. The percentage depletion subsidy cost the American people \$82 billion. So these two provisions, enacted nearly a century ago, cost the American people as much as \$114 billion from 1968 through 2000. And this doesn't even include the subsidies during the past 11 years.

Last month, we had a vote here in the Senate to repeal a number of these oil and gas tax provisions. Opponents of repealing oil and gas subsidies argued then, and I presume would argue today, that doing so would reduce domestic energy production and drive up our dependence on foreign oil. Opponents at that time also argued it would cost U.S. jobs, and increase prices at the pump for consumers.

I happen to agree with those arguments. But if those arguments are good for oil, then they are good not just for ethanol but they are good for all sorts of green energy as well.

Prices at the pump are nearly \$4 a gallon. All of our constituents are crying out for action to lower these prices, so it makes sense that Congress would consider steps to address the rising energy costs and work to drive down the cost to consumers at the pump.

That is not what the Coburn amendment would do. It would not drive down the cost at the pump at all. It would very likely lead to higher prices for consumers. It won't lead to the production of anymore energy. It won't create anymore jobs. It very well could lead to less domestic energy production and less employment in the U.S. energy sector; in other words, more unemployment and more dependence on foreign sources of energy.

At a time of \$4 gas and 9.1 percent unemployment, why would we in this body consider an amendment that will increase the cost of energy production, reduce domestic energy supply, and lead to job losses?

Ethanol is reducing prices at the pump. A recent study by the Center for Agriculture and Rural Development found that ethanol is reducing the price at the pump by an average of 89 cents a gallon.

The fact is, this amendment is not about reducing prices at the pump. The amendment before us is not about reducing our dependence on foreign oil. This amendment is about raising taxes. And one thing is for certain: If you raise taxes on any activity, you get less of it. That is a common economic principle.

A taxpayer watchdog group considers a repeal of this tax incentive to be what it is, a tax hike. Americans for Tax Reform said, "Repealing the ethanol credit is a corporate income tax increase." I agree.

Now is not the time to impose a gas tax hike on the American people. Now

is not the time to send pink slips to ethanol-related jobs.

I know we all agree that we cannot and should not allow job-killing tax hikes during this time of economic uncertainty. What this Congress should be doing is increasing the domestic production of energy as a way to increase jobs, increase domestic investment, and lower prices at the pump. This amendment does none of those things, and actually it does exactly the opposite. A repeal of the ethanol tax incentive is a tax increase that will surely be passed on to the American consumers. Repealing incentives for ethanol would have the same exact result as a repeal of the oil and gas subsidies. We will get less domestically produced energy. It will cost U.S. jobs. It will increase our dependence upon foreign oil. It will increase prices at the pump for the American consumer.

So why do my colleagues want to increase our foreign energy independence when we can produce it right here at home? I wish to ask my colleagues who voted against repealing the oil and gas subsidies but support repealing incentives on renewable fuels, why the inconsistency?

Interestingly, the same oil and gas association that is lobbying for repeal of the ethanol incentive led the charge against raising taxes on the oil and gas industry. The president of the National Petrochemical and Refiners Association stated:

Targeting a specific industry or even a segment of that industry is what we would consider punitive and unfair tax policy, and it is not going to get us increased energy security, increased employment and certainly not going to lower the price of gasoline.

That is the end of the quote from the president of the National Petrochemical and Refiners Association.

The fact is, it is intellectually inconsistent to say that increasing taxes on ethanol is justified but that it is irresponsible to do so on oil and gas production. If tax incentives lead to more domestic energy production and to good-paying jobs, why are only incentives for oil and gas important? It is even more ridiculous to claim that the 30-year-old ethanol industry is mature but the oil and gas industry, now over 100 years old, is not. Regardless, I don't think we should be raising taxes on any type of energy production or on any individual, particularly when we have a very weak economy. This amendment is a tax increase.

The Senator from Oklahoma also insists that because the renewable fuel is required to be used, it does not need an incentive. But with oil prices at \$100 a barrel, oil companies are doing everything they can to extract more oil from the ground. There is not a mandate to use oil but oil already has a 100-year-old monopoly on our transportation infrastructure. They want to maintain as much of that 100-year-old monopoly as they can right now. Right now, because 10 percent of the energy used in cars is ethanol, they may only have a 90-per-

cent monopoly, but they sure have a lot to say about what goes into your gas tank without competition.

When there is little competition to oil and it is enormously profitable, wouldn't that industry argue that the necessary incentives exist to produce it without additional taxpayer support? Oil essentially has a mandate today, and the economics of oil production are clearly in favor of producers.

It is still unclear to me why we are having this debate on this bill. This is not an energy bill. It is not a tax bill. Its prospects in the Senate are uncertain. Maybe most important, if this amendment were attached to this bill, the entire bill would be blue-slipped by the House because revenue bills under our Constitution must originate in the House of Representatives, and this is not a House revenue bill we are working on.

If we send it to the other body with this amendment, they will send it right back to us. It will be dead on arrival in the other body. So why are we having this debate on this bill? We should be debating this amendment in the context of a comprehensive energy plan. This debate should include a review of the subsidies for all energy production, not just for one of many renewable resources.

I could ask: Why are we talking about this subsidy on ethanol when we are not talking about the subsidies on oil? Why should we be talking about this subsidy on one alternative energy, which is ethanol, but not talking about the subsidies for wind and solar and biomass and geothermal and I suppose a dozen other alternative energy sources that we have? It boils down to the fact that we should not be singling out ethanol. Nearly every type of energy gets some sort of market-distorting subsidy from the Federal Government. I have indicated that at least for 95 years on one oil subsidy.

An honest energy debate should include ethanol, oil, natural gas, nuclear, hydropower, wind, solar, biomass, and probably a lot of others that do not come to my mind at this particular time. In December, 2010, Congress enacted a 1-year extension of the volumetric ethanol excise tax credit—that, for short, goes by the acronym VEETC—but this is also known as the blenders' credit.

This 1-year extension has allowed Congress and the domestic biofuels industry to determine the best path forward for Federal support of biofuels.

As a result of these discussions, Senator CONRAD and I introduced bipartisan legislation on May 4 that is a serious, responsible first step to reducing and redirecting Federal tax incentives for ethanol. Our bill will reduce VEETC to a fixed rate of 20 cents in 2012, and 15 cents in 2013. It will then convert to a variable tax incentive for the remaining 3 years based upon the price of crude oil. When crude oil is more than \$90 a barrel, there will be no blenders credit. When crude oil is \$50 a barrel or

less, the blenders credit would be 30 cents. The rate will vary when the price of crude is between \$50 and \$90 a barrel.

When oil prices are high, a natural incentive should exist in the market to drive ethanol use. The bill also would extend through the year 2016 the alternative fuel refueling property credit, the cellulosic producers tax credit, and the special depreciation allowance for cellulosic biofuel plant property.

Today, Senator THUNE and Senator KLOBUCHAR are introducing another bipartisan bill to immediately reduce and reform the ethanol tax incentive. It includes many of the same features as the bill I introduced last month, but it enacts the reforms this year. The approach of Senator THUNE also leads to significant deficit reduction.

The legislation we have introduced is a responsible approach that will reduce the existing blenders credit and put those valuable resources into investing in alternative fuel infrastructure, including alternative fuel pumps.

It would responsibly and predictably reduce the existing tax incentive and help get alternative fuel infrastructure in place so consumers can decide at the pump which fuel they would prefer. I know that when the American consumers have their choice, they will choose domestic, clean, affordable renewable fuel. They will choose fuel from America's farmers and ranchers rather than from oil sheiks and foreign dictators. Both of the ethanol reform bills I mentioned are supported by the ethanol advocacy groups. In an almost unprecedented move, the ethanol industry is advocating for a reduction in their Federal incentives. No other energy industry, whether it is fossil fuels or renewables, has come to the table to reduce their subsidies. No other energy advocate has come to me with a plan to reduce their Federal support.

In conclusion, I would like to address two points that ethanol opponents continue to make, despite facts to the contrary. First, ethanol and ethanol incentives are not a major factor in rising food and corn prices. The U.S. Secretary of Agriculture, Tom Vilsack, recently stated:

During the great run-up in food and commodity prices in 2007 and 2008, biofuel production played only a minor role, accounting for about 10 percent of the total increase in global prices.

But going back to that time or even more recently, listening to the big food manufacturers that are part of this coalition attacking ethanol, you would think the entire blame for the increase in the price of food is because of ethanol, even though ethanol consumes only 3 percent of the coarse grain produced in the entire world. A recent report by the Center for Agriculture and Rural Development concluded that only 8 percent of the increase in corn prices from 2006 to 2009 was due to ethanol subsidies. Further, they concluded that because of this small impact, it ". . . necessarily implies that the con-

tribution of ethanol subsidies to food inflation is largely imperceptible in the United States."

Second, ethanol reduces greenhouse gas emissions significantly compared to gasoline. The fact is, under the renewable fuels standard created in 2007, corn ethanol was required to reduce greenhouse gas emissions compared to gasoline by at least 20 percent. The fact is, corn ethanol exceeded that threshold. If you remove EPA's use of the murky science surrounding emissions from indirect land use changes, ethanol reduces greenhouse gas emissions by 48 percent compared to gasoline.

A recent peer-review study published in the Yale Journal of Industrial Ecology found that ethanol reduces greenhouse gas emissions by up to 59 percent compared to gasoline. Ethanol currently accounts for 10 percent of our gasoline fuel pool. A study found that the ethanol industry contributed \$3.4 billion to the Federal Treasury in 2009. That happens to be \$3.4 billion more than the ethanol incentive. Today, the industry supports 400,000 U.S. jobs. That is why I support homegrown, renewable, reliable biofuels.

I would rather our Nation be dependent upon renewable fuel producers across this country rather than relying on Middle Eastern oil sheiks or Hugo Chavez in Venezuela. None of those people like us, and some of them are using our own money to train terrorists to kill us. Instead, I would prefer we support our renewable fuel producers based right here in the continental United States. I would prefer we decrease our dependence on Hugo Chavez and not increase it. I certainly don't support raising the tax on gasoline during a weak economy.

I encourage my colleagues to vote no on the motion to invoke cloture on the Coburn amendment.

I yield the floor.

EXHIBIT 1

STEPTOE & JOHNSON LLP,
Washington, DC, April 1, 2011.

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

DEAR LEADERS REID AND MCCONNELL: On behalf of our client, the Society of Independent Gasoline Marketers of America, SIGMA, I write to urge you to oppose efforts in Congress to prematurely or abruptly eliminate the Volumetric Ethanol Excise Tax Credit or VEETC. Increasing the tax paid on ethanol blended gasoline makes no sense at a time when consumer fuel prices are already high and the need to maximize domestic energy sources is so critical.

As the national trade association representing America's independent fuel marketers and chain retailers, SIGMA represents an important and innovative part of the America's fuel marketing industry. SIGMA's approximately 270 corporate members command some 37 percent of the petroleum retail market, selling 64 billion gallons of motor fuel each year. For more than 50 years, SIGMA has supported the nation's fuel marketers by encouraging policies that promote growth, innovation, and fairness in the industry, and competition in the marketplace to help keep consumer fuel costs down.

As the leading marketers of ethanol-blended fuel at the retail level, SIGMA's members and customers are the beneficiaries of VEETC. This incentive has been an extremely useful tool in helping the nation's fuel marketers and chain retailers deliver fuels to the market at a competitive price. By providing long term price competitiveness for ethanol blended fuels, VEETC also helps provide assurances to marketers and retailers that important infrastructure investments necessary to deliver these fuels will continue to provide returns, and not result in wasted improvements.

Simply put, SIGMA opposes recent moves to prematurely or abruptly end the subsidies without any consideration for future fuel and fuel-delivery costs. To end this incentive immediately would no doubt result in an immediate spike in consumers' fuel costs. SIGMA believes that a policy that provides an effective transition for the industry from the current tax structure, is a better alternative to the slash and cut budget strategy being promoted by some Members of Congress.

I thank you in advance for your support in this regard. If you have any questions or wish to discuss this matter further, please feel free to contact me.

Sincerely,

R. TIMOTHY COLUMBUS,
General Counsel to the Society of Independent
Gasoline Marketers of America.

The PRESIDING OFFICER. The Senator from New Jersey.

EXTENSION OF MORNING BUSINESS

Mr. MENENDEZ. Mr. President, I ask unanimous consent the period for morning business be extended until 7 p.m., with Senators permitted to speak for up to 10 minutes each.

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

Mr. MENENDEZ. Mr. President, I ask unanimous consent to speak in morning business for 25 minutes.

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

ECONOMIC POLICY

Mr. MENENDEZ. Mr. President, to the millions of Americans who are struggling to find jobs or make ends meet, this is simply stating the obvious, but I rise, a decade after we were told the Bush tax cuts for the wealthy would stimulate the economy and create jobs, to say they have done neither. A decade of the Bush tax cuts have proven what we knew from the beginning; that they disproportionately benefited the wealthy, shifted wealth, did nothing for the middle class, and nothing trickled down.

The tax cuts exploded the debt and continue to be an economic burden that has been twisted into a Republican mantra, an ironic rallying cry for what clearly is a failed economic policy. Yet adherence to the tax cuts for the wealthy is a Republican political litmus test, no matter how clear the evidence is that they have failed to deliver on the promise.

We again hear our colleagues on the other side of the aisle pursuing their “my way or the highway” approach to legislating. This time they are protecting these failed tax policies in the current debt limit negotiations, and they are putting tax cuts for millionaires ahead of poor seniors in nursing homes.

These are the very same tax cuts for millionaires that helped get us into this fiscal mess, and they should most certainly be on the table to help us get out. It is like my Republican colleagues have thrown a lavish dinner party for the past decade and now they want us to pick up the check. What we are saying is: Let’s go dutch and share the tab.

Ten years later, it is abundantly clear that tax cuts for the wealthy are nothing more than an ideological and political pivot point, not a sustainable economic policy. Our Republican colleagues use this failed notion as a one-size-fits-all for political sleight of hand for all economic circumstances: tax cuts in bad times, tax cuts in good times, tax cuts in all types of economic circumstances. That is not policy, it is a convenient bumper sticker slogan.

Our Republican friends on the other side come to the floor prepared to end Medicare as we know it. They come to the floor prepared to slash government to the bone. But they are unwilling to even entertain revisiting this failed economic policy, unwilling to consider adding a single penny to the revenue side of the equation by limiting this blind giveaway to those who need it the least. They will not entertain asking the wealthiest to be part of the solution for America, and I believe if asked, they would be. They would not put tax cuts on the table but have made ending Medicare, as we know it, the centerpiece. They told us from the beginning that wealth will trickle down, tax cuts will lift all boats, those who get the benefit of the cuts will do what is right for America and its people and create American jobs for American families. Well, the facts do not suggest such an altruistic outcome. Tax cuts for the wealthy have turned out to be the greatest failed jobs program in American history. All of the grand promises aside, all of the rhetoric about job growth and economic stimulus, all of that lofty rhetoric aside, just 3 years after the Bush tax cuts in June of 2004, we lost almost 1 million jobs, more than 300,000 jobs a year for each year of 3 years.

The fact is this economic policy did not stimulate job growth at home, but it did create job transfers abroad. Factories closed, jobs went overseas, services were outsourced. The rich got richer and tax cuts produced no jobs in America for 3 years. None. In April of 2003, almost 2 years after the tax cuts were passed, President Bush stood before the American people and said:

These tax reductions will bring real and immediate benefits to middle income Americans. By speeding up the income tax cuts, we

will speed up economic recovery and the pace of job creation.

He called the tax cuts “a victory for fairness and a vote for economic growth.”

The fact is the Bush tax cuts coincided with the most anemic economic expansion of the postwar period. It exploded the deficit and the debt and concentrated wealth at the top unlike any concentration of wealth since the Gilded Age of the late 19th century. This, in addition to two wars unpaid for in Iraq and Afghanistan, a new entitlement program passed by Republicans unpaid for, and a marketplace that instead of being a free market was a free-for-all market created the excesses that brought us to the culmination of 2008’s incredible economic challenge to this country on the verge of a potential new depression and drove so much of the debt the Nation faces today.

For all the rhetoric from the right, the Bush tax cuts have been the greatest failed jobs program and the most ineffective economic stimulus effort in our history, succeeding only in creating a new class of super-rich in America.

Let’s talk about this shift in wealth from the last decade. As much as my Republican colleagues tried to twist themselves into knots and jump through elaborate hoops to disprove the obvious, the facts are clear. Ten years later and the Bush tax cuts have disproportionately widened the income gap to a point today where the wealthiest 1 percent of households in this country owns almost 40 percent of all private wealth in this country, more wealth than the bottom 90 percent of all Americans combined. Think about it. The wealthiest 1 percent of households in this country owns 40 percent of all private wealth, more than almost all of the rest of us combined. That is an extraordinary shift in wealth in the 10 years since the tax cuts were enacted that has cost this Nation \$2.5 trillion in revenue with about 40 percent of the benefits going to households with incomes over \$380,000. Yet our friends on the other side say no to a single mother who sits up in the middle of the night with a sick child wondering if she can afford to take that child to the doctor, praying she can afford the medicine that child needs and still put food on the table, hoping she will be able to keep her job and her health care plan.

All that wealth at the top and Republicans have said no to a young student who needs a Pell grant so he or she can get the education they need to succeed. All that wealth at the top and Republicans have said no to a mom-and-pop grocery store owner who cannot get the capital they need to make repairs or expand. Our friends on the other side have looked into the eyes of that mother, that student, that store owner and said, no; no to health care, no to education, no to small business capital. They even said no to extending unemployment benefits, but asking the

wealthy to pay their fair share is off the table. The one thing they have said yes to is ending Medicare as we know it and leaving seniors to fend for themselves.

I have been visiting senior centers in my home State of New Jersey. I just came from, earlier today, to hear thoughts on the current budget discussions of Medicare. A typical 65-year-old at these meetings under the Republican budget proposal would pay an additional \$7,000 by the year 2022. Right now over 140,000 seniors in New Jersey are paying more for their medications because they fall into that doughnut hole.

Under the Republican plan, those New Jersey seniors will pay an additional \$80 million for prescription drugs next year, and by 2020 seniors currently in the doughnut hole will pay an additional \$1.6 billion. Nationwide nearly 4 million seniors will pay \$2.2 billion more for prescription drugs in 2012 alone under the Republican plan, a plan that would end Medicare and would also force at least 1 million seniors to pay over \$110 million more for annual wellness visits in 2012. Then turning to Medicaid, looking to turn that into a block grant program, the Republican plan could cost America more than 2 million private sector jobs over the next 5 years and threaten our economic recovery.

That is not all. Nationwide the Republican plan could cut more than \$503 billion in Medicaid funding for seniors, for the disabled, including lifesaving nursing home care, leaving us with the uncomfortable and unanswerable question I pose to my Republican friends: What will those fellow Americans do? Where will they go? What happens to them under the Republican budget plan? These are people, not budget numbers. What happens to them?

Something is wrong with that picture of America. It is not the America I know. Something is fundamentally wrong when we let seniors fend for themselves and enact policies that lead to inequalities in income and wealth that are the most skewed since the Gilded Age and the Great Depression. How many years are we going to buy into the failed negotiation of trickle-down voodoo economics that reward the winners and leave the middle class behind?

We all know we need to cut wasteful spending, we all know we need to balance the budget, and we have done it before. It wasn’t that long ago that, in fact, during another Democratic administration we had budget surpluses as far out as the eye could see. How quickly we forget the day Bill Clinton left office he handed the incoming President a \$236 billion surplus with a projected surplus of \$5.6 trillion over the next 10 years. When President Bush left office, he turned a \$236 billion surplus into a \$1.3 trillion budget deficit with projected shortfalls of over \$8 trillion over the next decade and handed the new President, President Obama, an economy headed off the cliff.

Now our Republican colleagues want to go back to the same failed policies. They want to give more tax cuts to millionaires and billionaires, continue subsidies to Big Oil while they end Medicare as we know it and gut Pell grants and all that they mean to our economic future. They insist on tax cuts that will cost \$700 billion on the revenue side over the next 10 years and trillions more by slashing tax rates for the wealthy and the powerful.

Those making more than \$1 million a year will see a windfall of \$125,000 each from the tax cuts and tens of thousands of dollars more for proposed tax rate cuts while people in my home State lose \$34 billion in health benefits and 400,000 New Jerseyans end up without health coverage at all. They want to shift the balance to millionaires and billionaires while making Draconian cuts to health care benefits for seniors.

Cuts do not reflect our value as a people or as a nation. Even a majority of tea partiers think it is a bad idea according to recent polls. I am reminded that our distinguished Republican colleagues are symbolized in their party by an elephant, a large animal that never forgets. Our Republican colleagues have forgotten what Vice President Cheney told America on national television as he was waging two wars, both unpaid for. He said, "Deficits don't matter." Vice President Cheney: "Deficits don't matter."

Well, Republicans have apparently forgotten President Bush's own words on April 16, 2001, about the benefits of favoring the wealthiest Americans:

Tax relief will create new jobs. Tax relief will generate new wealth, and tax relief will open new opportunities.

He was right about one thing; it created new wealth and new opportunities—all of them at the top. But show me the jobs. Show me the new opportunities for middle-class families. Show me what it did to keep our economy on track and protect hard-working families from losing their homes in mortgage schemes and hedge fund gambles that stole the wealth of middle-class families taking us to the brink of economic ruin.

Let's look at the simple facts about the Bush tax cuts 10 years later. The top one-tenth of 1 percent of American wage earners, those earning more than \$3 million a year, received an average tax cut of \$520,000 each—far more than most American families dream of making—a tax cut more than 450 times larger than the meager tax cut of an average middle-class wage earner. Those earning over \$3 million benefited from lower tax rates on capital gains; lower tax rates on dividends, and lower marginal rates for the top two tax brackets.

From 2002 to 2007, the top 1 percent of American wage earners enjoyed 65 percent of the total income gains during that 5-year period. In those 5 years nothing trickled down. In fact, real hourly earnings fell by almost 2 percent for men in the bottom 10 percent

of wage earners. It fell one-half of 1 percent for men in the middle of the 50th percentile but increased almost 3 percent for men in the top 10 percent. Nothing trickled down.

If the Bush tax cuts were designed as a stimulus, they failed again. Moody's has said making the cuts permanent would generate only 35 cents in economic activity per dollar they cost.

Under the American Recovery Act, the payback would be \$1.17 for every dollar of the Making Work Pay credit and \$1.38 for the child tax credit. Clearly, the stimulus effect of the Bush cuts was not a stimulus at all. As far as the debt is concerned, from 2001 to 2010 the cuts added \$2.6 trillion to the debt, 50 percent of the total accrued during that 10-year period. The fact is the Bush cuts averaged out to lower revenue levels as a share of the economy than any previous decade since the 1950s, even as we have America's sons and daughters in two wars waging abroad, unpaid for. The extension of the cuts in the December tax bill is projected to decrease revenues by \$432 billion, from 2012 to 2021, making the total costs more than \$5 trillion over the next decade. Yet Republicans will not put any of that \$5 trillion on the table, not even the tax cuts for millionaires, but they will happily end Medicare as we know it and kick poor seniors out of their nursing homes. This is something we cannot let happen.

So, Mr. President, as I have said before on the floor of the Senate, in their ideological haze they seem to have lost sight of the real people whose lives would be affected by the choices we make. The Republican vision of America is about the bottom line. It seems to me they failed to realize that budgets are not just about numbers, budgets are about people, their hopes, their dreams, their expectations for a better life for themselves and their children. They are about the promise of this country and the dream we have come to expect, the vision we have of safe, clean, vibrant communities in which to raise our families.

Budgets are a reflection of our values, not a faceless calculation of pluses and minuses just to reach an arbitrary number regardless of the impact on middle-class families looking to get back to work and pay the bills. All of us have a budget. Maybe it is not a formal budget, but we all have one. On the revenue side we have what we earn from gainful employment, investments, interest on savings. On the flip side we have our expenses, mortgage payments, groceries, utilities, and we have our contributions perhaps to our church or synagogue or donations to a favorite charity or a worthy cause. These are expressions of our personal values, just as the Nation's budget is an expression of its collective values.

We may not always think of the budget in those terms, but we should. It is about our values. The Bush tax cuts enacted a decade ago are antithetical to the values that we as a people

and nation have. Middle-class families and seniors should not be left to pay the tab for a decade of lavish tax cuts that did nothing but make millionaires richer. Those tax breaks helped us to get into this mess, and they certainly should be on the table to help us get out of it. If we do that, then we have the wherewithal to do what we did once again under President Clinton: Balance the budget for the first time in a generation, create record surpluses, low unemployment, low interest rates, low inflation, and the greatest peacetime economy in over a generation. Those are the choices before the Senate and the country, and I hope we can get our colleagues to understand the right choice on behalf of the Nation's progress and prosperity.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

COBURN AMENDMENT

Mr. FRANKEN. Mr. President, I rise today to express my strong opposition to the amendment offered by my colleague from Oklahoma which we will be voting on tomorrow. Before I talk about the substance of the amendment, I wish to comment on the procedure through which it was offered. There was no warning to Senate leadership or to any of our colleagues. And while technically it wasn't in violation of Senate rules, it undermines the basic comity that makes this body work. It is a disservice to do business this way—to our colleagues, to bipartisanship, and to the American people who sent us in Washington to get work done by working together. So I am disappointed in the way this was handled.

Now let me talk about the amendment itself. Today, families in Minnesota and around the country are paying painfully high prices at the pump as oil still hovers around \$100 a barrel. What this amendment does is cut the legs out from under the most viable alternative to foreign oil we have. Despite decade after decade of rhetoric about weaning our country off foreign oil, we are still dependent on it. And while about a third of our oil imports comes from Canada and Mexico, close to half come from the Persian Gulf, Africa, or Venezuela.

Last year at this time we were dealing with the gulf oilspill, the worst environmental catastrophe we have ever had. That was maybe the most jarring reminder of what has been clear for decades—that we have to kick our addiction to oil. While that is not something we can do overnight, we need to do everything in our power to transition to alternatives.

There is no more viable alternative than biofuels. Today, the industry that has been most successful in displacing oil is under attack. We are talking about an industry using homegrown American resources, an industry that has created thousands of jobs and catalyzed economic development across

rural America. The first generation of biofuels has paved the way for the next generation of advanced biofuels. The first commercial-scale cellulosic ethanol plant is being built this year in Emmetsburg, IA, where it will be making ethanol from corn cobs.

According to a recent study done by the researchers at Iowa State University and the University of Wisconsin-Madison, the growth in ethanol production reduced wholesale gas prices by an average of 89 cents per gallon in 2010. In the Midwest, that number was higher: \$1.37 per gallon. Let me repeat that. At a time when so many American families are struggling to pay their bills and make ends meet, they would have paid an average of 89 cents more per gallon of gas last year had we not had ethanol.

But instead of giving this industry the tools it needs to grow and reduce our oil dependence even more, this amendment hangs the ethanol industry out to dry. It makes no sense.

I share the concern of my colleague from Oklahoma about the deficit and our national debt. To cut our deficit, everyone in America will have to make some sacrifices, and that includes the ethanol industry. The easy part here is that the ethanol industry agrees. Ethanol producers stand ready to phase out the ethanol blenders credit. But we need to be consistent. If the ethanol industry is being asked to make some sacrifices, other fuel industries need to be willing to do the same. Yet, just a month ago, many of my colleagues, including my colleague from Oklahoma, voted against repealing billions of dollars in subsidies we pay every year to the biggest five oil companies. We are talking about companies that have made almost \$1 trillion in profit over the last decade. My colleagues chose to leave those tax breaks in place, amounting to 21 billion in taxpayer dollars to oil companies over the next 10 years. Expert after expert has basically concluded these subsidies are not lowering the cost of gas and would not cause it to increase if they were eliminated. But we do not need experts to tell us that. Subsidies for oil and gas are on the books right now, and some have been on the books since as far back as 1916, but they have done nothing to stem the skyrocketing gas prices that are squeezing the budgets of American families. Yet when we are talking about ethanol—a homegrown alternative to foreign oil that lowers prices at the pump—my colleagues seem to think it is absolutely imperative to repeal this tax credit now.

When it is repealing subsidies for oil and gas companies operating in oil-producing States such as Oklahoma, that somehow is a tax hike. But cutting a tax credit that supports an American renewable fuel, that is “fiscal responsibility.” The hypocrisy here is stunning.

Regardless, America’s ethanol producers are ready and willing to phase out this credit. But there is a right way

and a wrong way to do it. The Coburn amendment, which abruptly ends the credit at the end of this month, is the wrong way. The right way is to responsibly phase out the tax credit in a manner that allows the industry to build out the infrastructure it needs to bring advanced biofuels into the U.S. market.

Today my colleagues and I are introducing legislation that does it the right way, and I urge every Member of this body to support it. Right now, our biofuels industry is hitting a wall because of the national 10-percent ethanol blend limit we have had on the books. It also is hamstrung by the inability of most cars and gas pumps to use blends higher than 10 percent ethanol. That means cellulosic ethanol and other advanced biofuels have no market access or market to grow into. This isn’t an industry problem, it is a public policy problem.

The EPA’s E15 waiver was a step in the right direction to address this very problem. But without pumps that can deliver higher ethanol blends, American consumers have no way to access additional ethanol that would and should be on the market. What our legislation does is reform our ethanol tax policy by ending the ethanol tax credit in its current form at the end of the month. It then invests part of the savings into biofuels infrastructure, part toward extending the cellulosic ethanol credit, and puts \$1 billion toward reducing our deficit.

Reducing America’s dependence on oil is going to require a national strategy, and biofuels are just one part of that strategy. We also need to do things such as deploy more electric vehicles and make our entire economy more energy efficient. We have to recognize that if we don’t fix our national policies to allow the biofuels industry to grow, we are actively choosing foreign oil and dirty fossil fuels over domestic, homegrown, renewable fuels.

Let me tell my colleagues something: We are never going to see a massive ethanol spill in the Gulf of Mexico that kills 11 workers, destroys thousands and thousands of livelihoods, and does irreparable harm to vital ecosystems. We are never going to see foreign countries collude to restrict the supply of ethanol and drive up gas prices for American families. As we transition to advanced biofuels and expand this industry, we are not going to see these jobs go overseas. This is an American industry, it is American jobs, and it is American energy independence. I urge my colleagues to make the responsible choice—one that will keep this industry moving forward.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Ms. KLOBUCHAR. I thank the Chair. (The remarks of Ms. KLOBUCHAR and Mr. THUNE pertaining to the introduction of S. 1185 are printed in today’s RECORD under “Statements on Introduced Bills and Joint Resolutions.”)

The PRESIDING OFFICER (Mr. BENNET). The Senator from Oklahoma.

ETHANOL

Mr. COBURN. Mr. President, I had a good time this afternoon listening to the debate on the amendment I have offered and visiting with Senators. I think there is an important distinction that needs to be made in the arguments that have been brought forward.

The first is we have a mandated level of ethanol that has to be produced and blended into gasoline, and it grows from now on. There will be zero job losses if this amendment is approved.

The second thing is, my colleague—and I love him to death—from South Dakota says we are going to save \$1 billion. We can save \$3 billion if we eliminate the VEETC blending subsidy.

Now, why should we do that? Here is a subsidy that goes to all the blenders of gasoline in the United States—all of them—and they all have called and written and said: We do not want the \$3 billion for the rest of the year. We do not want it.

We actually have a letter from the National Petrochemical and Refiners Association, which they are all members of, saying: We do not want this money. So the best way to get money against the deficit is to not give money to people who do not want it on something that is already mandated anyway.

I spent a great deal of time listening to my colleague from Iowa, Senator GRASSLEY, and his figures were very good. But they were only up through 2008.

According to the U.S. Department of Agriculture, 40 percent of last year’s corn crop was utilized, converted to ethanol. Why would the American Bakers Association, the American Frozen Food Institute, the American Meat Institute, California Dairies, the Grocery Manufacturers Association, the International Dairy Foods Association, the Milk Producers Council, the National Chicken Council, the National Council of Chain Restaurants, the National Meat Association, the National Restaurant Association, the National Turkey Federation, the National Wildlife Federation—which is just about one-third of the people who are endorsing this—why would they be for this?

Because it is not just less than 3 percent of the cost of food, it has been, this last year, the significant driver. Corn prices are at \$7.65 a bushel. They are 2½ times what they were 3½ years ago. And I am not against the farmers. I am for ethanol. I do not want to do away with ethanol blending. I do not want to do away with ethanol as a substitute. But we have a way to get the same amount of ethanol produced and put into our cars without spending \$3 billion between now and the end of the year—\$5.8 billion is what it has averaged over the last few years.

We spent \$34 billion of money we didn’t have subsidizing something that

is mandated. I mean, it even goes beyond the Reagan quote, which was that the government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. If it stops moving, subsidize it.

We have the incentive to blend the ethanol, and that incentive is you by law have to blend it. They do not have a choice. So we are going to use ethanol in this country.

Another factor the American people ought to take into consideration when they go buy a gallon of fuel today—you already have \$1.72 worth of subsidy in there. That does not have anything to do with oil and gas drilling; that has to do with the subsidies that go to this program for ethanol. And I am for using cellulosic. I am actually for using corn ethanol. I just do not think we ought to pay twice for it. I think we ought to pay once.

The number the Senator from Minnesota talked about in terms of subsidy, there are—I have worked on the President's commission on debt. I have worked with the Gang of 6. You cannot be for changing the Tax Code to get rid of tax expenditures and vote against this amendment. I mean, how do you explain? Here is one we do not need the incentive for and we are going to pay for, and yet you say you want to solve the problems of the country. But the first time we have a vote to really eliminate one that will make no difference in terms of the amount of ethanol that is produced in this country—it will just save us \$3 billion—you can't be on both sides of that issue.

Let me address the oil and gas industries for a minute. They get accelerated depreciation and writeoff. That is true. And that amounts to taking legitimate business expenses and saying: You can write them off sooner. Why did we do that?

It started in 1903, by the way. That is when we started. We started it because it is a capital-intensive business in terms of the exploration. It is associated with a lot of dry holes.

Now, the very companies that we say we want to take some of their "subsidies"—there is a big difference between a subsidy that is a tax credit and allowing someone to advance depreciation because they are going to get to write it off anyhow. The net effect to the Federal Government's revenue, if you take all of those away, is still zero. The Federal Government does not get any additional money because under accounting standards they get to write off those expenses anyway; they just do not get to write them off fast.

So the body has already chosen to not do that because they are legitimate business expenses. We are not saying: Take away legitimate business expenses from the ethanol distilleries or the blenders. We are just saying: Do not pay them money for something that they are going to have to do anyhow that they have already said to us they do not want.

Tomorrow during the debate, I will add to the RECORD the statement from the National Petrochemical and Refiners Association.

The other point I would make: There is no question we are not energy independent, and there is no question that biofuels and cellulosic ethanol can contribute to what our results can be in terms of maintaining that independence. But we are the only Nation in the world where we as citizens own more oil and gas than Canada, China, and Saudi Arabia combined, and our Government will not let us have it. Think about that for a minute. According to the Congressional Research Service, there is more oil, gas, and gas liquids untapped in the United States than is known in all of Canada, all of China, and all of Saudi Arabia combined. So the reason we are in trouble and importing oil is because our own government will not let us have our own resources. Why would we continue that? That is a debate for another time.

No matter what we believe in terms of green energy, what we do know is that we are 30 years away from getting away from carbon-based fuels—at the earliest. So we can either pay a price or we can buy from the Saudis or buy from other Middle Eastern countries or we can develop our own. Talk about jobs. The estimate is that if we would truly go after our own energy, we would generate over 100,000 jobs a year the next 10 years in the oil and gas industry in this country—cleanly.

The other comment I have heard is that this amendment was not brought up properly. Well, let me talk about something for a minute. When the Senator from South Dakota and I came to the Senate, the first 2 years you could offer an amendment on anything, on any bill at any time because that is the way the Senate was intended to operate. As a Senator, a Member of this body, you had the right to offer an amendment. Now, you may lose it or it may get tabled, but you had to right to do it. That is not a majority leader's prerogative; it is a prerogative of every individual Senator that you ought to cherish and protect because if the majority leader is the only one who will decide what amendments get offered and when they get offered, this is no longer the Senate. There is no longer an ability to offer what is in the best interests of our country or our constituency.

The very fact that we do not want to have controversial amendments that we have much disagreement on coming to the floor because we do not want to have to go home and defend them or we do not want to vote on them because we might lose—the Senate ought to be a free place to offer ideas and get them voted down.

In my first 2 years in the Senate, I had tons—in fact, I had every amendment voted down. There was not an amendment I won. But I had the freedom to offer the amendments. And do you know what. We passed 10 times as

much legislation in that Congress than we have the last two. So limiting amendments is not the prerogative of the majority leader. Deciding what bills come to the floor is the prerogative of the majority leader.

If we want to go home and tell our constituents that we have voted against saving \$3 billion, that we are going to borrow 40 percent of it from outside of this country because we do not like the way an amendment was brought up—how else do you bring up an amendment if you cannot in the Senate?

Every true and proper procedure was followed in bringing up this amendment, and had this amendment been allowed to come up, if other Members had not objected to it, we would have never used cloture to bring up an amendment. You should not have to use cloture to bring up an amendment. You should be able to bring up any amendment you want and let Senators have the courage to vote the way they want on it rather than to say: I am going to hide behind not having to vote, so I am going to object to having a vote on an amendment.

Well, if we start down that process, we are never going to have any amendments and every amendment is going to end up having 60 votes just to be brought up. If we are going to move to that procedure—and I know procedure in this body pretty well—then I will insist that we do it all the time. That will dead stop the Senate.

So the idea that you can hide behind the excuse that even though you want to save the \$3 billion but you do not like the way the amendment was brought up is a pretty flimsy excuse to go home and explain to your public that you think we should not ever have cloture motions on amendments. We ought to be able to bring any amendment up at any time.

I see the majority leader coming to the floor. He is a dear friend of mine. He has the hardest job in Washington, there is no question. But the privilege to bring an amendment to the floor ought to be protected for both sides of this aisle, and you vote it down, you table it, but you do something with it.

Let me just finish by saying that I agree this is supposed to expire at the end of this year. I hope it does because we do not need it. Our corn farmers do not need it. The worldwide demand for corn is high. We are going to continue to produce ethanol. We have a federally mandated requirement that we produce ethanol. This amendment does not touch that, never intended to touch that.

But ethanol as a fuel should be processed to the next stage, which is methanol, because methanol is not water soluble and it has the same octane rating as gasoline. Ethanol is not a great fuel. It is not an economical fuel. But we can take that same carbon atom and add to it and create methanol from corn and get a much better fuel that can be transported much easier and

have much greater effect on our economy and have much better gas mileage and less effect on the engines and drivetrains and all of the other—the smog prevention we have on automobiles today.

So let me say it again. I am not against using biocrops. I am for biocrops. I am not against cellulosic-based. I am not against ethanol. I am not against algae. But ExxonMobil has spent a couple of billion of their own money on algae-based biofuels without the government's help, which is one of the points with this amendment. We no longer need to help. We no longer need to spend the money.

So I look forward to the debate tomorrow. I will be on the floor all day to answer questions and to debate the pros and cons of this amendment.

I yield the floor.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-2070. A communication from the Director of Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Inclusion of Option Amounts in Limitations on Authority of the Department of Defense to Carry Out Certain Prototype Projects" ((RIN0750-AH23)(DFARS Case 2011-D024)) received in the Office of the President of the Senate on June 8, 2011; to the Committee on Armed Services.

EC-2071. A communication from the Director of Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Warranty Tracking of Serialized Items" ((RIN0750-AG74)(DFARS Case 2009-D018)) received in the Office of the President of the Senate on June 8, 2011; to the Committee on Armed Services.

EC-2072. A communication from the Commission on Wartime Contracting in Iraq and Afghanistan, transmitting, pursuant to law, a report entitled "Sustainability: Hidden Costs Risk New Waste"; to the Committee on Armed Services.

EC-2073. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the

report of a rule entitled "United States and Area Median Gross Income Figures" (Rev. Proc. 2011-37) received in the Office of the President of the Senate on June 8, 2011; to the Committee on Finance.

EC-2074. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting the report of (11) officers authorized to wear the insignia of the grade of brigadier general in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

EC-2075. A communication from the Acting Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed technical assistance agreement for the export of defense articles, including, technical data, and defense services to Singapore for depot repair, overhaul and modification supporting the AH-64 Apache in the amount of \$50,000,000 or more; to the Committee on Foreign Relations.

EC-2076. A communication from the Acting Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed technical assistance agreement for the export of defense articles, including, technical data, and defense services to Spain to support the design, manufacturing and delivery phases of the Amazonas 3 Commercial Communications Satellite Program for Spain in the amount of \$100,000,000 or more; to the Committee on Foreign Relations.

EC-2077. A communication from the Acting Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed manufacturing license agreement for the export of defense articles, including, technical data, and defense services to support the replication of the Have Quick III and SATURN Electronic Counter-Counter Measure (ECCM) for integration into Radio Communications in Germany; to the Committee on Foreign Relations.

EC-2078. A communication from the Acting Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed manufacturing license agreement for the export of defense articles, including, technical data, and defense services to Japan to support the design, manufacture, and modification of the Lead Computing Gyro Systems for F-15 Gun Targeting; to the Committee on Foreign Relations.

EC-2079. A communication from the Acting Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed amendment to a manufacturing license agreement for the export of defense articles, including, technical data, and defense services to Japan to support the design, manufacture and modification of Bell 205 (UH-1H)-205B helicopters and spare parts; to the Committee on Foreign Relations.

EC-2080. A communication from the Deputy Director for Policy, Legislative and Regulatory Department, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled "Benefits Payable in Terminated Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits" (29 CFR Part 4022) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Health, Education, Labor, and Pensions.

EC-2081. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled

"Report to Congress: 2006 National Estimates of the Number of Boarder Babies, Abandoned Infants, Discarded Infants and Infant Homicides"; to the Committee on Health, Education, Labor, and Pensions.

EC-2082. A communication from the Assistant Secretary for Legislation, Department of Health and Human Services, transmitting, pursuant to law, a report relative to the interim final rule entitled "Health Insurance Issuers Implementing Medical Loss Ratio (MLR) Requirement Under the Patient Protection and Affordable Care Act"; to the Committee on Health, Education, Labor, and Pensions.

EC-2083. A communication from the Director, Employee Services, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "General Schedule Locality Pay Areas" (RIN3206-AM25) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Homeland Security and Governmental Affairs.

EC-2084. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled, "Comparative Analysis of Actual Cash Collections to the Revised Revenue Estimate Through the 1st Quarter of Fiscal Year 2011"; to the Committee on Homeland Security and Governmental Affairs.

EC-2085. A communication from the Acting General Counsel, National Labor Relations Board, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2010 through March 31, 2011; to the Committee on Homeland Security and Governmental Affairs.

EC-2086. A communication from the Chairman of the Broadcasting Board of Governors, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2010 through March 31, 2011; to the Committee on Homeland Security and Governmental Affairs.

EC-2087. A communication from the Commissioner of the Social Security Administration, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2010 through March 31, 2011; to the Committee on Homeland Security and Governmental Affairs.

EC-2088. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2010 through March 31, 2011; to the Committee on Homeland Security and Governmental Affairs.

EC-2089. A communication from the Secretary of Commerce, transmitting, pursuant to law, the Department of Commerce's Performance and Accountability Report for fiscal year 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-2090. A communication from the Director of the Peace Corps, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2010 through March 31, 2011; to the Committee on Homeland Security and Governmental Affairs.

EC-2091. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the Office's Federal Equal Opportunity Recruitment Program Report for Fiscal Year 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-2092. A communication from the Director, Executive Office for United States Trustees, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Procedures Governing Administrative Review of a United States Trustee's Decision to Deny a Chapter 12 or Chapter 13 Standing Trustee's Claim of Actual, Necessary Expenses" (RIN1105-AB16) received in

the Office of the President of the Senate on June 7, 2011; to the Committee on the Judiciary.

EC-2093. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Part 95 Instrument Flight Rules (4); Amdt. No. 494" ((RIN2120-AA63) (Docket No. 30787)) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2094. A communication from the Program Analyst, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Anthropomorphic Test Devices; Hybrid III Test Dummy, ES-2re Side Impact Crash Test Dummy" ((RIN2127-AK64) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2095. A communication from the Assistant Chief Counsel for General Law, Pipeline and Hazardous Materials Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Hazardous Materials Requirements for Storage of Explosives During Transportation" ((RIN2137-AE06) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2096. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Launch Safety: Lightning Criteria for Expendable Launch Vehicles" ((RIN2120-AJ84) (Docket No. FAA-2011-0181)) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2097. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Standards; Electrical and Electronic System Lightning Protection" ((RIN2120-AJ57) (Docket No. FAA-2010-0224)) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2098. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Koito Industries, Ltd., Seats and Seating Systems Approved Under Technical Standard Order (TSO) TSO-C39b, TSO-C39c, or TSO-C127a" ((RIN2120-AA64) (Docket No. FAA-2010-0857)) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2099. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Sikorsky Aircraft Corporation (Sikorsky) Model S-92A Helicopters" ((RIN2120-AA64) (Docket No. FAA-2011-0548)) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2100. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Rolls-Royce plc (RR) RB211-535 Series Turbofan Engines" ((RIN2120-AA64) (Docket No. FAA-2010-0994)) received in the Office of the

President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2101. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Viking Air Limited Model DHC-3 (Otter) Airplanes" ((RIN2120-AA64) (Docket No. FAA-2011-0543)) received in the Office of the President of the Senate on June 7, 2011; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LIEBERMAN, from the Committee on Homeland Security and Governmental Affairs, with an amendment:

S. 191. A bill to direct the Department of Homeland Security to undertake a study on emergency communications (Rept. No. 112-22).

By Mr. LIEBERMAN, from the Committee on Homeland Security and Governmental Affairs, with an amendment in the nature of a substitute:

S. 679. A bill to reduce the number of executive positions subject to Senate confirmation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. JOHNSON of South Dakota (for himself, Mr. SHELBY, Mr. KERRY, Mr. MCCAIN, Mr. LEVIN, Mr. LIEBERMAN, and Mr. REED):

S. 1180. A bill to authorize the President to confiscate and vest certain property of the Government of Libya and to authorize the use of that property to provide humanitarian relief to and for the benefit of the people of Libya, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GRASSLEY (for himself, Mr. LUGAR, Mr. SCHUMER, Mr. HARKIN, Mr. INHOFE, Mr. ENZI, Mr. BENNET, Mr. UDALL of New Mexico, Mr. BLUNT, Mr. ISAKSON, Mr. SESSIONS, and Mr. JOHANNIS):

S. 1181. A bill to require the Secretary of the Treasury to mint coins in commemoration of the National Future Farmers of America Organization and the 85th anniversary of the founding of the National Future Farmers of America Organization; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HATCH (for himself and Mr. LEE):

S. 1182. A bill to prohibit the further extension or establishment of national monuments in Utah except by express authorization of Congress; to the Committee on Energy and Natural Resources.

By Ms. COLLINS (for herself and Mr. CARPER):

S. 1183. A bill to establish a national mercury monitoring program, and for other purposes; to the Committee on Environment and Public Works.

By Ms. CANTWELL:

S. 1184. A bill to amend title 38, United States Code, to revise the enforcement penalties for misrepresentation of a business concern as a small business concern owned

and controlled by veterans or as a small business concern owned and controlled by service-disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. THUNE (for himself, Ms. KLOBUCHAR, Mr. GRASSLEY, Mr. JOHANNIS, Mr. HOEVEN, Mr. FRANKEN, Mr. MORAN, Mr. LUGAR, Mr. NELSON of Nebraska, Mr. HARKIN, Mr. JOHNSON of South Dakota, Mr. KIRK, Mr. COATS, Mr. DURBIN, and Mrs. MCCASKILL):

S. 1185. A bill to amend the Internal Revenue Code of 1986 to provide for a variable VEETC rate based on the price of crude oil, and for other purposes; to the Committee on Finance.

By Mr. SESSIONS:

S. 1186. A bill to amend chapter 1 of title 9, United States Code, to establish fair procedures for arbitration clauses in contracts; to the Committee on the Judiciary.

By Mr. SCHUMER (for himself and Mrs. GILLIBRAND):

S. 1187. A bill to amend the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users to improve a pilot program on addressing shortages of long-term parking for commercial motor vehicles, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CRAPO:

S. Res. 207. A resolution supporting National Men's Health Week; considered and agreed to.

ADDITIONAL COSPONSORS

S. 17

At the request of Mr. HATCH, the name of the Senator from Missouri (Mr. BLUNT) was added as a cosponsor of S. 17, a bill to repeal the job-killing tax on medical devices to ensure continued access to life-saving medical devices for patients and maintain the standing of United States as the world leader in medical device innovation.

S. 119

At the request of Mr. VITTER, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 119, a bill to preserve open competition and Federal Government neutrality towards the labor relations of Federal Government contractors on Federal and federally funded construction projects.

S. 418

At the request of Mr. HARKIN, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 418, a bill to award a Congressional Gold Medal to the World War II members of the Civil Air Patrol.

S. 491

At the request of Mr. THUNE, his name was added as a cosponsor of S. 491, a bill to amend title 38, United States Code, to recognize the service in the reserve components of the Armed Forces of certain persons by honoring them with status as veterans under law, and for other purposes.

At the request of Mr. PRYOR, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 491, *supra*.

S. 542

At the request of Mr. BEGICH, the name of the Senator from South Carolina (Mr. GRAHAM) was added as a cosponsor of S. 542, a bill to amend title 10, United States Code, to authorize space-available travel on military aircraft for members of the reserve components, a member or former member of a reserve component who is eligible for retired pay but for age, widows and widowers of retired members, and dependents.

S. 613

At the request of Mr. HARKIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 613, a bill to amend the Individuals with Disabilities Education Act to permit a prevailing party in an action or proceeding brought to enforce the Act to be awarded expert witness fees and certain other expenses.

S. 752

At the request of Mrs. FEINSTEIN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 752, a bill to establish a comprehensive interagency response to reduce lung cancer mortality in a timely manner.

S. 815

At the request of Ms. SNOWE, the names of the Senator from Texas (Mr. CORNYN) and the Senator from Delaware (Mr. COONS) were added as cosponsors of S. 815, a bill to guarantee that military funerals are conducted with dignity and respect.

S. 891

At the request of Mr. CONRAD, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 891, a bill to amend title XVIII of the Social Security Act to provide for the recognition of attending physician assistants as attending physicians to serve hospice patients.

S. 975

At the request of Mr. TESTER, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 975, a bill to amend the Public Health Service Act to provide for the participation of physical therapists in the National Health Service Corps Loan Repayment Program, and for other purposes.

S. 1018

At the request of Mr. KERRY, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 1018, a bill to amend title 10, United States Code, and the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 to provide for implementation of additional recommendations of the Defense Task Force on Sexual Assault in the Military Services.

S. 1025

At the request of Mr. LEAHY, the names of the Senator from New Jersey

(Mr. LAUTENBERG), the Senator from New Jersey (Mr. MENENDEZ) and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of S. 1025, a bill to amend title 10, United States Code, to enhance the national defense through empowerment of the National Guard, enhancement of the functions of the National Guard Bureau, and improvement of Federal-State military coordination in domestic emergency response, and for other purposes.

S. 1034

At the request of Mr. SCHUMER, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1034, a bill to amend the Internal Revenue Code of 1986 to equalize the exclusion from gross income of parking and transportation fringe benefits and to provide for a common cost-of-living adjustment, and for other purposes.

S. 1067

At the request of Mr. UDALL of Colorado, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1067, a bill to amend the Energy Policy Act of 2005 to require the Secretary of Energy to carry out a research and development and demonstration program to reduce manufacturing and construction costs relating to nuclear reactors, and for other purposes.

S. 1094

At the request of Mr. MENENDEZ, the names of the Senator from Pennsylvania (Mr. CASEY) and the Senator from North Carolina (Mr. BURR) were added as cosponsors of S. 1094, a bill to reauthorize the Combating Autism Act of 2006 (Public Law 109-416).

S. 1113

At the request of Ms. MURKOWSKI, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1113, a bill to facilitate the reestablishment of domestic, critical mineral designation, assessment, production, manufacturing, recycling, analysis, forecasting, workforce, education, research, and international capabilities in the United States, and for other purposes.

S. 1169

At the request of Mr. NELSON of Nebraska, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1169, a bill to provide for benchmarks to evaluate progress being made toward the goal of transitioning security responsibilities in Afghanistan to the Government of Afghanistan.

S. 1176

At the request of Ms. LANDRIEU, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1176, a bill to amend the Horse Protection Act to prohibit the shipping, transporting, moving, delivering, receiving, possessing, purchasing, selling, or donation of horses and other equines to be slaughtered for human consumption, and for other purposes.

S.J. RES. 17

At the request of Mrs. FEINSTEIN, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S.J. Res. 17, a joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

S. RES. 144

At the request of Mrs. HUTCHISON, the name of the Senator from North Carolina (Mrs. HAGAN) was added as a cosponsor of S. Res. 144, a resolution supporting early detection for breast cancer.

S. RES. 185

At the request of Mr. CARDIN, the names of the Senator from Virginia (Mr. WARNER), the Senator from Florida (Mr. RUBIO), the Senator from Arkansas (Mr. PRYOR), the Senator from Florida (Mr. NELSON), the Senator from Massachusetts (Mr. BROWN), the Senator from New Jersey (Mr. LAUTENBERG) and the Senator from West Virginia (Mr. MANCHIN) were added as cosponsors of S. Res. 185, a resolution reaffirming the commitment of the United States to a negotiated settlement of the Israeli-Palestinian conflict through direct Israeli-Palestinian negotiations, reaffirming opposition to the inclusion of Hamas in a unity government unless it is willing to accept peace with Israel and renounce violence, and declaring that Palestinian efforts to gain recognition of a state outside direct negotiations demonstrates absence of a good faith commitment to peace negotiations, and will have implications for continued United States aid.

S. RES. 202

At the request of Mr. CONRAD, the names of the Senator from Maryland (Mr. CARDIN) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. Res. 202, a resolution designating June 27, 2011, as "National Post-Traumatic Stress Disorder Awareness Day".

AMENDMENT NO. 436

At the request of Mr. COBURN, the names of the Senator from New Hampshire (Ms. AYOTTE), the Senator from Maine (Ms. COLLINS) and the Senator from Arizona (Mr. MCCAIN) were added as cosponsors of amendment No. 436 proposed to S. 782, a bill to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSON of South Dakota (for himself, Mr. SHELBY, Mr. KERRY, Mr. MCCAIN, Mr. LEVIN, Mr. LIEBERMAN, and Mr. REED):

S. 1180. A bill to authorize the President to confiscate and vest certain property of the Government of Libya and to authorize the use of that property to provide humanitarian relief to and for the benefit of the people of

Libya, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. JOHNSON of South Dakota. Mr. President, today I join Senator SHELBY and other senior Senators to introduce the Libyan Assets for Humanitarian Relief Act of 2011, designed to explicitly authorize the President to confiscate and distribute some of the assets of Muammar Qaddafi's government to be used to provide urgent humanitarian relief for the people of Libya. This issue lies within the jurisdiction of the Committee on Banking, Housing and Urban Affairs because it involves frozen assets being held by U.S. banks and other financial institutions. We are joined by Chairman KERRY of the Senate Foreign Relations Committee, Armed Services Committee Chairman LEVIN and Ranking Minority Member JOHN MCCAIN, and Homeland Security and Government Affairs Committee Chairman LIEBERMAN as original co-sponsors of this measure.

A few weeks ago the President's senior advisors from the Treasury Department, the State Department, and the White House came to Congress and provided draft legislation to explicitly authorize the President to seize and vest the Qaddafi government's assets to be used to benefit the Libyan people. This measure is an updated version of that legislation, imposing certain conditions on that authority, and providing for certain reporting, tracking and auditing requirements on the use of the funds.

Currently, there are approximately \$36 billion in Libyan Government assets in banks and other financial institutions subject to the jurisdiction of the United States, both here and abroad. According to the Treasury Department, a little over \$8.1 billion is physically present in the U.S.—and of that, a little over \$200 million is in cash and available for immediate seizure and use to support humanitarian efforts in Libya. This measure would allow for confiscation of up to \$8 billion of the Qaddafi government's assets—plus an additional \$2 billion if necessary to avert an imminent humanitarian emergency.

The bill provides for the confiscation and distribution of the funds in two batches—the first \$4 billion could be seized, vested and distributed upon the bill's enactment, and a second \$4 billion could be confiscated and released after a 30-day notification period designed to give Congress an opportunity to deny the seizure of the funds via enactment of a joint resolution of disapproval. The additional \$2 billion could be released upon certification of a humanitarian emergency.

Notwithstanding how my colleagues feel about the current military situation, or U.S. involvement in Libya—and I know there is a wide range of opinions in Congress on that issue, which we'll likely debate on the Senate floor soon—one thing is clear: in the wake of continuing violence per-

petrated by the Libyan regime against its own people, there is a real, urgent and growing need for humanitarian relief and assistance.

The U.S. has already provided tens of millions of dollars of its own funds in relief aid for Libya's citizens, and last week pledged additional aid. This bill would simply authorize the confiscation of certain assets of the Government of Libya, already frozen by the U.S. government under existing legal authorities, to be used to provide additional humanitarian relief to meet urgent needs there. It would effectively give the true owners of these assets—the Libyan people—access to some of their own money to provide relief for Libya's citizens.

The bill authorizes the President to seize and distribute these assets. I understand the Administration intends the funds to be overseen by the State Department, and to go mainly through non-governmental humanitarian relief and development organizations currently active in Libya; this measure ultimately allows the President to decide who the recipients are, with some limitations. It also requires that the funds be used only for purposes related to humanitarian relief, consistent with UN Security Council resolutions on this matter, and imposes a set of accounting, recordkeeping and Congressional reporting requirements on the funds.

It requires that the funds not go to anyone or any organization whose assets are blocked under U.S. law, or those identified as terrorists or affiliated with terrorist organizations, or those complicit in human rights abuses. It also provides the President with powerful investigative and penalty authorities, to ensure appropriate distribution of the funding and to combat any potential fraud in the distribution of aid. The Administration has made clear that such assets would be disbursed only through partners that meet U.S. legal and policy standards that the United States generally applies to the provision of assistance, including those relating to human rights and transparent oversight of the disbursements. While these are not U.S. taxpayer funds, I believe we still have a fiduciary responsibility for its efficient and effective distribution, and that's why we have imposed these important accountability measures.

Such seizure of another government's assets is not unprecedented. In the past, the U.S. government has seized and frozen the assets of other governments with whom we were involved in a conflict, going all the way back to World War I. The latest example is when we seized and used a portion of Iraqi government assets in 2003 to provide urgent reconstruction assistance and other forms of support for the people of Iraq.

I hope we can move quickly on this legislation to authorize the release of these funds and show that Congress and the Executive branch are working together on this issue and that despite

our differences on U.S. military action there we can act promptly and decisively to provide needed humanitarian assistance to the people of Libya. I urge my colleagues to join us in this effort.

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

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

S. 1180

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Libyan Assets for Humanitarian Relief Act of 2011".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) On February 26, 2011, the United Nations Security Council adopted Resolution 1970, which imposed an asset freeze on Colonel Muammar Qaddafi and members of his family.

(2) On March 17, 2011, the United Nations Security Council adopted Resolution 1973, which expanded the asset freeze to include the Central Bank of Libya, the Libyan Investment Authority, the Libyan Foreign Bank, the Libyan Africa Investment Portfolio, and the Libyan National Oil Corporation.

(3) The United Nations Security Council stated in Resolution 1973 that the assets frozen would "at a later stage, as soon as possible, be made available to and for the benefit of the people of the Libyan Arab Jamahiriya".

(4) On March 3, 2011, the President of the United States stated that "Muammar Qaddafi has lost the legitimacy to lead, and he must leave".

(5) On March 29, 2011, the Transitional National Council of the Libyan Republic issued "A Vision of a Democratic Libya", which stated that its goal is "building a free and democratic society and ensuring the supremacy of international humanitarian law and human rights declarations", and that "[t]his can only be achieved through dialogue, tolerance, co-operation, national cohesiveness and the active participation of all citizens". In that statement, the Transitional National Council pledged itself, without reservation, to the establishment of "a constitutional civil and free state" that upholds intellectual and political pluralism and the peaceful transfer of power and guarantees full citizenship rights to all Libyans.

(6) On April 7, 2011, Ali Aujali, the Official Representative to the United States of the Transitional National Council of the Libyan Republic, wrote to the United States Secretary of the Treasury and requested "immediate access to some of the frozen Qaddafi regime funds to purchase needed humanitarian supplies and to support critical services such as hospitals, water distribution and sanitation".

(7) On May 19, 2011, the President of the United States, referring to the Transitional National Council of the Libyan Republic, stated that "the opposition has organized a legitimate and credible interim council".

SEC. 3. AUTHORIZATION OF CONFISCATION OF PROPERTY OF THE GOVERNMENT OF LIBYA.

(a) IN GENERAL.—The International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) is amended by adding at the end the following:

“SEC. 209. AUTHORIZATION OF CONFISCATION OF PROPERTY OF THE GOVERNMENT OF LIBYA.

“(a) DEFINITIONS.—In this section:

“(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means—

“(A) the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate; and

“(B) the Committee on Financial Services and the Committee on Foreign Affairs of the House of Representatives.

“(2) EXECUTIVE AGENCY.—The term ‘executive agency’ has the meaning given that term in section 133 of title 41, United States Code.

“(3) GOVERNMENT OF LIBYA.—The term ‘Government of Libya’—

“(A) means the Government of Libya on the date of the enactment of the Libyan Assets for Humanitarian Relief Act of 2011, including any agency or instrumentality of that Government, any entity controlled by that Government, and the Central Bank of Libya; and

“(B) does not include a successor government of Libya.

“(4) SUCCESSOR GOVERNMENT OF LIBYA.—The term ‘successor government of Libya’ means a successor government to the Government of Libya (as defined in paragraph (3)) that is recognized as the legitimate governing authority of Libya by the Government of the United States.

“(b) STATEMENT OF POLICY.—It is the policy of the United States to provide humanitarian relief to and for the benefit of the people of Libya and to support the aspirations of the people of Libya for democratic self-government.

“(c) AUTHORIZATION OF CONFISCATION OF PROPERTY OF THE GOVERNMENT OF LIBYA.—

“(1) IN GENERAL.—The President—

“(A) may confiscate and vest, through instructions or licenses or in such other manner as the President determines appropriate, funds and other property of the Government of Libya that are subject to the jurisdiction of the United States in the amounts specified in subsection (f);

“(B) may liquidate or sell any of such property; and

“(C) shall deposit any funds confiscated and vested under subparagraph (A) and any funds resulting from the liquidation or sale of property under subparagraph (B) in the account established under subsection (d).

“(2) VESTING.—All right, title, and interest in funds and other property confiscated under paragraph (1) shall vest in the Government of the United States.

“(d) ESTABLISHMENT OF ACCOUNT FOR CONFISCATED PROPERTY.—

“(1) IN GENERAL.—The President shall establish a non-interest-bearing account to consist of the funds deposited into the account under subsection (c)(1)(C).

“(2) USE OF FUNDS.—The funds in the account established under paragraph (1) shall be available to be used only as specified in subsection (e)(1).

“(e) USE OF CONFISCATED PROPERTY TO PROVIDE HUMANITARIAN RELIEF TO THE PEOPLE OF LIBYA.—

“(1) IN GENERAL.—Subject to paragraph (2), the President may transfer funds from the account established under subsection (d)—

“(A) to such executive agencies and, subject to paragraph (3), such other persons as the President determines appropriate, to be used only for costs related to providing humanitarian relief to and for the benefit of the people of Libya, consistent with the purposes of United Nations Security Council Resolutions 1970 (2011) and 1973 (2011); and

“(B) on and after the date on which a successor government of Libya is recognized by

the Government of the United States, to the successor government of Libya.

“(2) LIMITATIONS ON TRANSFER OF FUNDS.—

“(A) LIMITATIONS ON TRANSFER TO CERTAIN PERSONS AND ORGANIZATIONS.—None of the funds transferred under this subsection may knowingly be provided to—

“(i) an organization designated as a foreign terrorist organization under section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a));

“(ii) a person that provides support for acts of international terrorism or for an organization described in clause (i);

“(iii) a person whose property or interests in property are blocked pursuant to this Act, unless the transfer is authorized by the Secretary of the Treasury; or

“(iv) a person the President determines is responsible for violations of internationally recognized human rights.

“(B) PROHIBITION ON USE OF FUNDS FOR MILITARY PURPOSES.—None of the funds transferred under this subsection may be used to purchase weapons or military equipment of either a lethal or nonlethal nature.

“(3) CERTIFICATIONS BY CERTAIN PERSONS.—The President may not transfer funds to any person, other than an executive agency, under paragraph (1)(A) unless that person certifies to the President that the person—

“(A) will use such funds only for the costs described in paragraph (1)(A); and

“(B) will not—

“(i) transfer any of such funds to a person or organization described in paragraph (2)(A); or

“(ii) use any of such funds to purchase weapons or military equipment of either a lethal or nonlethal nature.

“(4) TERMS AND CONDITIONS.—If the President exercises the authority provided under this section, the President shall impose such additional terms and conditions as the President determines appropriate with respect to the transfer of funds under this subsection and with respect to the use of such funds.

“(5) USE BY EXECUTIVE AGENCIES.—Notwithstanding any other provision of law, any funds transferred to an executive agency under this subsection—

“(A) shall remain available until expended;

“(B) shall be used only for the costs described in paragraph (1)(A);

“(C) may be distributed in such manner as the head of the executive agency determines appropriate to accomplish the purposes of this section, including through grants and contributions; and

“(D) may be transferred among executive agencies.

“(f) INITIAL AND SUBSEQUENT AUTHORIZATIONS OF CONFISCATION OF PROPERTY.—

“(1) AUTHORITY.—The authority of the President to confiscate and vest funds and other property under subsection (c) shall be limited as follows:

“(A) INITIAL LIMITATION.—Effective on and after the date of the enactment of the Libyan Assets for Humanitarian Relief Act of 2011, the President may confiscate and vest not more than \$4,000,000,000 under subsection (c).

“(B) CONFISCATION AND VESTING OF ADDITIONAL AMOUNTS.—

“(i) IN GENERAL.—If, at any one time after the date of the enactment of the Libyan Assets for Humanitarian Relief Act of 2011, the President submits to Congress the notification described in clause (ii), effective on and after the day after the end of the 30-day period beginning on the date on which that notification is submitted, the President may confiscate and vest not more than an additional \$4,000,000,000 under subsection (c) over the amount authorized to be confiscated and vested under subparagraph (A), unless a joint resolution of disapproval described in para-

graph (2) is enacted within the 30-day period after the notification is submitted.

“(ii) NOTIFICATION DESCRIBED.—The notification described in this clause is a notification—

“(I) that the President intends to confiscate and vest the additional amount specified in clause (i) to be used for the costs described in subsection (e)(1)(A); and

“(II) submitted with a report—

“(aa) describing the necessity of confiscating and vesting that additional amount; and

“(bb) detailing the plan of the President with respect to the use of that additional amount.

“(C) EMERGENCY CERTIFICATION; CONFISCATION AND VESTING TO ADDRESS EMERGENCY HUMANITARIAN NEEDS.—

“(i) IN GENERAL.—If, at any one time after the date of the enactment of the Libyan Assets for Humanitarian Relief Act of 2011, the President submits to Congress the certification described in clause (ii), effective on and after the date on which that certification is submitted, the President may confiscate and vest not more than an additional \$2,000,000,000 under subsection (c) over the amounts otherwise authorized to be confiscated and vested under this paragraph.

“(ii) CERTIFICATION DESCRIBED.—The certification described in this clause is a certification by the President that it is necessary to confiscate and vest the additional amount specified in clause (i) to address an emergency need for additional humanitarian assistance.

“(2) JOINT RESOLUTION OF DISAPPROVAL.—

“(A) JOINT RESOLUTION OF DISAPPROVAL.—In this paragraph, the term ‘joint resolution of disapproval’ means only a joint resolution of the 2 Houses of Congress, the sole matter after the resolving clause of which is as follows: ‘That Congress disapproves of the confiscation and vesting of the amount of funds or other property specified in section 209(f)(1)(B)(i) of the International Emergency Economic Powers Act.’

“(B) PROCEDURES FOR CONSIDERING RESOLUTIONS.—

“(i) INTRODUCTION.—A joint resolution of disapproval—

“(I) may be introduced in the House of Representatives or the Senate during the 10-day period beginning on the date on which a notification described in paragraph (1)(B)(ii) is submitted;

“(II) in the House of Representatives, may be introduced by any Member of the House of Representatives;

“(III) in the Senate, may be introduced by any Member of the Senate; and

“(IV) may not be amended.

“(ii) REFERRAL TO COMMITTEES.—A joint resolution of disapproval introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs and a joint resolution of disapproval introduced in the House of Representatives shall be referred to the Committee on Foreign Affairs.

“(iii) COMMITTEE DISCHARGE AND FLOOR CONSIDERATION.—The provisions of subsections (c) through (f) of section 152 of the Trade Act of 1974 (19 U.S.C. 2192) (relating to committee discharge and floor consideration of certain resolutions in the House of Representatives and the Senate) apply to a resolution of disapproval under this paragraph to the same extent as such subsections apply to joint resolutions under such section 152, except that—

“(I) subsection (c)(1) of such section 152 shall be applied and administered by substituting ‘10 days’ for ‘30 days’; and

“(II) subsection (f)(1)(A)(i) of such section 152 shall be applied and administered by substituting ‘Committee on Banking, Housing,

and Urban Affairs' for 'Committee on Finance'.

“(C) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This paragraph is enacted by Congress—

“(i) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

“(ii) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

“(g) RECORDKEEPING.—

“(1) IN GENERAL.—The President may, in exercising the authority provided under this section, require any person to keep a full record of—

“(A) any act or transaction carried out pursuant to any regulation, instruction, license, order, or direction issued under this section, either before, during, or after the completion of the act or transaction;

“(B) any property in which any foreign country or any national of a foreign country has or has had any interest; and

“(C) any other information the President determines necessary to carry out the provisions of this section.

“(2) PRODUCTION OF INFORMATION.—The President may require any person—

“(A) to provide any information required to be kept by the person under paragraph (1) under oath and in the form of reports or any other form; and

“(B) to produce any books of account, records, contracts, letters, memoranda, or other papers in the custody or control of the person that relate to any information required to be kept under paragraph (1).

“(h) REPORTS ON USE OF FUNDS.—

“(1) IN GENERAL.—Not later than 90 days after the President first confiscates and vests funds or other property under subsection (c), and every 90 days thereafter, the President shall submit to the appropriate congressional committees a report detailing, for the 90-day period preceding the submission of the report—

“(A) the amount of funds and other property confiscated and transferred under this section;

“(B) the executive agencies and other persons to which such funds were transferred;

“(C) the manner in which such funds were used; and

“(D) the amount remaining in the account established under subsection (d) at the end of the 90-day period.

“(2) SPECIAL RULE WITH RESPECT TO REPORT RELATING TO AUTHORIZATION OF CONFISCATION OF ADDITIONAL AMOUNTS.—If, after the date on which a report is required to be submitted by paragraph (1) and before the next such report is required to be submitted, the President submits to the appropriate congressional committees the report described in subsection (f)(1)(B)(ii)(II), the President—

“(A) shall include in the report described in subsection (f)(1)(B)(ii)(II) the information required to be included in the report required by paragraph (1) for the period that—

“(i) begins on the date on which the last report required by paragraph (1) was required to be submitted; and

“(ii) ends on the date on which the President submits the report described in subsection (f)(1)(B)(ii)(II); and

“(B) may include in the next report required by paragraph (1) only the information required by paragraph (1) for the period—

“(i) beginning on the date on which the report described in subsection (f)(1)(B)(ii)(II) is submitted; and

“(ii) ending on the date on which the report required by paragraph (1) is required to be submitted.

“(i) GOVERNMENT ACCOUNTABILITY OFFICE REPORT.—Not later than 180 days after the date of the enactment of the Libyan Assets for Humanitarian Relief Act of 2011, and every 180 days thereafter, the Comptroller General of the United States shall submit to the appropriate congressional committees a report assessing the confiscation and vesting of funds and other property under subsection (c) and the use of funds under subsection (e).

“(j) PENALTIES.—The penalties provided for in subsections (b) and (c) of section 206 shall apply to a person that violates, attempts to violate, conspires to violate, or causes a violation of this section or any regulation, instruction, license, order, or direction issued under this section to the same extent that such penalties apply to a person that commits an unlawful act described in section 206(a).

“(k) JUDICIAL REVIEW.—

“(1) SAFE HARBOR.—A person that complies fully with a regulation, instruction, license, order, or direction issued under this section may not be held liable for a violation of this section.

“(2) GOOD FAITH COMPLIANCE.—A person may not be held liable in any court for or with respect to any act or omission done in good faith in connection with the administration of, or pursuant to and in reliance on, this section, or any regulation, instruction, license, order, or direction issued under this section.

“(3) NO LEGAL PROCESS WITH RESPECT TO CONFISCATED PROPERTY.—Any funds or other property confiscated and vested under subsection (c), including any proceeds from the liquidation or sale of such property, shall be immune from any legal process or attachment.

“(4) ACTIONS TAKEN UNDER THIS SECTION.—No action taken under this section, other than the imposition of penalties with respect to a person under subsection (j), shall be reviewable in any court in the United States.

“(5) RULE OF CONSTRUCTION.—This section does not create any right or benefit, substantive or procedural, that is enforceable at law or in equity by any party against the United States, any agency of the United States, any officer or employee of the United States, or any other person.

“(1) TERMINATION.—

“(1) IN GENERAL.—Except to the extent necessary to carry out the plan required by paragraph (2), the provisions of this section (other than subsections (a), (g), (j), (k), and (m)) shall terminate on the date described in paragraph (3).

“(2) PLAN FOR DISTRIBUTION OF REMAINING AMOUNTS.—On the date described in paragraph (3), the President shall submit to the appropriate congressional committees a report describing the plan of the President for using any funds remaining of the amounts confiscated and vested under this section that—

“(A) describes how any of such funds that are obligated as of that date will be expended; and

“(B) provides for the distribution of any of such funds that are unobligated as of that date to a successor government of Libya.

“(3) DATE DESCRIBED.—The date described in this paragraph is the date on which the national emergency declared by the President with respect to Libya pursuant to section 202 expires and is not continued by the President.

“(m) REGULATIONS.—The President shall prescribe such regulations as may be nec-

essary to carry out the provisions of this section.”.

(b) CLERICAL AMENDMENT.—Section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703) is amended—

(1) in subsection (b), by striking “Whenever” and inserting “Except as provided in subsection (e), whenever”; and

(2) by adding at the end the following:

“(e) REPORTS RELATING TO CONFISCATION OF ASSETS OF THE GOVERNMENT OF LIBYA.—If the President exercises the authority provided under section 209, the President shall submit reports in accordance with subsection (h) of that section.”.

SUMMARY OF LIBYAN ASSETS FOR HUMANITARIAN RELIEF ACT OF 2011

Authorization of Confiscation: The measure authorizes the President to confiscate and vest certain funds and other property of the Government of Libya currently frozen by the U.S. government, allows liquidation of the assets and sale of any property, and directs the proceeds to be used solely for humanitarian purposes to benefit the Libyan people. The Government of Libya is defined to include Libya's Central Bank.

Account Established for Confiscated Funds: The bill requires the President to establish a U.S. government account to hold confiscated funds and the proceeds from any asset or property sales. The Secretary of the Treasury may hold in escrow funds that are not needed immediately to meet urgent humanitarian needs.

Use of Confiscated Funds for Humanitarian Purposes to Benefit the Libyan People: Libyan Government funds confiscated may only be used for humanitarian purposes to benefit the Libyan people, consistent with United Nations Security Council resolutions. None may be used to purchase weapons or military equipment. The President must designate recipients of funds and impose appropriate terms and conditions, which may include detailed recordkeeping requirements, on recipients. The measure prohibits the knowing transfer of funds to: 1) foreign terrorist organizations; 2) supporters of acts of terrorism or of terrorist organizations; 3) a person whose assets are blocked by the International Emergency Economic Powers Act (IEEPA); or 4) a person the President determines to be responsible for violations of internationally recognized human rights.

Framework for Confiscation of Funds: The bill authorizes an initial confiscation and distribution of \$4 billion; if additional funds are needed, the President may notify Congress of his intent to confiscate an additional \$4 billion, to be released within 30 days unless Congress objects via enactment of a Joint Resolution of Disapproval. The President's request for the additional funds must include information about how prior confiscated funds were disbursed, a description of the need for additional funds, a plan of how the additional funds will be used, and other information. In the event of a humanitarian emergency, the measure also authorizes the President to notify Congress of his intent to confiscate, on an expedited basis and upon certification of need, an additional \$2 billion to meet emergency needs.

Investigations and Recordkeeping: The President may conduct appropriate investigations of recipients as necessary, and require recordkeeping from recipients of these funds, which could include books of account, records, contracts, letters, memoranda, or other papers related to distributions under the Act.

Audit and Reporting Requirements: The President must provide detailed reports to Congress every 90 days describing the amount of funds confiscated and transferred

to designated recipients, the recipients of these funds, and the manner in which these funds were used. If the President notifies Congress of an additional confiscation in the middle of a 90-day period, the President must only include any new information on fund distribution. GAO is required to conduct and provide to Congress periodic audits of the program.

Penalties: Substantial penalties apply to persons who violate provisions of the Act, including huge fines provided for under section 206 of IEEPA.

Legal Protections/Judicial Review: Decisions made with respect to confiscated assets are not subject to judicial review; a "good faith" exception is provided for those acting consistent with the requirements of the Act; and any funds or property confiscated under the Act are immune from any legal process or attachment.

Termination: The authorities provided for in the bill terminate once the existing emergency determination of the President under IEEPA with respect to Libya expires. Upon termination, the President must submit to Congress a report describing a plan for use of any remaining unspent funds, including return of such funds to a successor government of Libya.

Regulations: The bill requires the President to prescribe regulations as necessary under the Act.

By Ms. COLLINS (for herself and Mr. CARPER):

S. 1183. A bill to establish a national mercury monitoring program, and for other purposes; to the Committee on Environment and Public Works.

Ms. COLLINS. Mr. President, today along with Senator CARPER, I am introducing the Comprehensive National Mercury Monitoring Act. This bill would ensure that the Environmental Protection Agency, EPA, has accurate information about the extent of mercury pollution.

A comprehensive national mercury monitoring network is needed to protect human health, safeguard fisheries, and track the impact of emissions reductions. By accurately quantifying regional and national changes in atmospheric deposition, ecosystem contamination, and bioaccumulation of mercury in fish and wildlife in response to changes in mercury emissions, this monitoring network would help policy makers, scientists, and the public to better understand the sources, consequences, and trends in United States mercury pollution.

Mercury is a potent neurotoxin of significant ecological and public health concern, especially for children and pregnant women. It is estimated that approximately 410,000 children born in the U.S. were exposed to levels of mercury in the womb that are high enough to impair neurological development. Mercury exposure has gone down as U.S. mercury emissions have declined; however, levels remain unacceptably high.

Each new scientific study seems to find higher levels of mercury in more ecosystems and in more species than we had previously thought. For example, as of 2008, every state in the country has issued mercury advisories for human fish consumption. These

advisories cover 57 percent of the Nation's total lake acreage, and 68 percent of our total river miles. This is 19 percent more lake acreage and 42 percent more river area than in 2006.

At present, scientists must rely on limited information to understand the critical linkages between mercury emissions and environmental response and human health. Successful design, implementation, and assessment of solutions to the mercury pollution problem require comprehensive long-term information—information that is currently not available. We must have more comprehensive information and we must have it soon; otherwise, we risk making misguided policy decisions.

Specifically, the Comprehensive National Mercury Monitoring Act would direct EPA, in conjunction with the Fish and Wildlife Service, U.S. Geological Survey, National Park Service, the National Oceanic and Atmospheric Administration, and other appropriate Federal agencies, to establish a national mercury monitoring program to measure and monitor mercury levels in the air and watersheds, water and soil chemistry, and in aquatic and terrestrial organisms at multiple sites across the Nation.

The act would establish a scientific advisory committee to advise on the establishment, site selection, measurement, recording protocols, and operations of the monitoring program; establish a centralized database for existing and newly collected environmental mercury data that can be freely accessed on the Internet; and require a report to Congress every 2 years on the program, including trend data, and an assessment of the reduction in mercury deposition rates that are required to be achieved in order to prevent adverse human and ecological effects every 4 years.

We must establish a comprehensive, robust national mercury monitoring network to provide EPA the data it needs to make decisions that protect the people and environment of Maine and the entire Nation.

By Mr. THUNE (for himself, Ms. KLOBUCHAR, Mr. GRASSLEY, Mr. JOHANNES, Mr. HOEVEN, Mr. FRANKEN, Mr. MORAN, Mr. LUGAR, Mr. NELSON of Nebraska, Mr. HARKIN, Mr. JOHNSON of South Dakota, Mr. KIRK, Mr. COATS, Mr. DURBIN, and Mrs. MCCASKILL):

S. 1185. A bill to amend the Internal Revenue Code of 1986 to provide for a variable VEETC rate based on the price of crude oil, and for other purposes; to the Committee on Finance.

Ms. KLOBUCHAR. Mr. President, I first wish to thank my colleague from Minnesota who spoke before me for his strong words. Also, I am here with the Senator from South Dakota, Mr. THUNE, to speak about the legislation we are introducing today, along with several other Senators, to find a good

way to handle this—not the way it thus far has been handled.

My colleague from Minnesota talked about Senator COBURN's amendment, which we will be voting on tomorrow. I urge my colleagues to oppose this amendment. First of all, I believe we need to invest in homegrown energy. The Coburn amendment would abruptly eliminate the VEETC—the Volumetric Ethanol Excise Tax Credit—without any kind of a glidepath during this year. Consequently, the 450,000 people who are directly or indirectly employed in this industry—when we think about all of the jobs we work on every single day, just because jobs are in States that maybe some people don't live in, including North Dakota, South Dakota, Minnesota, and Iowa, these are very important jobs throughout the country.

The other piece of this I think we can't neglect is the effect this would have on gas prices. That being said, both Senator THUNE and I understand this is a situation that needs to change. We are in a difficult budget situation in the Senate, and that is why we are introducing legislation today and working with stakeholders and Members from both sides of the aisle to find a reasonable solution that offers a responsible and cost-effective approach to reforming our biofuels policy.

This bill would transition to a more sustainable model of support for renewable fuel production in America instead of pulling the rug out from under an industry, with 4 days' notice, that employs hundreds of thousands of people in this country, as well as provides an alternative to oil. Senator THUNE is here, and maybe he wishes to address this a bit. We will go back and forth.

But I think one thing people need to understand is that this biofuels industry has become a major component of our fuel supply. One statistic is that the gasoline that is made from the oil we import from Canada—people know Canada is our biggest trading partner for oil. We literally produce as much biofuels as we produce gas from the oil we import from Canada, so it is a major part of our fuel supply. So we shouldn't just decide with 4 days' notice to change the rules of the game. In fact, as a recent vote showed us, oil is keeping every single cent of its subsidy.

Senator THUNE and I have a bill which basically gives away the subsidies for the rest of the year that the biofuels industry has and puts \$1 billion toward deficit reduction—\$1 billion toward deficit reduction—as well as making some investment with the remaining money in the infrastructure that this industry needs to be able to compete on any kind of an even playing field with oil.

So I know Senator THUNE has some thoughts on this as well, and I would like to come back and talk a little bit about what has been going on with oil versus ethanol in this country. But I think it is important to understand the

bill we are introducing today could be a major help with \$1 billion in deficit reduction.

Mr. THUNE. Mr. President, if I might just say to my colleague from Minnesota, I appreciate her good work and advocacy on this subject. This is something we have been working on for some time, along with some of our colleagues on both sides of the aisle, for a lot of reasons; one of which, of course, is because, as the Senator from Minnesota mentioned, these are difficult fiscal times.

Obviously, every area in our budget needs to be reviewed and scrutinized and looked at to see where we might be able to achieve some savings. But, as my colleague noted, there is a right way and a wrong way to do this. The way that has been proposed in the amendment that was offered, and on which the cloture vote will occur tomorrow, is the wrong way. We cannot tell an industry in December we are going to give them a set of policies that are going to be in effect for the year, that they are going to be able to make investment decisions, they are going to be able to go to their lenders, they are going to be able to go secure financing based upon this set of policies—we do that around here all the time. We make policy, and we try to do it in a way, hopefully, that gives those who are investing their dollars some certainty about what those policies are going to be. Well, how can we then, in the middle of the year, come back and say we are just going to pull the rug right out from under them? We are sorry, that is just the way it is. This is gone.

Well, frankly, there is a much better way to go about doing this, and what the Senator from Minnesota and I have proposed does just that and, in my view, does this in a responsible, measured, thoughtful, reasonable way. We get to the same ultimate result, which is that for those who are really interested in doing away with the volumetric ethanol excise tax credit, it does phase it out, but it does it in a way that does not create disruption and harm and allows people to plan for the future. It also invests some of those resources in areas that are important to the future of that industry; namely, blender pumps, which is the one thing that does not exist out there today, at least not in any great numbers. If those pumps were more available, I believe we would see a lot higher usage of the fuel than we already have seen. But we already know it is 10 percent of our fuel supply.

Whether the opponents of this like it or not—and I know they do not—there are 13 billion gallons of ethanol produced in this country. At least that is what it was in 2010. We assume it will be that number, maybe a little higher, this year. That displaces 445 million barrels of imported crude oil. That is 55 million barrels more than the total crude oil imports from Saudi Arabia last year.

Now, think about that: a fuel that is produced from a kernel of corn now displaces more than the entire imports of Saudi foreign oil into this country. That is what we ought to be looking at. We ought to be looking at more ways to produce domestic energy, home-grown energy, adding that to our fuel supply rather than taking it out.

What the amendment our colleagues are trying to get a vote on tomorrow would do is basically to say to this industry: Yes, we are going to take away this particular tax incentive, and we are going to do it right in the middle of the year. We are going to do it, and we do not like this industry—which is probably what animates a lot of the opposition to this because if people look at the facts, if they look at the contribution that biofuels have made to our fuel supply in this country, it is significant.

Ten percent of our entire fuel now is biofuels. In fact, if we look at the other byproduct of biofuels—once we take the starch out of that kernel of corn and convert it into liquid form, we can get, for every bushel of corn, almost 3 gallons of ethanol. But we also get dry distillers grain, which is something that has been used extensively now for feed for livestock.

So if we take 5 billion bushels of corn, for example, that are used for ethanol production in any given year, the feed product equivalent is about 1.7 billion bushels of corn that is returned to the livestock food chain as this ethanol byproduct called dry distillers grain. So we are adding additional protein that is fed to livestock in addition to the almost 3 gallons of ethanol we get from every single bushel of corn.

So I do believe there is an approach that makes sense. What the Senator from Minnesota and I and many of our colleagues on both sides have come together around is a way in which we can move forward, and do it in a way that not only makes it reasonable for the industry to plan for the future but also in a way that returns dollars to the Treasury of this country because there is \$1 billion in here for debt retirement. I think that is something the industry recognizes, we all recognize, and we need to address. It is addressed as part of this bill.

So I appreciate the good work of the Senator from Minnesota in working with me, along with other colleagues of ours, to introduce the bill we introduce today.

Ms. KLOBUCHAR. Mr. President, if I may continue, I thank Senator THUNE for his work.

One point I think he made that is incredibly important: I think not all of our colleagues understand that the way it is under the current rules is VEETC, which has been in place to make sure we have an alternative to oil in this country, ends at the end of this year. The one piece of it that continues for another year is the cellulosic research, the cellulosic credit. But the rest of it ends at the end of this year.

So instead of looking at a glidepath, as suggested in our bill, where we could take \$1 billion and put it into deficit reduction, and take another \$1 billion or so—which would be going right now as a credit—and put that into the infrastructure, the alternative that is suggested by the amendment offered by our colleague from Oklahoma is just to cut it off today, basically, with a few days' notice.

What I have heard time and time again from businesses—whether it is in the energy area or in the medical device area—is they want certainty. They do not want Washington just coming in with one day's notice and changing things. That is why I ask my colleagues to look at this bill as an alternative. We are glad to discuss details with them.

One of the things we have tried to do with this bill is to acknowledge the emerging field of cellulosic with algae and other forms of research into biofuels. That would continue into next year. But, basically, the proposal Senator THUNE and I have put forward would end VEETC as we know it.

We look at the comparisons here. Over the last few decades more than \$360 billion worth of subsidies have gone to the oil companies. That is nearly 10 times greater than the investments we have made in home-grown biofuels. Now they are set up in a different way, but those are the numbers. We have to remember the jobs with biofuels are jobs that are made in America. We are basically investing in the farmers and the workers of the Midwest instead of the oil cartels in the Mideast.

I have seen the boom in oil drilling in North Dakota. That has been a good thing. So I am not just a one-size fuel person. But I think to disrupt an industry like this, with no notice, is the wrong way to go. I hope our colleagues will look at our bill seriously, talk to us about this, think about the gas prices which have now topped \$3.75 per gallon. While they are high now, look at the fact that the Chicago Tribune looked at the fact that if we ceased to produce the 13 billion gallons of ethanol we make every year, as Senator THUNE has pointed out, it would drive up prices at the pump by as much as \$1.40 per gallon. I do not think that is something we can afford right now.

We have put together a good-faith proposal that basically even those who have a lot of questions about biofuels right now, about ethanol, will have to admit is a dramatic change. It ends VEETC as we know it. It puts a big chunk of change, \$1 billion—that otherwise would be going to subsidies this year, right now—toward deficit reduction while still allowing for that infrastructure investment, and then looking into next year for just some of the key pieces but severely changing any kind of subsidy for this industry.

So with that, I thank Senator THUNE. I do not know if the Senator has something else to add.

Mr. THUNE. Mr. President, if I might add one point.

I think the Senator from Minnesota did point out that there are a significant number of jobs that are associated with this industry—in fact, one-half million jobs. They are American jobs. They are jobs in the heartland of this country. They are jobs that help grow the economy, make it more prosperous. It strikes me, at least, that what we ought to be looking at is more jobs in this country and less investment in foreign regimes, where we get a lot of our energy today.

Mr. President, \$1 billion a day is what we send outside the United States because of our addiction to foreign oil. We have a dangerous dependence upon foreign energy, and we have a fuel that, as I said, displaces 445 million barrels of oil every single year—more than we import from Saudi Arabia. That is a pretty remarkable number when you think about it.

We had a debate here a few weeks ago on the floor of the Senate about whether we ought to change tax policy with regard to oil companies. The decision was reached that we should not do that; that it would be punitive, directed at oil companies. We decided, too, that it would raise taxes on gas for people in this country.

I would make the same argument today. We are talking about a tax increase—a large tax increase—which we know is going to get passed on. So we are talking about raising taxes on consumers at a time when they can least afford it.

We have today 3½ to \$4-a-gallon gasoline. The last thing consumers in this country need is something that would actually push that gas price higher. In fact, if we did away with biofuels altogether—which some people would like to do—there was a study out last year, in 2010, that said the price per gallon of gasoline would go up by 89 cents a gallon. So we have a proposal here that would have an adverse impact on energy prices, fuel prices for people in this country, which, frankly, again, because of the commitment that was made last December, strikes at the very heart of economic certainty, which so many of us come down here and talk about: the importance of having policies in place that are reliable, that people who are investing in particular areas of our economy can know they are going to be there, at least when Congress makes a commitment.

This completely undermines the commitment Congress made back in December that this particular tax credit would be in place until the end of the year. So what the Senator from Minnesota and I have done is propose a path forward that we believe makes sense and that is a thoughtful, measured, reasonable, responsible way in which to get to the goal that many of the proponents of the amendment that will be voted on tomorrow want to get to; that is, to phase down the volumetric ethanol excise tax credit. But it

does it in a way that makes sense for American consumers and those who have investments in the industry today.

So I hope my colleagues will take a look at this legislation. We think we can get it moving this year. It does, as was noted by my colleague from Minnesota, put a significant amount toward reducing the debt, which I think is something all of our colleagues are very interested in doing. So we will present this legislation, obviously, to our colleagues and hope there will be many who will choose to support it.

Mr. President, I yield the floor back to the Senator from Minnesota.

Ms. KLOBUCHAR. Mr. President, again, we just hope our colleagues will look at this bill. It is a serious bill and very different than other bills that have been proposed in the past, and it actually takes existing money that was set out for the end of this year and puts a big number—\$1 billion—into debt reduction.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 207—SUPPORTING NATIONAL MEN'S HEALTH WEEK

Mr. CRAPO submitted the following resolution; which was considered and agreed to:

S. RES. 207

Whereas despite advances in medical technology and research, men continue to live an average of more than 5 years less than women, and African-American men have the lowest life expectancy;

Whereas 9 of the 10 leading causes of death, as defined by the Centers for Disease Control and Prevention, affect men at a higher percentage than women;

Whereas between ages 45 and 54, men are over 1½ times more likely than women to die of heart attacks;

Whereas men die of heart disease at 1½ times the rate of women;

Whereas men die of cancer at almost 1½ times the rate of women;

Whereas testicular cancer is 1 of the most common cancers in men aged 15 to 34, and, when detected early, has a 96 percent survival rate;

Whereas the number of cases of colon cancer among men will reach almost 49,470 in 2010, and nearly half of those men will die from the disease;

Whereas the likelihood that a man will develop prostate cancer is 1 in 6;

Whereas the number of men who developed prostate cancer in 2010 is expected to reach more than 217,730, and an estimated 32,050 of those men will die from the disease;

Whereas African-American men in the United States have the highest incidence in the world of prostate cancer;

Whereas significant numbers of health problems that affect men, such as prostate cancer, testicular cancer, colon cancer, and infertility, could be detected and treated if awareness among men of those problems was more pervasive;

Whereas more than ½ of the elderly widows now living in poverty were not poor before the death of their husbands, and by age 100, women outnumber men by a ratio of 4 to 1;

Whereas educating both the public and health care providers about the importance of early detection of male health problems will result in reducing rates of mortality for those diseases;

Whereas appropriate use of tests such as prostate specific antigen exams, blood pressure screens, and cholesterol screens, in conjunction with clinical examination and self-testing for problems such as testicular cancer, can result in the detection of many of those problems in their early stages and increase the survival rates to nearly 100 percent;

Whereas women are 2 times more likely than men to visit their doctor for annual examinations and preventive services;

Whereas men are less likely than women to visit their health center or physician for regular screening examinations of male-related problems for a variety of reasons;

Whereas Congress established National Men's Health Week in 1994 and urged men and their families to engage in appropriate health behaviors, and the resulting increased awareness has improved health-related education and helped prevent illness;

Whereas the Governors of all 50 States issue proclamations annually declaring Men's Health Week in their respective States;

Whereas since 1994, National Men's Health Week has been celebrated each June by dozens of States, cities, localities, public health departments, health care entities, churches, and community organizations throughout the United States that promote health awareness events focused on men and family;

Whereas the National Men's Health Week Internet website has been established at www.menshealthweek.org and features Governors' proclamations and National Men's Health Week events;

Whereas men who are educated about the value that preventive health can play in prolonging their lifespans and their roles as productive family members will be more likely to participate in health screenings;

Whereas men and their families are encouraged to increase their awareness of the importance of a healthy lifestyle, regular exercise, and medical checkups;

Whereas June 13 through 19, 2011, is National Men's Health Week; and

Whereas the purpose of National Men's Health Week is to heighten the awareness of preventable health problems and encourage early detection and treatment of disease among men and boys; Now, therefore, be it

Resolved, That the Senate—

(1) supports the annual National Men's Health Week; and

(2) calls upon the people of the United States and interested groups to observe National Men's Health Week with appropriate ceremonies and activities.

AMENDMENTS SUBMITTED AND PROPOSED

SA 459. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 782, to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; which was ordered to lie on the table.

SA 460. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill S. 782, supra; which was ordered to lie on the table.

SA 461. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 782, supra; which was ordered to lie on the table.

SA 462. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 782, supra; which was ordered to lie on the table.

SA 463. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 782, supra; which was ordered to lie on the table.

SA 464. Mr. WHITEHOUSE submitted an amendment intended to be proposed by him to the bill S. 782, supra; which was ordered to lie on the table.

SA 465. Mr. WHITEHOUSE submitted an amendment intended to be proposed by him to the bill S. 782, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 459. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 782, to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 19, between the matter after line 2 and line 3, insert the following:

SEC. 13. OVERSIGHT AUTHORITY.

(a) IN GENERAL.—Title II of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 et seq.) (as amended by section 12(a)) is amended by adding at the end the following:

“SEC. 220. OVERSIGHT AUTHORITY.

“For each fiscal year, the Government Accountability Office shall—

“(1) conduct such audits and assessments as are necessary to ensure, to the maximum extent practicable, that funds provided in the form of grants under this Act are so provided—

“(A) through a competitive award process; and

“(B) in accordance with all requirements and criteria established under this Act; and

“(2) submit to the Committee on Environment and Public Works of the Senate and the Committee of Transportation and Infrastructure of the House of Representatives a report describing the results of the audits and assessments.”.

(b) CONFORMING AMENDMENT.—The table of contents of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.) is amended by adding after the item relating to section 219 (as added by section 12(b)) the following:

“Sec. 220. Oversight authority.”.

SA 460. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill S. 782, to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . REPEAL OF RENEWABLE FUEL STANDARD.

Section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) is repealed.

SEC. ____ . PERMANENT ESTATE TAX RELIEF.

(a) IN GENERAL.—Title III of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, and the amendments made thereby, are repealed; and the Internal Revenue Code of 1986 shall be applied as if such title, and amendments, had never been enacted.

(b) EXCLUSION FROM EGGTRA SUNSET.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to the provisions of, and amendments made by, subtitle A or E of title V of such Act.

(c) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to estates of dece-

dents dying, gifts made, and generation skipping transfers after December 31, 2009.

SA 461. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 782, to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

SEC. ____ . LIGHTING ENERGY EFFICIENCY.

(a) IN GENERAL.—Subtitle B of title III of the Energy Independence and Security Act of 2007 (Public Law 110-140) is repealed.

(b) APPLICATION.—The Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.) shall be applied and administered as if subtitle B of title III of the Energy Independence and Security Act of 2007 (and the amendments made by that subtitle) had not been enacted.

SA 462. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 782, to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 19, between the matter after line 19 and line 20, insert the following:

SEC. 13. PREVENTION OF FRAUD, WASTE, AND ABUSE OF TAXPAYER DOLLARS THROUGH EFFECTIVE OVERSIGHT.

(a) IN GENERAL.—Title II of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 et seq.) (as amended by section 12(a)) is amended by adding at the end the following:

“SEC. 220. PREVENTION OF FRAUD, WASTE, AND ABUSE OF TAXPAYER DOLLARS THROUGH EFFECTIVE OVERSIGHT.

“(a) IN GENERAL.—To limit, fraud, waste, and abuse, any grant authorized or funded under section 203, 207(a), 701(a), or 704 shall be subject to the requirements of this section.

“(b) PROHIBITION ON AWARDING OF GRANTS TO DELINQUENT FEDERAL DEBTORS.—

“(1) IN GENERAL.—The head of any executive agency that offers a grant under a provision of law referred to in subsection (a), in excess of an amount equal to the simplified acquisition threshold (as defined in section 134 of title 41, United States Code), may not award such grant to any person unless such person submits with the application for such grant a form—

“(A) certifying that the person does not have a seriously delinquent tax debt; and

“(B) authorizing the Secretary of the Treasury to disclose to the head of the executive agency information limited to describing whether the person has a seriously delinquent tax debt.

“(2) TIME OF DISCLOSURE.—The authorization for disclosure required under paragraph (1)(B) shall authorize such disclosures to be made with respect to seriously delinquent tax debt—

“(A) at the time the form described in paragraph (1) is submitted, and

“(B) in the case of a grant that is awarded over period lasting more than 1 year, for each year during which the person receives such grant beginning with the year after the year in which the form described in paragraph (1) is submitted.

“(3) RELEASE OF INFORMATION.—The Secretary of the Treasury shall make available to all executive agencies a standard form for the certification and authorization described in paragraph (1).

“(4) REVISION OF REGULATIONS.—Not later than 270 days after the date of the enactment

of this section, the Director of the Office of Management and Budget shall revise such regulations as necessary to incorporate the requirements of this section.

“(5) DEFINITIONS AND SPECIAL RULES.—For purposes of this section:

“(A) SERIOUSLY DELINQUENT TAX DEBT.—

“(i) IN GENERAL.—The term ‘seriously delinquent tax debt’ means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code.

“(ii) EXCEPTIONS.—Such term does not include—

“(I) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code; and

“(II) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (b), (c), or (f) of section 6015 of such Code, is requested or pending.

“(B) EXECUTIVE AGENCY.—The term ‘executive agency’ has the meaning given such term in section 133 of title 41, United States Code.

“(C) SECRETARY OF THE TREASURY.—The term ‘Secretary of the Treasury’ includes a delegate of the Secretary of the Treasury.

“(D) TREATMENT OF PARTNERSHIPS AND S CORPORATIONS.—

“(i) PARTNERSHIPS.—A partnership shall be treated as a person with a seriously delinquent tax debt if such partnership has a partner who—

“(I) owns 50 percent or more of either the capital interest or profits interest in such partnership; and

“(II) has a seriously delinquent tax debt.

“(ii) TREATMENT OF S CORPORATIONS.—An S corporation (as defined in section 1361 of the Internal Revenue Code of 1986) shall be treated as a person with a seriously delinquent tax debt if such S corporation has a member or a shareholder who—

“(I) owns 50 percent or more (by vote or value) of the stock of such corporation; and

“(II) has a seriously delinquent tax debt.

“(c) ANNUAL AUDITS.—

“(1) DEFINITION OF UNRESOLVED AUDIT FINDING.—In this subsection, the term ‘unresolved audit finding’ means an audit report finding or recommendation that the grantee has used grant funds for an unauthorized expenditure or otherwise unallowable cost that is not closed or resolved during the 1-year period beginning on the date of an initial notification of the finding or recommendation.

“(2) AUDIT REQUIREMENT.—Effective for fiscal year 2012 and each fiscal year thereafter, to prevent waste, fraud, and abuse of funds by grantees, the Comptroller General of the United States shall conduct an audit of not less than 10 percent of all grantees awarded funding under a provision of law referred to in subsection (a).

“(3) MANDATORY EXCLUSION.—A grantee that is awarded funds under a provision of law referred to in subsection (a) that is found to have an unresolved audit finding shall not be eligible for an award of grant funds under this Act for the 2 fiscal years following the applicable 1-year period described in paragraph (1).”.

(b) TECHNICAL AMENDMENT.—The table of contents of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.) is amended by adding after section 219 (as added by section 12(b)) the following:

“Sec. 220. Prevention of fraud, waste, and abuse of taxpayer dollars through effective oversight.”.

SA 463. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 782, to amend the

Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 29, after line 20, add the following:
SEC. ____ . CLOSURE OF BIG OIL TAX LOOP-HOLES.

(a) FINDINGS.—Congress finds that—

(1) gas prices have risen significantly largely in response to unrest in north Africa and the Middle East, unrest that speculators are capitalizing on to increase oil futures prices and make huge profits;

(2) high gas prices are hurting the quality of life of people of the United States, cutting into savings, and jeopardizing jobs and the economic recovery of the United States;

(3) implementation of the regulatory reforms enacted by Congress in the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203; 124 Stat. 1376) to prevent energy market manipulation and control excessive speculation has been delayed and has been threatened with funding reductions in the House of Representatives;

(4) the United States is producing more oil than any time in the last 13 years and companies hold abundant inventories of oil, but the United States is still importing more than 11,000,000 barrels of oil per day and the Energy Information Administration projects that full production in all onshore and offshore areas would reduce gas prices by only 3 cents per gallon by 2030;

(5) domestic refining capacity now exceeds United States demand for refined petroleum products, resulting in increased idle refinery capacity;

(6) oil companies are sitting idly on approximately 60,000,000 acres of leased Federal lands and waters containing more than 11,000,000,000 barrels of oil and 59,000,000,000,000 cubic feet of natural gas;

(7) the United States possesses less than 2 percent of the proven oil reserves of the world, yet consumes an unsustainable 25 percent of the oil production of the world;

(8) the economy of the United States suffers huge net losses in jobs and productivity from the growing annual trade deficit in energy, due mainly to the outflow of \$250,000,000,000 or more to pay for foreign oil;

(9) world oil prices have risen steadily since the slow beginning of the global economic recovery and, absent major efficiency or conservation improvements or deployment of alternative fuels, those oil prices are projected to remain well above \$100 per barrel or higher as world demand grows as China, India and other countries industrialize;

(10) the oil production policies of cartel of the Organization of the Petroleum Exporting Countries (OPEC) are a large determinant of the world price of oil, so the economy of the United States will be affected by decisions of OPEC as long as the United States depends on oil for a significant portion of the energy consumption of the United States;

(11) the major oil companies have accumulated more than \$1,000,000,000,000 in net profits over the last 10 years and collected more than \$40,000,000,000 in tax breaks during the same period, but have invested negligible amounts of those funds into research and development of the production of clean and renewable fuels made in the United States, leaving consumers with few if any choices at the pump; and

(12) in the Energy Independence and Security Act of 2007 (42 U.S.C. 17001 et seq.), Congress increased fuel economy standards for the first time in 30 years and established ambitious requirements for domestic biofuels, actions that have reduced oil consumption and reduced upward pressure on gas prices.

(b) SENSE OF SENATE ON HIGH GAS PRICES.—It is the sense of the Senate that—

(1) the President and Administration should be commended for recognizing the severity of high gas prices and for taking appropriate actions to help reduce gas prices, including actions—

(A) to move forward with expeditious and responsible domestic production in the Gulf of Mexico and elsewhere;

(B) to form a Task Force led by the Department of Justice to investigate and eliminate oil and gas price gouging and market manipulation;

(C) to establish a national oil savings goal to cut imports by 33 percent by 2025;

(D) to call for 1,000,000 electric vehicles to be on the road by 2015;

(E) to harmonize corporate average fuel standards under section 32902 of title 49, United States Code, (CAFE) and carbon pollution standards to achieve 1,800,000,000 barrels in oil savings from new vehicles built before 2017, and working with stakeholders to increase those savings from future year vehicles;

(F) to establish the National Clean Fleets Partnership and Green Fleet Initiative to reduce diesel and gasoline use in fleets by incorporating electric vehicles, alternative fuels like natural gas, and efficiency measures; and

(G) to clarify and expand the use of E-15 fuel for new motor vehicles;

(2) Congress should take additional actions to complement the efforts of the President, including enacting provisions—

(A) to encourage diligent and responsible development of domestic oil and gas resources onshore and off-shore;

(B) to eliminate subsidies for major oil and gas companies and use the savings to promote research, development, and deployment of affordable alternative fuels and vehicles;

(C) to give consumers more choices at the pump and incentives for buying vehicles that displace petroleum consumption; and

(D) to direct and fund the Commodity Futures Trading Commission and the Federal Trade Commission to rapidly implement the energy consumer protection requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203; 124 Stat. 1376);

(3) the Organization of the Petroleum Exporting Countries (OPEC) should contribute to the stabilization of world oil markets and prices and reduce the burden of high gasoline prices borne by the consumers in the United States by using existing idle oil production capacity to compensate for any supply shortages experienced in member countries; and

(4) the economic, environmental, and national security of the United States depend on a sustained effort to drastically reduce and eventually eliminate the dependency of the United States on oil.

(c) MODIFICATIONS OF FOREIGN TAX CREDIT RULES APPLICABLE TO MAJOR INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.—

(1) IN GENERAL.—Section 901 of the Internal Revenue Code of 1986 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

“(n) SPECIAL RULES RELATING TO MAJOR INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.—

“(1) GENERAL RULE.—Notwithstanding any other provision of this chapter, any amount paid or accrued by a dual capacity taxpayer which is a major integrated oil company (as defined in section 167(h)(5)(B)) to a foreign country or possession of the United States for any period shall not be considered a tax—

“(A) if, for such period, the foreign country or possession does not impose a generally applicable income tax, or

“(B) to the extent such amount exceeds the amount (determined in accordance with regulations) which—

“(i) is paid by such dual capacity taxpayer pursuant to the generally applicable income tax imposed by the country or possession, or

“(ii) would be paid if the generally applicable income tax imposed by the country or possession were applicable to such dual capacity taxpayer.

Nothing in this paragraph shall be construed to imply the proper treatment of any such amount not in excess of the amount determined under subparagraph (B).

(2) DUAL CAPACITY TAXPAYER.—For purposes of this subsection, the term ‘dual capacity taxpayer’ means, with respect to any foreign country or possession of the United States, a person who—

“(A) is subject to a levy of such country or possession, and

“(B) receives (or will receive) directly or indirectly a specific economic benefit (as determined in accordance with regulations) from such country or possession.

(3) GENERALLY APPLICABLE INCOME TAX.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘generally applicable income tax’ means an income tax (or a series of income taxes) which is generally imposed under the laws of a foreign country or possession on income derived from the conduct of a trade or business within such country or possession.

“(B) EXCEPTIONS.—Such term shall not include a tax unless it has substantial application, by its terms and in practice, to—

“(i) persons who are not dual capacity taxpayers, and

“(ii) persons who are citizens or residents of the foreign country or possession.”.

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendments made by this subsection shall apply to taxes paid or accrued in taxable years beginning after the date of the enactment of this Act.

(B) CONTRARY TREATY OBLIGATIONS UPHOLD.—The amendments made by this subsection shall not apply to the extent contrary to any treaty obligation of the United States.

(d) LIMITATION ON SECTION 199 DEDUCTION ATTRIBUTABLE TO OIL, NATURAL GAS, OR PRIMARY PRODUCTS THEREOF.—

(1) DENIAL OF DEDUCTION.—Paragraph (4) of section 199(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(E) SPECIAL RULE FOR CERTAIN OIL AND GAS INCOME.—In the case of any taxpayer who is a major integrated oil company (as defined in section 167(h)(5)(B)) for the taxable year, the term ‘domestic production gross receipts’ shall not include gross receipts from the production, transportation, or distribution of oil, natural gas, or any primary product (within the meaning of subsection (d)(9)) thereof.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2011.

(e) LIMITATION ON DEDUCTION FOR INTANGIBLE DRILLING AND DEVELOPMENT COSTS.—

(1) IN GENERAL.—Section 263(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: “This subsection shall not apply to amounts paid or incurred by a taxpayer in any taxable year in which such taxpayer is a major integrated oil company (as defined in section 167(h)(5)(B)).”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to amounts paid or incurred in taxable years beginning after December 31, 2011.

(f) LIMITATION ON PERCENTAGE DEPLETION ALLOWANCE FOR OIL AND GAS WELLS.—

(1) IN GENERAL.—Section 613A of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:“(f) APPLICATION WITH RESPECT TO MAJOR INTEGRATED OIL COMPANIES.—In the case of any taxable year in which the taxpayer is a major integrated oil company (as defined in section 167(h)(5)(B)), the allowance for percentage depletion shall be zero.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2011.

(g) LIMITATION ON DEDUCTION FOR TERTIARY INJECTANTS.—

(1) IN GENERAL.—Section 193 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(d) APPLICATION WITH RESPECT TO MAJOR INTEGRATED OIL COMPANIES.—This section shall not apply to amounts paid or incurred by a taxpayer in any taxable year in which such taxpayer is a major integrated oil company (as defined in section 167(h)(5)(B)).”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to amounts paid or incurred in taxable years beginning after December 31, 2011.

(h) REPEAL OF OUTER CONTINENTAL SHELF DEEP WATER AND DEEP GAS ROYALTY RELIEF.—

(1) IN GENERAL.—Sections 344 and 345 of the Energy Policy Act of 2005 (42 U.S.C. 15904, 15905) are repealed.

(2) ADMINISTRATION.—The Secretary of the Interior shall not be required to provide for royalty relief in the lease sale terms beginning with the first lease sale held on or after the date of enactment of this Act for which a final notice of sale has not been published.

(i) DEFICIT REDUCTION.—The net amount of any savings realized as a result of the enactment of this section and the amendments made by this section (after any expenditures authorized by this section and the amendments made by this section) shall be deposited in the Treasury and used for Federal budget deficit reduction or, if there is no Federal budget deficit, for reducing the Federal debt in such manner as the Secretary of the Treasury considers appropriate.

(j) BUDGETARY EFFECTS.—The budgetary effects of this section, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this section, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SA 464. Mr. WHITEHOUSE submitted an amendment intended to be proposed by him to the bill S. 782, to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 9, strike lines 12 through 16 and insert the following:

“(A) 125-PERCENT HIGHER UNEMPLOYMENT RATE.—In the case of a grant made in an area for which the 24-month unemployment rate is at least 125 percent of the national average or the per capita income is not more than

SA 465. Mr. WHITEHOUSE submitted an amendment intended to be proposed by him to the bill S. 782, to amend the Public Works and Economic Development Act of 1965 to reauthorize that Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____ . TAXATION OF INCOME OF CONTROLLED FOREIGN CORPORATIONS ATTRIBUTABLE TO IMPORTED PROPERTY.

(a) GENERAL RULE.—Subsection (a) of section 954 of the Internal Revenue Code of 1986 is amended by striking the period at the end of paragraph (5) and inserting “, and”, by redesignating paragraph (5) as paragraph (4), and by adding at the end the following new paragraph:

“(5) imported property income for the taxable year (determined under subsection (j) and reduced as provided in subsection (b)(5)).”.

(b) DEFINITION OF IMPORTED PROPERTY INCOME.—Section 954 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(j) IMPORTED PROPERTY INCOME.—

“(1) IN GENERAL.—For purposes of subsection (a)(5), the term ‘imported property income’ means income (whether in the form of profits, commissions, fees, or otherwise) derived in connection with—

“(A) manufacturing, producing, growing, or extracting imported property;

“(B) the sale, exchange, or other disposition of imported property; or

“(C) the lease, rental, or licensing of imported property.

Such term shall not include any foreign oil and gas extraction income (within the meaning of section 907(c)) or any foreign oil related income (within the meaning of section 907(c)).

“(2) IMPORTED PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term ‘imported property’ means property which is imported into the United States by the controlled foreign corporation or a related person.

“(B) IMPORTED PROPERTY INCLUDES CERTAIN PROPERTY IMPORTED BY UNRELATED PERSONS.—The term ‘imported property’ includes any property imported into the United States by an unrelated person if, when such property was sold to the unrelated person by the controlled foreign corporation (or a related person), it was reasonable to expect that—

“(i) such property would be imported into the United States; or

“(ii) such property would be used as a component in other property which would be imported into the United States.

“(C) EXCEPTION FOR PROPERTY SUBSEQUENTLY EXPORTED.—The term ‘imported property’ does not include any property which is imported into the United States and which—

“(i) before substantial use in the United States, is sold, leased, or rented by the controlled foreign corporation or a related person for direct use, consumption, or disposition outside the United States; or

“(ii) is used by the controlled foreign corporation or a related person as a component in other property which is so sold, leased, or rented.

“(D) EXCEPTION FOR CERTAIN AGRICULTURAL COMMODITIES.—The term ‘imported property’ does not include any agricultural commodity which is not grown in the United States in commercially marketable quantities.

“(3) DEFINITIONS AND SPECIAL RULES.—

“(A) IMPORT.—For purposes of this subsection, the term ‘import’ means entering, or withdrawal from warehouse, for consumption or use. Such term includes any grant of the right to use intangible property (as defined in section 936(h)(3)(B)) in the United States.

“(B) UNITED STATES.—For purposes of this subsection, the term ‘United States’ includes the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam,

American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(C) UNRELATED PERSON.—For purposes of this subsection, the term ‘unrelated person’ means any person who is not a related person with respect to the controlled foreign corporation.

“(D) COORDINATION WITH FOREIGN BASE COMPANY SALES INCOME.—For purposes of this section, the term ‘foreign base company sales income’ shall not include any imported property income.”.

(c) SEPARATE APPLICATION OF LIMITATIONS ON FOREIGN TAX CREDIT FOR IMPORTED PROPERTY INCOME.—

(1) IN GENERAL.—Paragraph (1) of section 904(d) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting after subparagraph (A) the following new subparagraph:

“(B) imported property income, and”.

(2) IMPORTED PROPERTY INCOME DEFINED.—Paragraph (2) of section 904(d) of such Code is amended by redesignating subparagraphs (I), (J), and (K) as subparagraphs (J), (K), and (L), respectively, and by inserting after subparagraph (H) the following new subparagraph:

“(I) IMPORTED PROPERTY INCOME.—The term ‘imported property income’ means any income received or accrued by any person which is of a kind which would be imported property income (as defined in section 954(j)).”.

(3) CONFORMING AMENDMENT.—Clause (ii) of section 904(d)(2)(A) of such Code is amended by inserting “or imported property income” after “passive category income”.

(d) TECHNICAL AMENDMENTS.—

(1) Clause (iii) of section 952(c)(1)(B) of the Internal Revenue Code of 1986 is amended—

(A) by redesignating subclauses (II), (III), (IV), and (V) as subclauses (III), (IV), (V), and (VI), and

(B) by inserting after subclause (I) the following new subclause:

“(II) imported property income.”.

(2) The last sentence of paragraph (4) of section 954(b) of such Code is amended by striking “subsection (a)(5)” and inserting “subsection (a)(4)”.

(3) Paragraph (5) of section 954(b) of such Code is amended by striking “and the foreign base company oil related income” and inserting “the foreign base company oil related income, and the imported property income”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after the date of the enactment of this Act, and to taxable years of United States shareholders within which or with which such taxable years of such foreign corporations end.

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. AKAKA. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, June 23, 2011, at 2:15 p.m. in room 628 of the Dirksen Senate Office Building to conduct a hearing entitled “The Indian Reorganization Act—75 Years Later: Renewing our Commitment to Restore Tribal Homelands and Promote Self-Determination.”

Those wishing additional information may contact the Indian Affairs Committee at (202) 224-2251.

The PRESIDING OFFICER. The majority leader.

SUPPORTING NATIONAL MEN'S
HEALTH WEEK

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Res. 207.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 207) Supporting National Men's Health Week.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

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

The resolution (S. Res. 207) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 207

Whereas despite advances in medical technology and research, men continue to live an average of more than 5 years less than women, and African-American men have the lowest life expectancy;

Whereas 9 of the 10 leading causes of death, as defined by the Centers for Disease Control and Prevention, affect men at a higher percentage than women;

Whereas between ages 45 and 54, men are over 1½ times more likely than women to die of heart attacks;

Whereas men die of heart disease at 1½ times the rate of women;

Whereas men die of cancer at almost 1½ times the rate of women;

Whereas testicular cancer is 1 of the most common cancers in men aged 15 to 34, and, when detected early, has a 96 percent survival rate;

Whereas the number of cases of colon cancer among men will reach almost 49,470 in 2010, and nearly half of those men will die from the disease;

Whereas the likelihood that a man will develop prostate cancer is 1 in 6;

Whereas the number of men who developed prostate cancer in 2010 is expected to reach more than 217,730, and an estimated 32,050 of those men will die from the disease;

Whereas African-American men in the United States have the highest incidence in the world of prostate cancer;

Whereas significant numbers of health problems that affect men, such as prostate cancer, testicular cancer, colon cancer, and infertility, could be detected and treated if awareness among men of those problems was more pervasive;

Whereas more than ½ of the elderly widows now living in poverty were not poor before the death of their husbands, and by age 100, women outnumber men by a ratio of 4 to 1;

Whereas educating both the public and health care providers about the importance of early detection of male health problems will result in reducing rates of mortality for those diseases;

Whereas appropriate use of tests such as prostate specific antigen exams, blood pressure screens, and cholesterol screens, in conjunction with clinical examination and self-testing for problems such as testicular cancer, can result in the detection of many of those problems in their early stages and increase the survival rates to nearly 100 percent;

Whereas women are 2 times more likely than men to visit their doctor for annual examinations and preventive services;

Whereas men are less likely than women to visit their health center or physician for regular screening examinations of male-related problems for a variety of reasons;

Whereas Congress established National Men's Health Week in 1994 and urged men and their families to engage in appropriate health behaviors, and the resulting increased awareness has improved health-related education and helped prevent illness;

Whereas the Governors of all 50 States issue proclamations annually declaring Men's Health Week in their respective States;

Whereas since 1994, National Men's Health Week has been celebrated each June by dozens of States, cities, localities, public health departments, health care entities, churches, and community organizations throughout the United States that promote health awareness events focused on men and family;

Whereas the National Men's Health Week Internet website has been established at www.menshealthweek.org and features Governors' proclamations and National Men's Health Week events;

Whereas men who are educated about the value that preventive health can play in prolonging their lifespans and their roles as productive family members will be more likely to participate in health screenings;

Whereas men and their families are encouraged to increase their awareness of the importance of a healthy lifestyle, regular exercise, and medical checkups;

Whereas June 13 through 19, 2011, is National Men's Health Week; and

Whereas the purpose of National Men's Health Week is to heighten the awareness of preventable health problems and encourage early detection and treatment of disease among men and boys: Now, therefore, be it

Resolved, That the Senate—

(1) supports the annual National Men's Health Week; and

(2) calls upon the people of the United States and interested groups to observe National Men's Health Week with appropriate ceremonies and activities.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that on Tuesday, June 14, following the 2:15 cloture vote on the Coburn amendment No. 436, as modified, Senator RUBIO of Florida be recognized as in morning business for debate only for up to 20 minutes for the purpose of delivering his maiden speech in the Senate.

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

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276h-276k, as amended, appoints the following Senator as Vice Chairman of the Mexico-U.S. Interparliamentary Group during the 112th Congress: the Senator from Texas (Mrs. HUTCHISON).

ORDERS FOR TUESDAY, JUNE 14,
2011

Mr. REID. Mr. President, I ask unanimous consent that when the Senate

completes its business today, it adjourn until 10 a.m. on Tuesday, June 14; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate proceed to a period of morning business until 11 a.m., with Senators permitted to speak for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half; that following morning business, the Senate proceed to executive session under the previous order; further, that the filing deadline for second-degree amendments to the Coburn amendment No. 436, as modified, be at 11:30 tomorrow morning.

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

PROGRAM

Mr. REID. Mr. President, tomorrow at noon, there will be up to two rollcall votes in relation to the Cecchi and Salas nominations. Additionally, at 2:15 p.m. there will be a rollcall vote on the cloture motion Senator COBURN filed on his ethanol amendment.

ORDER FOR ADJOURNMENT

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order following the remarks of Senators THUNE and COBURN, who will speak as in debate only.

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

Mr. REID. Just so I have some idea, I ask Senator THUNE, how long does the Senator wish to speak?

Mr. THUNE. For 10 minutes.

Mr. REID. How much time does the Senator need?

Mr. COBURN. Ten minutes.

Mr. REID. That would be the order. Senator COBURN will be recognized for 10 minutes following the remarks of Senator THUNE, who will speak for up to 10 minutes. They are both for debate only.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ETHANOL

Mr. THUNE. Mr. President, the Senator from Oklahoma has a strongly held view about ethanol, particularly on this issue, on the VEETC, and I understand that. I understand there are

Members who would like to see that particular tax credit go away. I understand that.

What the Senator from Minnesota and I have come up with is a way for them to achieve that objective, but it does it in a way that is reasonable, measured, and which doesn't totally, in the middle of the year, abruptly disrupt an industry and all of the investment that has been made.

The question I ask my colleague is, does our word mean anything around here? We passed this in December. There were 81 Senators who voted for a package of tax extenders, one of which was the volumetric ethanol excise tax credit. Eighty-one Senators are on record. If you want to do away with it, there are lots of ways you can do that. But the way the Senator from Oklahoma is proposing to do that is to say, tomorrow let's pass this and end it. It is \$2.5 billion we can save the taxpayers. Well, about \$500 million a month is about what this is going to cost. With every month that goes by, there is a little less available to the taxpayer.

What we are saying is that we put in a billion dollars today into this proposal that would go toward debt retirement, and we phase out the tax credit to which the Senator from Oklahoma refers, and we take a very forward-looking, futuristic-type view toward ethanol production in this country, biofuel production in this country. We are going to be capped out at 15 billion gallons, which is the RFS, the renewable fuel standard to which the Senator from Oklahoma referred. We are going to hit that. Then we have to get to the next generation of biofuels.

With all due respect to my colleague from Oklahoma, methanol is not a realistic option. You would have to retool every plant in this country. We have 204 plants in America today that, directly or indirectly, employ 500,000 Americans. Those are the jobs that are impacted. We have had policy on the books now for nearly 30 years that has encouraged the investment in these plants on the belief that we need to get beyond dependence on foreign sources of energy. That ought to be our energy policy, and we ought to be looking to producing more.

I am for oil and gas. The reason I voted against the proposals leveled a couple weeks ago that would have targeted the oil and gas industry is because I think we need all forms of energy—oil and gas, clean coal, biofuels, nuclear, and we need any form of energy we can generate and produce in the United States. I am for it. That is why I think the future of this industry is still very bright, because I think there is an advanced biofuels future out there, and a cellulosic ethanol, next-generation ethanol, whatever you want to call it, where we can make it from switch grass, from blue stem grass, from corn stover, and these types of products. That is out there. But you don't get there unless you

have a corn-based platform to start with.

The Senator talked about a renewable fuel standard and talked about this being redundant public policy. One of our colleagues from South Carolina introduced an amendment to this bill that would end that. I assume—I don't know this for a fact—that my colleague from Oklahoma would support that amendment, which would do away with the renewable fuel standard.

Mr. COBURN. Will the Senator yield?

Mr. THUNE. Certainly.

Mr. COBURN. The Senator obviously didn't hear what I said. I said I support ethanol, and I would not support that. I have been upfront with the Senator in the past, and you know my position on that.

So the question here—and I ask him a question: How do you fit what the people who would get this \$3 billion, who the Senator says they don't want—why would they say that if it is going to have a negative impact on their industry?

Mr. THUNE. Well, I say to my colleague from Oklahoma that I was not aware he said he supports ethanol. I was not aware he supports the RFS. If there is an amendment offered to strike the RFS, which there will be—I am I wrong in saying the Senator would oppose that amendment?

Mr. COBURN. I will oppose that amendment. My worry is because of the process of the Senate, we may not get that amendment to vote on. My colleague, as part of our leadership, would recognize that we have a problem with amendments.

Mr. THUNE. I don't disagree with that. There is an issue I have not argued. It is your prerogative to bring this up and file cloture, which you have done in this circumstance. I think the renewable fuels standard that creates the sort of policy construct we are talking about here today is one aspect of the biofuels policy going forward. The other aspect, going back for long time, historically, is the blenders credit.

I will tell you—because the statement you made is all the people who get this don't want it—well, that is not true. The large integrated oil companies, which are also refiners and, in many cases, retailers of refined gasoline, don't want it, maybe. I understand you have a letter to that effect. But there are lots of smaller refiners who do want it.

There are also an awful lot of—the blenders credit gets passed on to the retailer, which gets passed on to the consumer, hopefully. The people who will be impacted by this are not just the large integrated oil companies. If you talk about the large integrated oil companies, saying they don't want this—they said in hearings before congressional committees a few years ago they didn't want the oil subsidies they get in the Tax Code today. They are on the record saying that. Yet we voted to keep those in place just a few weeks ago.

Mr. COBURN. Will the Senator yield?

Mr. THUNE. Yes.

Mr. COBURN. Would the Senator define what a subsidy is to him, because part of the problem with the debate is that we keep saying “subsidies.” We don't have subsidies—not in the Senator's State or in Oklahoma. We have accelerated depreciation, which even if you took that away, the dollars to the Federal Government would not increase. How is there a subsidy to the oil and gas industry?

Mr. THUNE. When we characterize what you called tax expenditures, there are a bunch that fall into that category. I know the Senator is familiar with that as he served on the President's debt commission. It is about \$1.1 trillion a year. In some way or another, we reduce the tax liability of various individuals and businesses around the country. I don't disagree with you. In fact, I will work with the Senator on a proposal that would address this and look at all those types of tax expenditures.

I think it is punitive to single out one and say we are going to kill this one, after we committed in December, with 81 votes, that we are for this. I don't know how we can, in good faith, go to this industry, which employs 500,000 Americans, and say we are going to pull the rug out from under you after 6 months.

That being said, I would characterize it as anything that reduces the tax liability that is public policy. I think it is characterized as tax expenditures. The oil depletion allowance and the intangible drilling costs—those are all things that are unique to the oil industry.

Mr. COBURN. Does it include charitable contributions—a subsidy, the same category?

Mr. THUNE. If it is under the definition of tax expenditure, sure. Oil depletion allowances and intangible drilling costs are characterized, for subsidy purposes, the same way as the ethanol tax credit. We have lots of what we would characterize as tax credits and earned income tax credits in the Tax Code. We have lots of what is characterized as tax expenditures. You may characterize it differently, and that is accelerated depreciation, but in fact for the purposes of description, as we describe things here, it fits into that category.

The oil industry came in front of congressional committees and said they didn't want those. So for them to say they don't want this particular blenders credit—and my view certainly isn't determinative, but I think the large integrated oil companies that get the blenders credit also view ethanol as a threat. Like it or not, today the only viable alternative to petroleum—the only one we have—is 10 percent of our fuel supply in this country.

I am not debating the Senator from Oklahoma about whether the merits of this particular policy—at least in its current form—should not be transformed and should be reformed; I am

saying that we should. I have come to the Senator with a proposal to do that. That is not something, obviously, that he agrees to. That is fine. He is entitled to not support that. But I believe we ought to reform it. I think the way we reform it is do it in a reasonable way that doesn't cut it off tomorrow but, rather, phases it out.

I think that for the Senator from Oklahoma, to me, it is something that is a win for him as well. He gets what he wants. He gets the phaseout, plus \$1 billion in debt reduction, and if this thing goes to the end of the year, we get zero. We get goose-egged.

This thing expires at the end of the year. Whether it gets extended or not remains to be seen. But one thing we know with certainty is that I am putting a proposal on the table today that gets \$1 billion in reduction, that provides some certainty at least in phasing out the VEETC and also makes an investment in blender pumps, which is something that is very important to the future of the industry.

So I think it is a reasonable way to deal with this issue.

The Senator from Oklahoma and I have a disagreement, and that is probably not going to change. But I am offering what I think is a reasonable proposal that gets you where you want to end up and I think also is a way in which we can keep this industry from having the rug pulled out from under them after we made a commitment to them in December of last year.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, let me make a couple of points.

When the Federal Government writes a tax credit, that means we take money from our Treasury, which is empty; therefore, we borrow it, and we write a check to people. When we have an "accelerated appreciation," what we do is allow people to pay less back in, a big difference.

How many of the ethanol refineries and blenders are not represented by this group? It is about 11 percent. They all reside in the upper Midwest. That is why there is such a resistance to it.

When I met with the representatives of the ethanol industry, the reason they don't want the credit to go away is because they are afraid that they won't be able to drive as hard a bargain with the large blenders of gasoline, that they will actually be able to determine what their grind cost is—in other words, what their true cost is.

The difference between what the Senator from Minnesota and the Senator from South Dakota offer is \$2 billion. That is the only difference. There is just denial and spend \$1 billion on

pumps and infrastructure—money we don't have—and mine is to say quit doing it because we are going to blend the ethanol anyway. That is the only difference in the two programs. One continues to subsidize noneconomic blenders, obviously, because they want it—a very small portion. But the vast majority of people are producing ethanol-blended gasoline. And they say: How did they ever get to the point in our country where the Federal Government is going to tell you that you have to buy a gasoline that is only 65 percent as efficient as the gasoline you were buying? And, oh, by the way, because it is only 65 percent efficient, it actually pollutes more. That is why in this list of people supporting this are all the environmental groups, because they know it is bad policy.

The reason I support a mandated level of ethanol is that until we have a cogent drilling policy in this country that says we are going to actually utilize our own resources, we need to keep ethanol. But what really ought to happen is we ought to let markets determine it. We will all be better off. We will have less government regulation, we will have less Tax Code expenditure and the markets will determine what the most efficient product is by what people will buy—what people will buy, what they want to buy. It is called freedom.

We have gotten ourselves in this mix where, actually, what people don't realize is we are down to only 47 percent of our oil coming into this country is coming from outside now. We have moved from 62 down to 47 percent, and the reason is because the oil and gas industry has actually gone out there and found an environmentally smart way to produce tons of gas liquids, which are easier to convert into fuel than anything—easier than oil, easier than any other product we have.

So the Senator didn't really answer why the people who are getting the money don't want it and yet we should continue sending it to them.

Ask yourself the question. We are broke, we are going to run a \$1.4 or \$1.5 or \$1.6 trillion deficit this year and here is a way to save \$3 billion, and the people we are going to send the money to—and borrow the money to be able to send it to them—don't want it. Yet they cannot answer why they do not want it. This represents 97 percent of all the blending in the country. They don't want the money and we are going to sit here as a body and continue to send them money they do not want? Go home and explain that to your constituents.

From which child are we going to take opportunity because we do not have the courage to do the smart

thing? We have a mandate. They have to blend it. They are making a ton of money.

One final point, and I will let the Senate staff go home. Every time you go home to buy a gallon of gasoline today, the price you pay at the pump is not the price you pay. If you look at all the subsidies that are going to ethanol, when you go look at that \$3.75—or that \$4 around here, \$3.50 in Oklahoma and Colorado—add \$1.72 per gallon to it because that is what you paid in terms of the government support for the ethanol program in terms of subsidies, \$1.72 a gallon. You buy it for \$3.50, add \$1.72, and you are paying \$5.22 a gallon. You just don't know that we have picked your pocket through the government expenditures. Out of your taxes you paid, we pay them \$1.72 per gallon. It makes no sense. What this does is eliminate 45 cents of that. It doesn't take it all away, the grants and the loans, the low-interest loans.

The other thing people do not recognize is most of the ethanol plants, even with this subsidy, have been bought out because they were not economical because they did not know how to run them. That is why most of them ended up with the large companies, because they did not know how to run them, they were not efficient, and now they are profitable even without the blenders credit.

It is a simple question: Do we save \$3 billion or save \$1 billion? I tell you, with what is in front of us as a Nation with our \$14.3 trillion debt, I am going to opt for the kids who follow us and the grandkids. I am going for the \$3 billion, not \$1 billion.

I yield the floor.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER. The Senate stands adjourned until 10 a.m. tomorrow.

Thereupon, the Senate, at 7:02 p.m., adjourned until Tuesday, June 14, 2011, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate:

FEDERAL DEPOSIT INSURANCE CORPORATION

MARTIN J. GRUENBERG, OF MARYLAND, TO BE CHAIRPERSON OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR A TERM OF FIVE YEARS, VICE SHEILA C. BAIR, RESIGNED.

MARTIN J. GRUENBERG, OF MARYLAND, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR A TERM EXPIRING DECEMBER 27, 2018. (REAPPOINTMENT)

ENVIRONMENTAL PROTECTION AGENCY

KENNETH J. KOPCIS, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE PETER SILVA SILVA, RESIGNED.