

from lenders. He said aggressive action by lenders would help stressed homeowners and help ensure the health and well being of the broader U.S. economy.

Well, we Republicans have been saying the same thing about Congress's response to the housing crisis for 2 weeks. The Democratic plan for stressed homeowners is to raise monthly mortgage payments on those who buy new homes or refinance existing ones. We have a different view on this side of the aisle. We want to expand the family budget, not the Federal budget, by helping homeowners with targeted assistance and homebuyer tax credits that will make the problem better, not worse. We have a concrete plan to foster the conditions that lead to more homeownership by protecting existing jobs, creating new jobs, increasing wages and keeping taxes low.

Among the things we can do to keep taxes low is to patch the loophole that threatens tens of millions of middle-class Americans with a giant AMT tax this year. There is no reason we cannot come together now and remove any doubt Americans have about paying a tax that threatens to cost them, on average, \$2,000 more in taxes this year.

We patch the AMT every year, and because it was never meant to hit middle-class taxpayers in the first place, we patch it without creating new taxes somewhere else. In the current economy, we should spare taxpayers the political theatre of waiting until the last minute to go through this annual charade.

Last night the Budget Chairman said the Democratic budget proposal this year will include an AMT patch without an accompanying tax hike. I think that is certainly good news. I commend him for that decision, and it is one more reason we should not put off passing the AMT fix. If this is what the chairman intends, we should follow through on it now to give taxpayers added certainty. We should remove the doubt about the AMT now so Americans who are worried about the economy have one less thing to be concerned about.

Last year a Democratic-led standoff over passing an AMT patch threatened to delay tax returns for 50 million taxpayers, totaling about \$75 billion in refunds. In this economy, we cannot afford to play these kinds of games. We know we will patch the AMT at some point this year. We should give some comfort to taxpayers by doing it now. It is time to put American families' budgets in front of the ever-expanding Federal budget.

Mr. President, I share the view of the majority leader that we are making good progress on the underlying bill, and hopefully that will continue today. I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Mr. President, I think it is important I respond to my distinguished counterpart. We did not pull

the bill. We were unable to go to the bill. We moved to proceed to the bill and had to file cloture. We could not get 60 votes because we had 1 Republican vote with us to move so we could legislate on housing.

As I have said so many times, if the Republicans were serious about legislating on housing, they would have moved to the bill. I pulled the bill? That is as Orwellian as this conversation could be. I did not pull the bill. I tried to go to the bill. Republicans would not let us go to the bill.

We have five simple things in our housing package that are extremely important to the housing industry. Transparency is JACK REED's provision that all of these agreements should be transparent, they should be understandable.

No. 2, the President asked, and we proceeded to do what he asked, to have revenue bonds to take care of some of the distressed properties. No. 3, we have large segments of—we were in a meeting that is still going on with faith leaders. The head of the Baptist Convention says in his neighborhoods, one, two, and three houses are going into foreclosure every week. They have neighborhoods that are in trouble.

We have CDBG grants in our bill to allow States to step in and take care of some of those troubled properties. We also have something that the homebuilders care about a great deal, and that is a loss carryforward. It is something they want that would be helpful to the economy, that would be helpful to the housing market.

Finally, we have a provision that says: If you have a home, you should be able to go to bankruptcy court and have the loan rate adjusted, just as you can if you have a vacation property that you need to have readjusted. Those are the five things, very simply.

But I say if my Republican colleagues think there is a housing crisis, let us legislate the housing crisis. Come here, offer amendments and deal with it.

But remember, they held a press conference on the same day, on the same day they stopped us from going forward on housing. What did they do in the press conference? Here is what they wanted to do to solve the problems of housing around our country: tort reform. Now, you can imagine what a laugh that is, tort reform to solve the housing crisis in America today.

Secondly, they want to lower taxes. Now try that one on. They are not serious about the housing crisis or they would allow us to move forward. No, we did not pull the housing bill; they would not let us go to the housing bill. That is the record. Vote No. 35, 110th Congress, cloture, motion to proceed, cloture motion was rejected because we did not get 60 votes.

So all we want are the facts. When you look at those nasty facts, it indicates the Republicans do not want to legislate on housing. They want, as the President suggested in his press con-

ference last week, to let us see what happens in June when the rebates come back.

This is not a wait-and-see, this is a problem we have to address immediately. What the President has done is voluntary in nature. It helps less than 3 percent of the homes in foreclosures now. Reports yesterday said it was basically worthless.

#### MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business for 1 hour 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 Republicans controlling the first half and the majority controlling the final half.

The Senator from Idaho.

#### THE BUDGET

Mr. CRAPO. Mr. President, I wish to use my time by following up on the comments our leader has made with regard to the budget. It is budget time in Washington right now. Although many people are focused very heavily on the President's budget submission, the reality is that the budget is a uniquely legislative responsibility. The President makes a recommendation, but it is this Congress, the Senate and the House of Representatives, that establishes the budget for our Nation.

The budget that was announced yesterday and reviewed, which we will be evaluating in the Budget Committee today, in my opinion, is not responsible. In fact, it is an embarrassment.

We often talk about the fact that we want to avoid tax-and-spend politics in Washington. But this budget plunges headlong back into the very tax-and-spend policies of the past that have put us in the dire fiscal position we are in today.

The budget is a failure on the spending policy, it is a failure on the tax policy, and it is a failure on the additions to our national debt that are monumental, which it contemplates. It is a failure because it does not do a single thing about the most significant fiscal problems facing us, namely the entitlement problems and the entitlement portion of our budget.

Let me go through all those briefly. To do so, I am going to explain—this may be a little bit basic to those in the middle of budgeting, but I am not sure the folks who pay attention to those understand exactly how the budgeting process works.

This year we will have the first budget that exceeds \$3 trillion in Federal spending. In rough approximation, that budget is approximately two-thirds entitlements and spending on the interest on the national debt. The other remaining third is made up of what we call discretionary spending.

Again, approximately half of that is our national defense budget, and the