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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable TOM UDALL, a Senator from the State of New Mexico.

PRAYER

The PRESIDING OFFICER. Today's opening prayer will be offered by Rev. Simeon Spencer, senior pastor of Union Baptist Church in Trenton, NJ.

The guest Chaplain offered the following prayer:

Let us pray.

Creator God, we bow with thanksgiving for the privilege and call of service given the lawmakers of our great Nation. We are awed by the grace that brings us all to this place and the gravity of the work with which these elected officials have been entrusted. In the wonder of such grace and in the face of crucial hours, we confess now with humility the limits of human knowledge, of frailty of human ability, and the finitude of human ways. And so, in these moments we petition You, You the all-knowing for understanding, the all-powerful for strength, the everlasting to everlasting for endurance.

We pray that You will equip both the Members of this body and those who advise them with the gifts of Your Spirit, so that the work which brings them here might be executed in a manner worthy of Your holy Name, bring honor to the memory of those who have served before them, and inspire trust in those who have sent them. We wait now in hope for the fulfillment of faith that "they that wait upon the Lord shall renew their strength; they shall mount up with wings as eagles; they shall run and not be weary; and they shall walk and not faint."

These things we pray in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable TOM UDALL led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Repub-

lic 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 bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 21, 2011.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TOM UDALL, a Senator from the State of New Mexico, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mr. UDALL of New Mexico thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. REID. I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. 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.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

CUT, CAP, AND BALANCE

Mr. MCCONNELL. Mr. President, the Senate will begin debate today on cut,

cap, and balance, the plan approved earlier this week in the House. This means Senators will now have the opportunity to go on record either in support of balancing our books or against it.

This is an opportunity for everyone to take a stand. It is an opportunity to say that a government which borrows more than 40 cents of every \$1 it spends is not sustainable and very much needs to change its ways. It is an opportunity to stand with those who believe Washington needs to heal its addiction to spending now, not make more false promises of spending restraint sometime later.

The President's veto threat of this legislation is telling. Many of us learned a long time ago to pay more attention to what this President does than what he says. Anyone who has witnessed his reckless spending habits over the past 2½ years or sat across the negotiating table with him over the past few weeks could be forgiven for being skeptical of his recent attempts to come across as a fiscal moderate.

I will just say this: There should be no doubt in anyone's mind that this President is as deeply committed to a government we cannot afford as he was on Inauguration Day.

That is why we have decided to bring our case directly to the American people with the cut, cap, and balance plan, which forces Washington to get its fiscal house in order with a constitutional amendment.

It is nice that some people are hoping the President has had a change of heart, but no one should be planning on it. Cut, cap, and balance cuts spending now, caps it in the future, and only raises the debt ceiling if it is accompanied by a constitutional amendment to balance the Federal budget.

That is what America wants, and it is what Washington needs. All we need is 20 Democrats to join us. At least 23 of them have led their constituents to believe they would fight for a balanced

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



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budget amendment. The White House has called for a balanced approach in this debate. This bill does not just suggest balance, it actually mandates it. So I strongly urge my Democratic friends to join us in supporting this legislation.

Let me note in closing another virtue of the cut, cap, and balance plan. It does not raise taxes. Why is this a good thing? There are many reasons Americans do not like tax hikes. First, they know government is bound to waste the money. Americans have seen what government does with new tax revenue: It wastes it on things such as turtle tunnels. Second, it never uses it to pay down deficits and debt. So if you are concerned about the size of our debt, then raising taxes is a sure way to ensure that nothing gets done about it—absolutely nothing.

The reason we have a debt crisis is government spends every cent it gets—and then some. Sending Washington more money will not solve the problem, it will enable it.

Our tax system certainly is not perfect. But until Washington can prove it is responsible with our tax dollars, we should not be sending it more of those tax dollars. That is why Republicans have focused on cuts in this debate, and that is why every one of us—Democrat and Republican—should support cut, cap, and balance.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

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

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

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

The bill clerk proceeded to call the roll.

Mr. BARRASSO. 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 remarks of Mr. BARRASSO pertaining to the introduction of S. 1395 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BARRASSO. I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

Mr. REID. 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.

ORDER OF BUSINESS

Mr. REID. Mr. President, following leader remarks, I will move to proceed to H.R. 2560. The time until 2 p.m.

today will be equally divided and controlled, with the Republicans controlling the first 30 minutes and the majority controlling the next 30 minutes.

We will have a full debate on this bill over the next few days. I hope we can accelerate the time. If people feel we have debated it enough, I hope we can move to some other matter.

CUT, CAP, AND BALANCE

Mr. REID. Mr. President, first, let me get this off my chest. Coming in today, I just heard the announcement that the House of Representatives is taking the weekend off. I have reached out to the Speaker. I have not had an opportunity to speak to him. But I want everyone who can hear my voice to understand that time is of the essence. We are running out of time.

Procedurally, things cannot move very quickly through the Senate under the best of circumstances, and when there are people who want to cause problems, it takes a long time to get things done. There are people who serve in the Senate who say they do not believe—and they will fight to make sure we do not—we should raise the debt ceiling. In fact, they are saying: Let's default on our debt.

I think this is a very bad picture for our country, to have the House of Representatives out this weekend when we have to likely wait for them to send us something because I understand that the negotiations taking place deal with revenues, which constitutionally have to start in the House of Representatives. So I think it is just untoward—that is the kindest word I can say—to have the House of Representatives out this weekend. What a bad picture that shows the country. We have 12 days before our Nation does the unthinkable, forever undermining the full faith and credit of our great country.

Members of Congress come from 50 different States, but we all serve one Nation. The American people deserve better than leaders who each stake out their own positions—sometimes radical positions—forsaking the good of the Nation. The American people expect us to find common ground no matter how difficult it may seem.

Every reasonable voice in America has warned us that a default on this Nation's financial obligations would not only be a blight on our reputation but would precipitate a global economic crisis that we have never, ever seen. These warnings have come from the banking industry and the business community; they have come from our finest economists and shrewdest investors; they have come from former legislators, past policymakers, both Democrats and Republicans; and they have come from reasonable people here in our Congress.

It is clear to me that we have to increase the debt ceiling. That is what JOHN BOEHNER, the Republican Speaker of the House, said this spring. But it is now summer. He also said this: Not

raising the debt limit would have a serious implication for the worldwide economy and jobs here in America.

That is the Speaker of the House of Representatives. His deputy, ERIC CANTOR, agrees. Last week, CANTOR said:

We want to make sure that we avoid default. We want to make sure that we avoid going past August 2nd without raising the debt ceiling.

And my Republican counterpart here in the Senate, the senior Senator from Kentucky, said he would support the debt limit as long as Congress used the opportunity to do "something really important" about the national debt.

Democrats are willing to join with our colleagues on the other side of the aisle to do, as my Republican counterpart said, "something really important." We have already shown our willingness to make tough decisions for the sake of finding common ground even if it means drawing the ire of our own political party. Unfortunately, the loudest, shrillest voices from the Republican Party are not reasonable leaders but tea party extremists.

Congress has days, not weeks, to reassure the markets that when this great Nation issues an IOU, we stand by it, we do not turn into deadbeats when the bills come due. If you want to know how important this issue is, ask Ronald Reagan. Here is what he said about the importance of averting this kind of default:

The United States has a special responsibility to itself and the world to meet its obligations. It means we have a well-earned reputation for reliability and credibility, two things that set us apart from much of the world.

President Reagan took the threat of default seriously. I will repeat what he said:

The United States has a special responsibility to itself and the world to meet its obligations. It means we have a well-earned reputation of reliability and credibility, two things that set us apart from much of the world.

President Reagan took the threat of default seriously. So do reasonable Members of Congress today. And this is reasonable Republican Members of Congress. Yet I fear the closer we get to disaster, the further we get from making the arrangement needed to raise the debt and stop a default.

Democrats have shown they are willing to work with Republicans on any serious, reasonable plan that averts default and cuts the deficit in a balanced way. Now it is time for House Republicans to show they are also willing to get serious. A plan to decimate Social Security, Medicare, and every other Federal benefit plan, while protecting hundreds of billions of dollars in special interest tax breaks, is not a serious plan. The Republicans so-called cut, cap, and balance plan does not have one chance in a million of passing the Senate.

The moment for partisan games has long since passed. It is time for patriots on both sides of the aisle to join

hands and actually govern. So I ask, Will reasonable Republicans join us in forging a compromise for the good of our country?

CUT, CAP, AND BALANCE ACT OF 2011—MOTION TO PROCEED

Mr. REID. Mr. President, I now move to proceed to Calendar No. 106, H.R. 2560.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The bill clerk read as follows:

A motion to proceed to the consideration of Calendar No. 106, H.R. 2560, an act to cut, cap, and balance the Federal budget.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 2 p.m. will be equally divided and controlled by the two leaders or their designees, with Senators permitted to speak therein for a period of up to 10 minutes each, with the Republicans controlling the first 30 minutes and the majority controlling the next 30 minutes.

The Senator from South Dakota is recognized.

Mr. THUNE. Mr. President, I rise today to speak to the issue the Senate is going to be considering for the next couple of days and ultimately voting on, it sounds like, possibly sometime on Saturday; that is, the cut, cap, and balance proposal that has been put forward by the House of Representatives.

The House passed this particular proposal the night before last. It is now pending under consideration in the Senate. What I would suggest to my colleagues in the Senate is this: It is the only proposal out there. It is the only plan we have to vote on.

It has now been about 813 days—I think is the correct number of days—since a budget was passed in the Senate. The Democratic majority has not submitted one for consideration here. We have not had votes on a budget. We have been operating without a budget. There is no plan.

The House of Representatives passed a budget earlier this year. It was criticized by many people here—Democrats—as being something they didn't want to support. There wasn't an alternative put forward by the Senate Democrats or by the President. The President did put a budget forward in his annual budget release earlier this year, but the Senate voted it down 97 to 0. There wasn't a single Member, Republican or Democrat, who voted in favor of the President's budget proposal. Why? Because it would have raised spending, raised the debt—almost doubled the debt over the next 10 years, and it would have increased taxes by over \$1 trillion.

Overall, I don't think those are the elements you want to be in a budget. You want to reduce spending and put a plan into place that starts getting a trajectory in place that starts reducing the amount of debt we have. You certainly don't want to raise taxes in an

economic downturn, when you are dealing with 9.2 percent unemployment. That is the only budget submission we have seen from the President.

As I said, there has not been anything in the context of the debt limit debate put forward by the Democrats in the Senate or by the President. The only proposal we have in front of us is the Cut, cap, and Balance proposal passed by the House of Representatives. You can say the House arguably has done its work. They have put forward a plan that we need to act on.

To suggest for a minute that there isn't an alternative, that the Republicans are being unreasonable in all this, I think completely misses the point, because that is the only plan out there. If you don't like that one, where is your budget? We have had 813 days without a budget. We don't have a plan to deal with the debt limit. What we have to vote on and consider and debate today is the Cut, Cap, and Balance proposal.

That is significant for a number of reasons. One, I believe the way to deal with the crisis we have in this country today—a debt crisis that gets worse by the day—is to get spending under control. I believe fundamentally that the problem we have in this country is not a question of not enough revenue, it is a question of too much spending. The government has gotten too big, has grown too fast. It is spinning out of control, in the minds of most Americans. They want to see us rein it in and get government spending and debt under control.

Yesterday, I read this on the floor, but I want to read it again. Ironically, it is a letter I got from a Boy Scout in South Dakota who is earning his merit badge. He wrote me a letter and said this:

I feel that the Federal Government needs a balanced budget. If we don't, the debt gets larger each year. I feel that there are two solutions for this. In our house, we are careful to only spend what my mom and dad earn. That needs come first and what is left is for wants. Many times we were told no when we ask for something. With my allowance and lawn mowing money, I divide it between donations, saving, and spending. I can't spend more than I make.

I think there are a couple of very powerful observations in this statement. The first is, obviously, it is not lost even on this young American how important it is to live within your means, and that you cannot spend money you don't have. That is clearly a lesson he has already learned. We need to learn that in Washington, DC.

Second is how profoundly this issue impacts the next generation. If, in fact, we fail to act to get spending and debt under control and to put us on a sustainable fiscal course, the next generation is going to pay a powerful price for our irresponsibility.

I submit again to my colleagues this is fundamentally a spending issue. A lot of folks talk about the need for more revenue. The President talks about wanting more revenue. The ma-

majority leader just said the House is out of town and how that is terrible because revenue measures have to originate in the House. Many of us believe this can be solved without more revenue, that we don't have to raise taxes on the American people or American small businesses to solve what is inherently and fundamentally a spending problem.

If we want to balance the budget, we have to get spending under control. Five times since 1969 the budget was balanced in this country. In each case, the average amount we spent was just under 18.7 percent of our GDP, so that is kind of the benchmark for the five times in our history since 1969 when the budget has been balanced. The 40-year average of spending to GDP in this country is 20.6 percent. That is the 40-year average. The five times we balanced the budget, it was 18.7 percent of GDP. This year, we are spending 24.3 percent of GDP. If you look at the President's budget—and even what are, in my view, optimistic assumptions about economic growth—you are still looking at that sort of a course for the foreseeable future. With what I think are going to be the exploding costs of the health care bill that was passed last year, it could be much higher than that.

My point is this: If you can balance your budget at 18.7 percent Federal spending as a percentage of GDP, and we are spending at 24.3 percent this year, we are 30 percent higher in terms of what we spend than those times in which we were able to balance the budget. If you are talking about balancing the budget, it means getting spending under control, reining in out-of-control Washington spending.

For a long time, I have believed that we need not only what is proposed in the Cut, Cap, and Balance bill, in terms of an immediate reduction in spending, caps on spending in the future years, but also a balanced budget amendment to the Constitution. That is something I have campaigned on my entire political career. I believe it is necessary.

Washington has not demonstrated in the past the political courage that is necessary to get spending under control. The consequence of that is we now have a Federal debt that is over \$14 trillion, and we are actually talking about raising the borrowing authority of this country simply because we get further and further into debt every year. We are running \$1 trillion deficits, and at that rate you are obviously going to continue to accumulate enormous amounts of debt. It means getting your budget balanced. We don't do that around here. Most States—49 of them—have some form of a balanced budget amendment that requires them to make sure their spending doesn't exceed the amount of revenue they have coming in. I think that is needed.

When I first got to the Congress as a freshman Congressman in 1997, there was a vote in the Senate on a balanced budget amendment. It failed by one

vote. It needs two-thirds votes in the House and Senate, and then has to be sent to the States for ratification. If 38 States ratify, it would be added to the Constitution. We would have a requirement that the Federal Government balance its budget as so many States have to do every single year. Well, that vote in the Senate in 1997 failed by 1 vote. It got 66 votes in the Senate, which is 1 short of the 67 necessary to send it on to the House. At that time, I was a Member of the House of Representatives, and had the Senate passed it and sent it to the House, I believe we would have gotten a two-thirds majority in the House and been able to send it to the States.

What has happened in the last 15 years? At that time, the accumulated debt was \$5 trillion. Today, it is \$14 trillion. We have seen a \$9 trillion increase in the amount of debt. I can't help but think that had we had a balanced budget amendment in place, we would be much better off today.

The cut, cap, and balance approach strikes at the very heart of the issue, which is that this is fundamentally a spending issue that needs to be addressed in the near term by cutting spending, capping spending in future years, and putting in place the mechanism that requires Congress to have the discipline to balance the budget for future generations. I hope we will get an affirmative vote when the time comes, and that my colleagues will support the measure I think will get this country back on a sustainable fiscal track and create prosperity for this generation and future generations, as well.

I yield the floor and 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. CONRAD. 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.

Mr. CONRAD. Mr. President, I rise today to discuss the legislation that has come over from the House of Representatives which, I must say, I consider to be some of the most ill-considered legislation I have ever seen come over from the other body. This legislation has been hastily thrown together, has never had a hearing, and yet proposes to amend the Constitution of the United States in dramatic and draconian ways. This is truly dangerous business.

I have been a part of the fiscal commission, and I was part of the majority that supported its conclusions to reduce our debt from what it would otherwise be by \$4 trillion. Eleven of us supported that plan—five Democrats, five Republicans, and one Independent. I have been a part of the Group of 6—three Democrats and three Republicans—and we have released our plan

to reduce the debt from what it would otherwise be by \$3.7 trillion. I have been part of putting out the Democratic Senate Budget Committee plan, and I am proud to say it would reduce the debt from what it would otherwise be by \$4 trillion.

In my entire career, 25 years in the Senate, I have consistently spoken of the dangers of deficits and debt and the risk of the debt threat to our country. I believe passionately that we have to find a way to come together to reduce the danger of these runaway debts. But this legislation that has come over from the House cannot be the answer. It is not bipartisan. In fact, it is super-partisan. It is totally done on one side of the ledger. It will not pass, it will not become law, and it should not.

Now, let's understand the context within which we are operating. First of all, as a country, we are borrowing 41 cents of every dollar we spend. Our gross debt is now 100 percent of our gross domestic product. The best economists in the country have warned us that once we get to a debt that is more than 90 percent of our gross domestic product, our future economic prospects are in danger. Future economic growth is reduced. That is why I have been deeply involved in every serious bipartisan attempt to reduce deficits and debt.

This proposal that has come over from the House—not having had a single hearing in this body, not one—is truly radical. Again, I say to my colleagues, we have an urgent need to act, but we shouldn't panic. Unfortunately, I think that is what the House did when they sent us this half-baked concoction of ideas that don't hold together, that don't add up, and that would actually further threaten the economic recovery.

There is no denying we face a debt threat. This is what the Chairman of the Joint Chiefs of Staff said in June of last year:

Our national debt is our biggest national security threat.

Now we have had the rating agencies warn us that if we don't act, if we don't get our debt and deficits under control, they are going to downgrade the rating of U.S. debt—the rating of how the markets respond to our debt offerings. That would have a very serious impact on what we pay to borrow money. Remember, for every 1 percent increase in the interest rates we pay, it adds \$1.3 trillion to the debt.

Here is what one rating agency has said:

We may lower the long-term rating on the U.S. by one or more notches into the AA category in the next 3 months, if we conclude that Congress and the administration have not achieved a credible solution to the rising U.S. Government debt burden and are not likely to achieve one in the foreseeable future.

That is why I joined the Gang of 6 some 6 months ago, to produce a bipartisan plan to deal with the debt threat. And we have released that plan now—

three Democrats, three Republicans. Many more of our colleagues on both sides have joined and said they are with us. So we have a way forward, but it is certainly not the legislation that has come over from the House of Representatives that we are considering today.

The House legislation would restrict the ability to respond to economic downturns and actually compound declines. It uses Social Security funds to calculate balance and subjects that program to the same cuts as other Federal spending, even though we all understand that is totally separate from the rest of the budget. It shifts ultimate decisions on budgeting to unelected and unaccountable judges. What a mistake that would be. It requires a State ratification process that could take years to complete.

We don't have years to deal with this problem. I am afraid the House legislation is mostly political theater that has been sent to us rather than a serious response to the problem. But perhaps most alarming, the proposal before us could turn a recession into a depression. We need to think very carefully how we respond to this debt threat, and then we need to react in a serious and credible way, and we have to stand together with our colleagues.

That is why I was proud to be a part of the fiscal commission, because we produced a plan that would get our debt under control and start reducing it. There were 11 of us—five Democrats, five Republicans, and one Independent—and a majority of that commission agreed to that plan. It is why I have been proud to be part of the Gang of 6 in the Senate—three Democrats, three Republicans. We have produced a plan to control our debt and to begin to work it down. None of those plans, and none of the other bipartisan plans, would risk turning a recession into a depression. But that is exactly what the legislation from the House would do.

Now, why do I say that? Well, here is one of the most respected scholars in this town. He is from the American Enterprise Institute. He called the balanced budget amendment that has come from the House a really dumb idea. This is what he said:

Few ideas are more seductive on the surface and more destructive in reality than a balanced budget amendment. Here is why: Nearly all our states have balanced budget requirements. That means when the economy slows, states are forced to raise taxes or slash spending at just the wrong time, providing a fiscal drag when what is needed is countercyclical policy to stimulate the economy. In fact, the fiscal drag from the states in 2009-2010 was barely countered by the Federal stimulus plan. That meant the Federal stimulus provided was nowhere near what was needed but far better than doing nothing.

Now imagine that scenario with a Federal drag instead. Mr. Ornstein doesn't just imagine that, the Washington Post, in an editorial from last Friday, said:

Rewriting the Constitution is the wrong way to deal with the debt.

Let me just reference, from their second column, these words:

Worse yet, the latest version would impose an absolute cap on spending as a share of the economy. It would prevent Federal expenditures from exceeding 18 percent of the gross domestic product in any year. Most unfortunately, the amendment lacks a clause letting the government exceed that limit to strengthen a struggling economy. No matter how shaky the state of the union, policymakers would be prevented from adopting emergency spending, such as the extension of unemployment insurance and other countercyclical expenses that have helped cushion the blow of the current economic downturn.

Two of the most distinguished economists in our country, Alan Blinder, the former Deputy Chairman of the Federal Reserve, and Mark Zandi, who was an adviser to JOHN MCCAIN'S Presidential campaign, studied the government response to the latest financial crisis. Here is what they concluded:

We find that its effects on real GDP, jobs, and inflation are huge, and probably averted what could have been called Great Depression 2.0.

This amendment before us would have stopped the governmental response, which two of the Nation's most distinguished economists tell us averted Great Depression 2.0. Quoting further from the article:

When all is said and done, the financial and fiscal policies will have cost taxpayers a substantial sum, but not nearly as much as most had feared and not nearly as much as if policymakers had not acted at all. If the comprehensive policy responses saved the economy from another depression, as we estimate, they were well worth their cost.

This amendment that is before us now would have prevented this response and would have prevented averting a Great Depression.

Here is the work of Zandi and Blinder with respect to what would have happened to jobs absent the Federal response. Jobs with the Federal response, the green line; jobs without the Federal response, the red line: 8 million fewer jobs without the Federal response to prevent a depression. Unemployment, what would have happened without the Federal response, according to this detailed study by Zandi and Blinder: Without the Federal response, unemployment today would be about 16 percent instead of the 9 percent we are experiencing. We would be in a depression. That is the hard reality. The amendment before us would have prevented that kind of governmental response.

They call this plan cut, cap, and balance. They should have called it cut, cap, and kill Medicare, because that is what this plan would do; it would cut, cap, and kill Medicare.

Why do I say that? Well, if we look at the House budget proposal that underlies this plan, we see what happens under traditional Medicare. Under traditional Medicare, the beneficiaries would pay 25 percent of their expenses. Under the Republican budget plan that underlies the amendment that has

come before us, Medicare beneficiaries would pay 68 percent of the expenses of their health care. In other words, somebody who is Medicare eligible, qualifies for the program, pays their required costs, pays their required copays, pays their required premiums, pays 25 percent of the cost under the plan. With the Republican plan from the House, that would increase to 68 percent. That stands Medicare on its head. Instead of Medicare, as normal insurance does, paying the lion's share, individuals would pay the lion's share of their health care expenses.

The underlying House Republican plan that underlies this amendment would increase the out-of-pocket costs to a Medicare beneficiary from \$6,000 to \$12,500. That would be health spending for a typical 65-year-old Medicare beneficiary in 2022. Instead of paying \$6,000 under current law, they would pay \$12,500.

Somebody who has been following the details will look at these numbers and say, Well, Senator CONRAD, what you have outlined there is the House Republican plan. And what has been sent you in an amendment actually is even more draconian than the House Republican plan. It goes even further. It cuts Medicare even more. And, yes, that is true. I have understated very substantially the devastation that would be done to Medicare under the amendments before us. But how can that be? Well, here is how it can be.

The red line shows the spending under the House GOP budget. But in this amendment, in this legislation that has come to us, not only did they adopt the House Republican budget, they then trump it. They then override it with a constitutional amendment that goes even further.

Here is the spending under the House Republican plan. It goes from 24 percent of GDP down to 19.9. Then it is leapfrogged by the provisions of the constitutional amendment that would take spending down to 18 percent of GDP. From 24.1 to 18, that is a 25-percent cut if you took the cut across the board.

But their plan doesn't take the cut across the board. It shields certain things. So the cuts to those things that aren't shielded have to be more draconian and even deeper.

Visually I thought I should produce a chart that shows what would happen if you had to reach the limit that is in the constitutional amendment that is before this body today.

With an 18-percent cap on all gross domestic product spending, here is Social Security. That is 5 percent of gross domestic product. Defense and other nonhealth spending, as you can see, takes you well over 15 percent. Then you have interest, and you are at their cap. There is no money for Medicare. There is no money for Medicaid. There is no money for any of the other health care accounts. If they hold harmless Social Security, defense and other nonhealth spending, and of course we have

got to pay interest on the debt, there is nothing left over. That is why I call this cut, cap, and kill Medicare. I should have added cut, cap, and kill Medicaid. Cut, cap, and kill every other health care account.

This plan caps spending going forward at draconian and unrealistic levels. It fails to account for the retirement of the baby boom generation and rising health care costs. Perhaps more remarkable, it provides no war funding for 2013 to 2021. Nothing.

Let me repeat that. This plan that has come over from the House is so ill-considered, so hastily thrown together, so lacking in credibility that they provide for no war funding after 2013. Does that mean they are advocating bringing all the troops home from every location everywhere around the world? Well, I am certain not, because that is not the position they have taken. But they don't provide any money for it.

I don't know who slapped this thing together, but they weren't very careful in what they did. None of it adds up. It is totally make-believe.

This is not make-believe. This is what is going to happen to the number of people who are eligible for Medicare and Social Security running up to 2050: The number of people eligible is almost going to double. That is a demographic tidal wave that is a reality. It is not a projection. These people have been born. They are alive today. They are going to retire. They are going to be eligible. This amendment before us makes no provision for them.

So what is going to happen? They are going to shred Medicare, they are going to shred Medicaid, and they are going to put at risk Social Security. That is as clear as it can be.

Here is the reality we confront today as a nation. Spending as a share of GDP is the highest it has been in 60 years, but revenue as a share of GDP is the lowest it has been in 60 years. Both of these are facts, both of these are true. Our friends on the other side are saying you cannot touch the revenue side of the equation, even if it is closing tax havens, going after abusive tax shelters, going after tax scams that proliferate the Tax Code today. They say, Oh, no, you can't touch that; you can't make any changes on the revenue side of the equation, even though the revenue is the lowest it has been in 60 years as a share of our national income. They say it would take a two-thirds vote, and they would put it in the Constitution of the United States that they would require a two-thirds vote to close any tax haven, any tax shelter, any abusive tax scam would take a two-thirds vote.

That is not what I learned when I was growing up about the Constitution of the United States. It didn't say anything about protecting those who engage in tax scams and tax havens and abusive tax shelters. But that is what this plan would do.

The Washington Post back in May did an analysis: How did we get into

this ditch we are in of runaway debt and runaway deficits? How did we get into this position? Their conclusion after this study was that:

The biggest culprit by far has been an erosion of tax revenue triggered largely by two recessions and multiple rounds of tax cuts. Together, the economy and tax bills enacted under former President George W. Bush, and to a lesser extent by President Obama, wiped out \$6.3 trillion in anticipated revenue. That is nearly half of the \$12.7 trillion swing from projected surpluses to real debt. Federal tax collections now stand at their lowest level as a percentage of the economy in 60 years.

This amendment before us would require a two-thirds vote to do anything about it? Let's get serious.

As I say, I have been part of every serious bipartisan effort here over the last 2 years to come up with a plan, to get our debt under control. So, yes, cut spending; yes, reform entitlements; yes, get the revenue base recovered so we can reduce our debt. But this plan before us is a disaster.

Let's look at reality. The last five times the budget has been in surplus in the last 40 years, revenue has been close to 20 percent of GDP. This plan would require a two-thirds vote to increase any revenue. Revenue is at 14.8 percent of GDP. Wow. You talk about consigning this country to an endless round of economic uncertainty and an undermining of the economic position of the United States, vote for this thing.

Martin Feldstein, who is one of the most conservative economists in the country, has said we have got to take on these tax expenditures. Tax expenditures now amount to \$1.1 trillion a year. We are spending more through the Tax Code than we are in all appropriated spending every year, and yet this amendment would require a two-thirds vote to change any of those tax expenditures, to close any of the tax loopholes, to go after any of the tax havens and abusive tax shelters.

Here is Martin Feldstein, Professor of Economics at Harvard, Chairman of the Council of Economic Advisers under President Reagan. This is what he said:

Cutting tax expenditures is really the best way to reduce government spending. Eliminating tax expenditures does not increase marginal tax rates or reduce the reward for saving, investment or risk-taking. It would also increase overall economic efficiency by removing incentives that distort private spending decisions. And eliminating or consolidating the large number of overlapping tax-based subsidies would also greatly simplify tax filing. In short, cutting tax expenditures is not at all like other ways of raising revenue.

Interestingly enough, every bipartisan commission has come back and said, as one part of dealing with our deficits and debt, we ought to reduce tax expenditures. It is spending by another name. But do you know what. The legislation before us would require a two-thirds vote to change any of these tax expenditures because it raises revenue. It raises revenue, so they are against that.

Here is where the tax expenditures go. The top 1 percent get 26 percent of the value of tax expenditures. These loopholes that have proliferated have gone to the very top. We are going to have to reform this Tax Code, take out the junk, and at the same time we are going to have to go after these offshore tax havens and tax shelters that some of the very best off among us, the most fortunate, are using to dodge what they legitimately owe in this country.

They call this legislation cut, cap, and balance. They should have called it preserve, protect, and defend tax havens and tax shelters because that is, in effect, what it would do. They say if we go after these tax havens and these tax shelters that is a tax increase. That increases revenue; therefore, it should take a two-thirds vote to do anything about it.

Let me say to my colleagues, this is a little five-story building down in the Cayman Islands. It claims to be home to 18,857 companies. They all say they are doing business out of this little building. This is the most efficient building in the world. It is unbelievable: 18,857 companies say they are doing business out of this little building. That is a remarkable accomplishment, to be running 18,000 businesses out of this little building. How can that possibly be?

Of course it is not. The only thing they are running down there is a giant tax scam on all the rest of us who pay what we owe. By the way, it has no taxes that apply to these businesses. We are not down in the Cayman Islands. We are right here. We are filing our taxes, and we are paying them. These companies are dodging theirs. If anybody doubts that this has become a huge hemorrhage for the U.S. Treasury, here is what our own Permanent Subcommittee on Investigations has found:

Experts have estimated that the total loss to the Treasury from offshore tax evasion alone approaches \$100 billion per year, including \$40 billion to \$70 billion from individuals and another \$30 billion from corporations engaging in offshore tax evasion. Abusive tax shelters add tens of billions of dollars more.

Before we raise taxes one thin dime on any of the rest of us who are paying our taxes, let's go after these folks who are dodging their responsibilities and their obligations. This amendment before us would require a two-thirds vote to do it.

That is not the end of it. Here is what happened to the tax rates of the most wealthy 400 families in the United States, their effective tax rates since 1995. In 1995 their effective tax rate was 29.9 percent. By 2007 it was down to 16.6 percent. The wealthiest among us have had their tax rates about cut in half. I don't know about you, but I didn't have my taxes cut in half. The vast majority of Americans did not have their taxes cut in half. But with the help of well-placed lobbyists here, those who are the most fortunate have had their effective tax rates cut in half.

This amendment before us would say it would take a two-thirds vote to change that. That is why I say this amendment should be called preserve, protect, and defend tax havens and abusive tax shelters.

The last time the top rate was 39.6 percent we experienced the longest period of uninterrupted economic growth in U.S. history. Those who say if we raise any revenue we kill jobs—really? That is not what history shows. The last time we had a comprehensive plan to cut spending and raise revenue to reduce the debt—during the Clinton administration—we kicked off the longest period of uninterrupted economic growth in U.S. history: 39 straight quarters of economic growth, 32 of those quarters during the Clinton administration, and 24 million jobs were created.

Dealing with the deficit and the debt in a balanced and comprehensive way does not kill jobs. It creates the climate for the creation of jobs because it improves the competitive position of the United States.

I have been part of three plans to reduce this debt from what it would otherwise be by \$4 trillion. The fiscal commission plan—I served, 11 of us, 5 Democrats, 5 Republicans and 1 Independent endorsed that outcome. I was part of the Group of 6, 3 Democrats and 3 Republicans.

We produced a plan to reduce the deficit and debt from what it would otherwise be by \$3.7 trillion. I was part of the Democrats on the Senate Budget Committee that unveiled a plan to reduce deficits and debt from what they otherwise would be by \$4 trillion. So I have been happy to be part of bipartisan efforts, efforts just on our side of the aisle, and interestingly enough every single commission has come up with a package of about \$4 trillion in deficit savings.

I think the Group of 6 did yeoman's work, bringing the deficit down from 9.3 percent of GDP, down to 1.9. Yes, we have revenue; yes, we have spending cuts; yes, we reform entitlement programs—because all of that is necessary. This legislation before us says: Whoa, wait a minute. We don't want to do it all. We want to focus on just part of it. This problem is too big to try to solve it with just part of the Federal fiscal picture. It is going to take all parts to solve this problem.

The Group of 6, I am proud to say, came up with a plan that stabilizes this debt and begins to bring it down, avoiding this skyrocketing debt we are otherwise going to experience. This legislation before us would stop it in its tracks. I think that would be a profound mistake.

I hope my colleagues reject this ill-considered plan.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I rise to speak in favor of the plan that

is before us, the Cut, Cap, and Balance Act. I also think there are some very important achievements in the Group of 6 proposal. It is a proposal. It is not legislative language. It has many things in it that are very good. It has tax cuts, it has entitlement reform, it has spending cuts. It is a complicated outline and one that needs to be fleshed out to know exactly what is in it, and it has some areas with which I disagree. I certainly want to assure that we keep the 15-percent capital gains and dividends rate. But we also have another proposal that I think has great merit.

I think the bill that has come over from the House, the Cut, Cap, and Balance Act, puts even more together on the issues that we are all trying to address. What we need are spending cuts that are real, not proposed down the road or promised. That is what the Cut, Cap, and Balance Act will do.

We all know we have a \$14.3 trillion debt ceiling that is getting ready to be hit sometime in the month of August. What we need to do—in this Senate, in the Congress, and, certainly, hopefully, the President—is give confidence to the markets. That means we do two things: We raise the debt ceiling. We don't default or even scare people that we are going to default, with reforms that will assure that we will not ever have to do it again. That is what we must do to send a message to the markets that we are going to get our fiscal house in order, and we are going to assure that our debts are paid, that the people who work on Federal contracts and our military and Social Security recipients will get their paychecks. We have to assure the market. To raise the debt ceiling we have to show we are going to cut back on spending. That is the key.

We have to tackle the core problem. We have to stop spending too much, borrowing too much, and taxing too much. We do not have a taxing problem in this country, we have a spending problem. We are not being taxed too little, we are spending too much.

With \$2.2 trillion in tax revenue collected, the Federal Government has the ability to live within its means. We must prioritize and we must make sure we get a private sector economy that will hire people.

I can tell you, small businesses are not hiring because they are terrified of the health care bill that was passed last year. They are terrified of the costs involved. Second, they are looking at people in Washington talking about more taxes, and they are saying: I am freezing right now. I am not going to take a chance that I am going to hire a new employee who is going to cost more than the productivity we can add to our business and keep going.

The cut, cap, and balance bill would make significant spending cuts now. It also requires the passage of a balanced budget amendment to the Constitution. It takes a two-thirds vote of both Houses to do that, but we need to do it. We need to put the Federal Govern-

ment on the same kind of fiscal constraint that almost every State in our Nation has; that is, a constitutional requirement that we have a balanced budget, that we do not borrow for operational expenses.

We can borrow for long-term projects, bonds—absolutely. But we are not going to borrow for our immediate needs. That is what kills the governments that overspend, of which the U.S. Federal Government is one. We need to have the balanced budget amendment that is in this bill passed, knowing that it is not going to be an immediate fix because the States would have to ratify it.

More than half the States will have to ratify a constitutional amendment. In that constitutional amendment we have an 18 percent of gross domestic product cap on Federal spending because that will put our fiscal house in order. We know that is long term. Certainly, we want to get started on that long-term constitutional amendment fix because once we do it and once the States ratify it—and I believe they will—then we will have the ability to assure future generations that we will never be in the fix we are in now.

Today the Federal Government is spending 24 percent of GDP. The 40-year average is 20.6 percent. We have about a 3-percent increase in the Federal spending level that is juxtaposed against a gross domestic product. If we put a spending cap of 18 percent in a constitutional amendment, we will have time to start drawing that down so it will not be an immediate hit. In fact, the bill that is before us has a gradual decrease in the caps on spending. We have the constitutional amendment part, that is the balance part.

We also have a cap in the bill that is before us. It is not an immediate cut, 18 percent, but it does ratchet down: 21.7 percent in the year 2013, 20.8 percent in 2014, and so forth until we get to 2021 which would have a 19.9-percent spending cap as a percentage of gross domestic product. It is a gradual cut between 2013 and 2021, in the cap on Federal spending. I think that is a responsible approach, and that is why I am fully supporting this bill. That is the cap part. We have the cut part that is real cuts. We have the cap part that puts the lid on spending going forward, and then we have the balanced budget part, which goes to the States and goes through our constitutional process to put us in the same situation most States are in; that is, with constitutional provisions that they have balanced budgets.

One of the most valuable economic lessons we have in this country—because we have learned from history—is we cannot spend our way out of debt. That is the worst remedy. If you are a family in debt, you do not keep spending and you do not put a freeze on spending either, which is what was suggested in President Obama's budget. He said: We will just freeze at 2011 levels. But 2011 levels are inflated. Because of

the huge stimulus bill that was passed we have an inflated level and we say let's freeze there. No; we need to freeze at a lower level. We need to start ratcheting down the spending in this country in order to assure that we start going toward a balanced budget. The Cut, Cap, and Balance Act is a reasonable way to cut spending now so we will not have that debt ceiling lifted again because we will bring down the deficit and not hit that debt limit again. So we bring down the deficits with immediate spending cuts, then we go forward with a cap that starts at 21.7 percent in 2013. Knowing we are at 24 percent now, we have to have those immediate cuts to start getting down to the reasonable level.

There is one more thing we need to do that is not in this bill but is something that if we are going to have the long-term debt reduction, we have to look at the entitlements and expenditures because our discretionary expenditures are roughly 30 percent of the total expenditures of our country. So we know we are out of kilter right now in Social Security because the actuarial tables have not been kept up-to-date. When Social Security was passed, the average man lived to be about 60 years old. Today, the average man lives to be about 77. We are going up—and thank goodness—with the life expectancy and quality-of-life. So if we are going to get our fiscal house in order, we do need to address that. We need to have a very gradual increase in the retirement age.

I have proposed a Social Security reform bill that does adjust the COLA, and it also has a gradual increase in the age of retirement. It stops at 69. The other thing the Gang of 6, or the Group of 6, did that I thought was very positive is, it put everything that depends on a cost-of-living adjustment in the Federal budget on a different calculation that is determined by economists to be a more realistic spending gauge, and it is the CPI, the Consumer Price Index. The CPI is adjusted in the Group of 6 proposal that will bring down the costs and will be a more realistic COLA, cost-of-living adjustment. So it is very important we look at that as one of the good parts of the Gang of 6, or Group of 6, proposal because it puts it more in line with reality, and it also will save money on the other end on the long-term strategy that we must have to adjust our fiscal requirements to meet the needs and the revenues that are coming in. The tax cuts that are also in the Group of 6 proposal will help spur the economy, and along with the spending cuts, will bring our debt interest requirements down. The cost-of-living adjustments are very minor but will have an impact over the long term. These are some of the good things that are out there.

Let me say in conclusion, we have had several of our leaders make proposals. We had Senator REID and Senator MCCONNELL put out a proposal. Of course, there were critics on all sides of

that proposal. Then we had the Group of 6 that came out with a proposal and there were people who criticized that immediately. I think we need to take the nuggets of these proposals—which there are some very good parts of the Reid-McConnell bill and there are some very good parts of the Group of 6 proposal—and let's not criticize people for putting forth ideas because that is how we start coming to a conclusion about what is the best proposal. To criticize the people who have come forward with very bold plans is a huge mistake, and I think it is unfair to those who have put something out to say: Oh, that is a terrible plan and we would never vote for it. Are you kidding? I mean, we need to come together with all the plans.

I am supporting this one, the Cut, Cap, and Balance Act, which I think came mostly from the House and some of our Senators. It is very solid. I certainly think Senator REID and Senator MCCONNELL didn't want us to come to August 1 and have no endgame. So they were preparing something that has some merit. They have a 302(a) allocation in theirs that is basically a cap on spending. We need to have that, and that part of their proposal is very sound. Then the Group of 6 has tax cuts as well as spending cuts and some adjustments in the mandatory spending side, the entitlements. We have to have those ideas all on the table.

Instead of being negative about everything, let's take some of the good parts we like and see if we can come to a consensus on those. That is what we have to do if we are going to have an end result that will assure our obligations are paid sometime in August when the true debt ceiling is hit. I think it is later in August. That is what is in conflict right now. I think it is later in August, and if we are going to meet those requirements that we have as elected Members of Congress, we are going to have to find some way to get there with the reforms that are necessary to give confidence to not only the people who hold our debt but to the markets that would assure that our economy is not going to collapse under the heavy burden of this debt. The reforms are a necessary element to lift the debt ceiling or we will not be sending the right message to our debtors nor to the people who might start hiring and getting this 9.2 percent unemployment down.

I hope we can have a very strong, positive vote on the Cut, Cap, and Balance Act. We need to address these issues. Let's put it all together and let's start talking about what we have to do when that debt ceiling is reached, and this is a good start.

I yield the floor.

Mr. ALEXANDER. I ask consent to speak for up to 15 minutes.

The PRESIDING OFFICER (Mr. BROWN of Ohio). Without objection, it is so ordered.

Mr. ALEXANDER. Mr. President, I congratulate the Senator from Texas

for her remarks, for her leadership, for her willingness to be involved in and support a variety of ways for us to meet the two goals we have before us, one of which is to make a significant step to reduce our Federal debt, to stop Washington from spending money it doesn't have; second, to do so in a way that honors the financial obligations of the United States of America, the most creditworthy country in the world.

The Cut, Cap, and Balance Act, which has passed the House and has 37 co-sponsors in the Senate—I am proud to be one of them—I think is a superior piece of legislation. I hope when we vote on it, it gets a majority of votes in the Senate and becomes law. Before I speak about the Cut, Cap, and Balance Act, I would like to speak for a moment about those two goals that are before us as we consider our debt, consider our financial obligations, and consider all of them up against what is said to be a point on August 2 where the debt ceiling needs to be increased.

As I think about those two goals, reducing our debt, honoring our obligations, I think about a friend of mine in Tennessee who pays his bills out of a cigar box. This is how it works: A bill comes in to my friend and he puts the bill in a cigar box. Then another bill comes in and he puts that bill in a cigar box. Then the next week maybe some money will come in. So my friend will reach down to his cigar box and he will pull a bill out and he will pay that bill. Then, when a little more money comes in the next week, he will reach down and pull out another bill and pay that bill. My friend pays his bills out of a cigar box. Now what happens to my friend if he wants to go down to the local bank and says: I would like to borrow some money in order to pay all the bills I have in my cigar box.

I think what the banker is going to say is: I am sorry, my friend, but we are reluctant to loan money to you or, if we do, we are going to charge you more for it because we don't know whom you are going to pay. You might reach into your cigar box and pay the whiskey store instead of the bank. You might pay the grocery store instead of the principal on your loan. You might pay the service station before you pay us. So because you selectively pay your bills out of your cigar box, you are not a good risk. We are going to charge you more to borrow money or we are not going to loan you money at all. That is the risk we take if we play around with this idea of the United States of America—the most creditworthy country in the world—selectively paying its bills, going from being the most creditworthy country to being a country that pays its bills out of a cigar box.

There are three obvious reasons why we should not do that. Reason No. 1 is, it is going to cost us more. Today, the United States of America can borrow money for 10 years at about 3 percent. We are so creditworthy—people trust us so much to pay our obligations—that they will give us money for a

short period of time at no interest. It is a tremendous advantage to us. The United States has the most risk-free credit in the world, and I might add the most risk-free credit in an increasingly turbulent world.

What if we decided after August 2, when we are told sometime in that month we will begin to not have enough money to pay all our bills, what if we decided not to raise our debt ceiling and that we would pay our bills out of a cigar box? We might say: OK. We don't have enough money, so we will pay China before we pay grandma her Social Security. Oh, better not do that. In fact, I saw a fellow in Portland, TN, on Monday and he said: What is this about my Social Security not being paid? I said: I think it will be paid. It might be two or three days, but the telephone calls would come in and Congress will fix it and it will get paid. He said: It better not be 5 minutes.

So we might want to pay all of our Social Security benefits, but the President might say or the Secretary of Treasury might say: Well, we will pay grandma her Social Security, but we won't pay the wife of the soldier at Fort Campbell who is in Afghanistan on his third tour. That is not such a good idea. So maybe we won't pay the veteran's benefit. We will pay the wife. That doesn't sound so good, either.

What about those 12 million, 15 million students who are headed off to college in the next few weeks with a student grant or a student loan from the government? Should we pay just those going to public colleges and let the private colleges take care of their own—just the for-profits, not the nonprofits?

We see what could happen if we have a country that—especially a country such as the United States—instead of paying all of its obligations on time, whether it is to China or Japan or to grandma or to the veteran, begins to selectively pay those bills when we have the money. I think I know what would happen. Instead of being able to borrow money for 10 years at 3 percent, we might have to pay a little more for it. Let's say it just went from 3 percent to 4 percent. What would that mean to us? It would mean, according to the Congressional Budget Office, the taxpayers would have to pay \$1.3 trillion more in interest over 10 years. So if it goes up 2 percentage points to 5 percent, it is twice that. That is what happens when we pay our bills out of the cigar box.

It is not just the taxpayers. My son said to me the other day: Dad, my mortgage loan resets in October. If you all don't work this out, it means my interest rate might go up.

Let's say he has a \$100,000 house loan, and it goes up 1 percent. That gets to be some money for him. So if it is a credit card loan, if it is a home loan—whatever loan it is, it would begin to go up. Paying our bills out of a cigar box would raise our costs.

There is a second obvious reason not to do this. In 2008, we were smacked in

the face with a world economic crisis. We didn't expect it. Most of us didn't cause it, but we had to deal with it. Here in the Congress, we had to do some very unpopular things: We had to bail out banks, even some industries. The American people hated that, even though most of the money has been paid back. We don't know what we averted—probably a much worse problem—but we are still suffering from what happened in 2008. But we didn't do that deliberately.

In this case, if we were to deliberately go from being the most credit-worthy country in the world to a country that paid its bills out of a cigar box, we would be deliberately injecting uncertainty into a turbulent world.

Look at Europe, with the eurozone trembling over the debt in Portugal and the debt in Greece, with sovereign nations perhaps having to bail out European banks.

Look at Japan, the third largest economy, in a 10-year recession, with a third of its powerplants closed after the tsunami, sweating through the summer, with an inability to sell their goods.

Look at China. China is a big success story, but it may be growing too fast. Its inflation is up, and it has a lot of unreported debt at the provincial level.

Look at our markets. We make trades in milliseconds, and twice in the last year we had sudden drops in the market which we couldn't explain for months. Do we really want to inject this level of uncertainty into the turbulence we have today and into the financial markets when we know we could avoid it? I think not.

Then there is a third reason, and this is a purely partisan reason. Maybe it is not even appropriate to talk about it on the Senate floor, but let's talk about it for a moment anyway.

The President has done a pretty good job of blaming his predecessors for problems, but lately people have said: Mr. President, we don't blame you for the problems you inherited, but we do hold you responsible for the decisions you have made to make it worse. You have made it worse with the health care mandates and higher individual health care policies. You have made it worse with the financial regulations bill. You have made it worse by not sending over the trade bills. You have made it worse with the high cost of energy. You have made it worse with your National Labor Relations Board appointments and undermining right-to-work laws. You have made it worse by doubling and tripling the debt.

People are listening to that. They agree with that. But what would happen if the Republican Party or the Democratic Party or any group of people have the primary responsibility for turning this country from a country that is the most creditworthy country in the world into one that pays its bills out of a cigar box? The President will say—instead of us saying, Mr. President, you made it worse, he will say, you made it worse.

There is every reason in the world to regard the debt ceiling decision we have to make as an opportunity to take a significant step to reduce the debt. We can do that while still honoring our financial obligations, and we should. And today we are talking about one of those ways to do it.

Republicans have offered—with Democratic cosponsorship in a number of cases—at least five major ideas for taking a significant step toward stopping Washington from spending money it doesn't have. There are five ways to do that:

There has been the Corker proposal, which is bipartisan and over 10 years would bring our spending, which is the real problem, from its present level—about 25 percent of our total output in the country—to about 20 percent, which is the historical level.

There is the balanced budget amendment, which is the most obvious solution for a nation that is spending more than it takes in. Families do it, States do it—balance their budgets, live within their means—and the Federal Government can do it. Over time, we can get back to the point where we were not many years ago, where we spend about the same amount of money we take in. As Governor, I know that for 8 years we did that. As a result, we have almost no debt in the State of Tennessee, and as a result of that, we can use our gas tax money, for example, to pay for roads instead of interest on the debt.

Then there is a third idea that has bipartisan support; that is, the Gang of 6, which came out this week. The President said it was a gang of seven. He thought I was in it. I would have to say with respect, Mr. President, I am a law-abiding citizen. I am not a member of any gangs. But I support what they do because I think it is a serious, bipartisan effort to help stop Washington from spending money it doesn't have.

Then there is another proposal which has bipartisan support that Republicans as well as Democrats have initiated. Senator ISAKSON from Georgia has taken the lead on it. It is the 2-year budget proposal which would allow us time every other year to focus our efforts on eliminating rules and eliminating regulations instead of adding so many.

So there are four ideas we have suggested—in some cases with bipartisan support—where we can take a significant step to reduce our debt while still honoring our financial obligations.

Today, we are talking especially about cut, cap, and balance. The legislation that passed the House of Representatives with 234 votes this week has come to the Senate floor. We are going to be voting on it in the next day or two. It has 37 cosponsors, and I am one of them. I especially commend Senator LEE for his work on putting this bill together and doing it in a way that would attract the largest amount of support.

This is a very reasonable proposal. The cut part is to say that for the first

year, we would spend a little less than we did last year. Now, that is a reasonable proposal. The State of Tennessee, where I was once Governor—the current Governor is presiding over a State that is spending \$1½ billion less than it spent last year. Now, they don't like to do that. There are some unfortunate consequences from it. But they still balanced their budget, they are still getting along, and they are hoping for the day when the economy recovers and they will have more revenues coming in without raising taxes.

So step one is to cut what we are spending today in next year's budget. Then we cap, according to the economic output of the country over the next 10 years, the amount we spend over those 10 years. Then the third step is to balance the budget—the most obvious solution of all—over time, to say we are not going to spend more money than we have coming in. This is our proposal to begin to control spending in a government that borrows 40 cents out of every dollar it spends, a government the economists tell us is costing our Nation 1 million jobs because of the high level of debt. This is an urgent problem. It urgently needs a solution.

In conclusion, almost all of us here in the Senate are good at making speeches. That is one way we get here. But we have not become as good at the rest of our job, which is to get a result. The American people expect us to do that. They have to do that in their everyday lives. So they respect our principles, they respect our speeches, but they know our principles sometimes conflict, and in the end, we have to have a result. We have to have a result here. We have to find a way, first, to significantly reduce the debt and, second, to do it in a way that honors the financial obligations of the United States.

I have suggested five ways we can do that, including cut, cap, and balance. In order to do that, it means each of us is probably going to have to accept as a part of the solution an idea that is not our first choice. But why should we be exempt from that requirement? That is what we have to do in a marriage. That is what we have to do in a family. That is what we have to do in a business. That is what we had to do in creating the Constitution years ago. This Senate wouldn't exist if it weren't because of a grand compromise. Otherwise, how could we justify two Senators from Wyoming and the same number of Senators from California, which is so much larger?

To get a result, after we make our speeches, we need to be willing to accept some ideas that are not our first choice. That is why I am a cosponsor of several different kinds of ideas—cut, cap, and balance, the Corker proposal, the Gang of 6 proposal. That is why I support the Isakson-Shaheen effort on the 2-year budget. That is the kind of attitude we need in the next couple of weeks.

Cut, cap, and balance is a good way to meet our two urgent goals: take a

significant step to reduce our debt and do it in a way that honors our financial obligations.

We are perfectly capable as a country of fiscally disciplining ourselves. We are capable of reducing our debt and of stopping spending money we don't have and, at the same time, avoiding turning the most creditworthy Nation in the world into a country that pays its bills out of a cigar box.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. SCHUMER. Mr. President, as we spend the day debating the Republican plan to cut, cap, and kill Medicare, a plan that is dead on arrival in the Senate, it has become obvious what the true question of the day is. That question is, Will we as a nation allow ourselves to be driven into default and financial calamity by a small group of extreme rightwing ideologues in the House GOP?

It has become increasingly clear that this group of ideologues has grabbed the reins and is refusing to let go, no matter who tries to pry their fingers off. It is clear that this uncompromising group of narrow ideological Congressmen is the one thing standing in the way of raising the debt ceiling so our Nation does not default. It is the group that alone wants to drive the car off the cliff. We are now 11 days from defaulting on our debt, and for the last few months this small group, far outside the mainstream, has contributed nothing to efforts to reach a compromise.

The House GOP has rejected every form of compromise, from the Simpson-Bowles plan, to the President's \$4 trillion grand bargain, to the McConnell fallback plan, to, as of yesterday, the Gang of 6 framework. Instead, they have offered dangerous schemes such as the cut, cap, and kill Medicare plan that passed the House yesterday. Their "plan" would wreak havoc on our country's seniors and the middle class. It is not a serious proposal, it will never pass this body, and it is a waste of time.

While reasonable people are trying to come to a compromise, the House GOP is becoming increasingly isolated. Yesterday, for example, my colleague JOHN MCCAIN warned the House GOP that Americans do not want the government to shut down and urged them to learn the lessons of 1995. Then, close to a third of Senate Republicans signed on to a plan that would combine major spending cuts with new revenues—a balanced approach the House GOP has sworn off. And every day more voters

are abandoning them. As the L.A. Times reported this morning:

Republican resistance to compromise has taken a significant bloc of voters against them . . . frustrated members of their own leadership as well as establishment GOP figures.

So the House GOP is being criticized from every corner.

Then today we have what must be the most significant departure to date from the House GOP's fantasy-land. In a major development, antitax crusader Grover Norquist told the Washington Post that letting the Bush tax cuts lapse would not constitute a tax hike. This is a development the significance of which should not be underestimated. It is a recognition from Norquist that the House Republicans are increasingly isolated and have painted themselves into a corner. Norquist is trying to signal to the House GOP that their no-compromise position is untenable, deteriorating, and bad for their party and the country. The House GOP is on an iceberg that is melting into the ocean, and even Grover Norquist is offering them a lifeboat. The question is, for their own good and for the country's good, will they take it? I urge my colleagues in the House to accept this life-line. It is time to leave default-denier island and come back to reality.

The House Republican extremists—those who are way over to the far right—painted themselves into a corner, even to the right of Grover Norquist. Grover Norquist, the hall monitor when it comes to enforcing the Republican Party's antitax pledge, has given House Republicans a hall pass. They should use it. This is a coded message from one of the truest believers in the Republican Party that it is time for conservatives to step back from the brink.

Norquist has given us a potential path forward. If we decouple the Bush tax cuts now by only extending them for the middle class and not for millionaires and billionaires, we could have the foundation of a deal that includes revenues but does not violate the Norquist antitax pledge.

This decoupling strategy is what the President and Speaker BOEHNER were entertaining earlier in the context of a grand bargain, but Leader CANTOR and other rightwing hardliners forced the Speaker to walk away because they feared violating the antitax pledge. But now a deal on decoupling seems to have Norquist's permission, if not his blessing. We should revisit it.

It is time to recognize that the quickest, most effective and economically sound way to reduce our deficit and debt is a balanced approach that both cuts spending and raises revenues—a plan that mirrors every other successful deficit reduction deal in our Nation's history, a plan along the lines of the ones negotiated by Presidents Reagan, Bush, and Clinton.

I hope my colleagues in the House GOP see the danger of the path they are going down and change course be-

fore they take the entire country down with them.

Mr. REID. Will my friend yield for a question?

Mr. SCHUMER. I would be happy to yield to the distinguished majority leader.

Mr. REID. Mr. President, I ask permission to ask my friend a question through the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. It is true, is it not, that the Senator served many years in the House of Representatives?

Mr. SCHUMER. Eight years.

Mr. REID. And the Senator understands the difference between the procedures in the House and in the Senate, does he not?

Mr. SCHUMER. I do, some.

Mr. REID. And in the Senator's years serving in the House of Representatives, he has seen how quickly things can move over there; is that right?

Mr. SCHUMER. That is absolutely right.

Mr. REID. And coming to the Senate, the Senator has seen how slowly things have to move here in the Senate; is that right?

Mr. SCHUMER. Indeed. I have learned that hard lesson.

Mr. REID. I say to my friend through the Chair that I see what is developing now as very, very bad for our country. It is hard to comprehend—I ask my friend this question—it is hard to comprehend how the House of Representatives, at the height of this fiscal crisis we have, has decided to take the weekend off. Is the Senator aware they have decided to take the weekend off?

Mr. SCHUMER. I have read that. Yes, I have.

Mr. REID. And it appears to me one reason to do this is to do indirectly what they cannot do directly; that is, we have—and I read them here this morning—statements from my friend the Speaker, JOHN BOEHNER, saying we cannot default on our debt; from the whip over there, ERIC CANTOR—or majority leader, whatever he is, second in command—saying we cannot default on our debt. I am saying to my friend from New York that it appears to me they are going to do indirectly what they cannot do directly by not sending us whatever they decide to do in time to get it done.

I think the country is staring in the face a default on our debt because of the House of Representatives being out this weekend. Would my friend comment on that?

Mr. SCHUMER. Yes. I think the leader has an excellent point. To not be here this weekend when the Nation stares at the first default in our 200-some-odd year history is amazing to me, that they would be gone. And when you think about it, either they do not care about defaulting on the debt—and we know Speaker BOEHNER does care about that default. I think he is aware of what terrible problems it would create for this country for decades to

come. So the answer must be what the leader is saying; that is, they hope to jam us at the last minute with something and say: Take it or leave it, which is playing with fire.

I can assure my colleagues in the House that is not how we are going to play ball here. There has to be a fair compromise, not something they come up with at the last minute and sort of toss it over here. That could create default, and if they do it, it would be on their shoulders.

Mr. REID. I say to my friend through the Chair that they may send us something well-intentioned, but I am not sure they understand the rules of the Senate. There are a number of people who are Republicans over here who have stated publicly that they think the debt should be defaulted upon. As my friend knows, most everything we do here is by unanimous consent and, if not by unanimous consent, by the rules of the Senate, which are very strict and very difficult sometimes to comprehend, but they are there.

So I am afraid that what is happening with the House leadership is they think they can send something over here and, as the majority leader, I can figure out a way to get it done. I cannot get it done if we have to follow the rules, which we have to follow, and I cannot get consent, and I cannot get consent on most anything I do around here. So I would like my friend to comment on that.

I appreciate my friend saying that Speaker BOEHNER is a good person. I agree with that. But I am not too sure that this is not an easy way out for everybody over there, that they could say: Well, we did what we wanted to do. I am sorry the Senate could not do it, so I guess our debt is defaulted upon, and we will close down all of the functions of this government and wait for a better day.

Mr. SCHUMER. Well, again, in answering the leader, first, the rules of the Senate would allow any single Senator—and we have a whole handful—to delay things day after day after day after day. Second, there are things out of any Senator's control. For instance, any proposal on an issue such as this would have to be scored by the CBO. We learned on the health care legislation that CBO cannot just sort of push legislation into a machine and an hour later say: Here is your score. It takes days and sometimes weeks. And the fact that just about every procedural motion can be filibustered and delayed means we are getting so close to the deadline that we would be in serious trouble.

Again, I repeat, I find it terribly disconcerting. It is hard to see anything but callousness toward the danger our Nation faces if we were to default by the House not being here this weekend because even a rudimentary knowledge of the House procedures—which I know the leadership of the House has—would indicate to them that if they do not get us something very, very soon and, in

fact, they do not sit and negotiate and compromise—which they have refused to do, driven by a hundred, perhaps, Congressmen, many of them new here, who sort of say: We do not care if we default—the consequences of default would be enormous and staggering and would not just go away in a month or two but would be with us for a decade. And here they are back home this weekend when America faces one of the greatest potential economic crises that we have faced.

So I very much thank the leader for bringing this up and asking these questions.

The PRESIDING OFFICER. The senior Senator from Massachusetts is recognized.

VISIT TO THE SENATE BY THE PRIME MINISTER OF NEW ZEALAND, RIGHT HONORABLE JOHN KEY

Mr. KERRY. Mr. President, I apologize to my colleagues. I know this has been previously scheduled, and I know the importance of what the Senator from New York is talking about, and the majority leader, and I completely agree with their comments and would like to share some thoughts on that at another moment. But at this particular moment, we are privileged to welcome here a great friend of the United States, the Prime Minister of New Zealand, John Key.

New Zealand is a country that is in enormous partnership with us at this time, assisting in Afghanistan, engaged in transpacific trade deliberations with us, and in many other ways contributing to one of the strongest and best global partnerships we have.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. KERRY. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the chair so that colleagues might welcome the Prime Minister to the floor of the Senate.

There being no objection, the Senate, at 11:46 a.m., recessed subject to the call of the Chair and reassembled at 12:51 p.m. when called to order by the Presiding Officer.

CUT, CAP, AND BALANCE ACT OF 2011—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. RUBIO. Mr. President, I ask unanimous consent that I be recognized to speak for up to 15 minutes.

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

Mr. RUBIO. I was witness a few minutes ago to an interesting and informative exchange and wanted to comment on that briefly. Both the leader and the senior Senator from New York had

some comments that I think are important in the context of what is being discussed here today. But I wanted to come to the floor today because we have been getting a lot of phone calls and letters from people back home who are wondering—people—what this is all about. These are folks who are out working every day and raising a family and running their businesses. They want to understand what the debate here is about. They get the gist of it, that there is this debt limit fight, and that Congress, if it does not do anything, may not be able to pay some bills beginning August 2.

But what is behind all of this? The best way to explain it to people is to equate it to the lives of real people in the real world.

Every single one of us as adults has a credit rating. In essence, there are two or three companies out there that basically rate you as an individual. What they do is give you a credit rating that determines, No. 1, whether you are willing to pay back; and, No. 2, whether you have the money to pay people back. Based on that you get something called a credit score. People are familiar with that. Every time you try to go lease or buy a car or buy a house or anything on credit, they are going to run your credit. It is going to tell them: This is John Smith, this is so-and-so, and this is his credit rating. Based on that, people will decide whether to lend you money.

Countries have credit ratings too. It is based on two things. No. 1 is your history of paying people back; and, No. 2, on your ability to pay them back in the future.

There are three major companies in the world that give credit ratings to countries—three major companies. What those companies are saying right now is we are looking at America and we are worried. We are worried about two things. They are worried about this debt limit issue, and the fact that if the debt limit is not raised, they are going to downgrade us because we are going to miss payments on this, that, or the other. They are worried about that.

But they are a lot more worried about something else. It is not our willingness to pay back, it is our ability to pay back people who lend money to the United States.

Let me read you some of the quotes. This is from Moody's, which is one of the top ones. They write: "If the government avoids default, we will likely affirm America's AAA rating."

America has the highest credit rating in the world right now that you can possibly get. They say: If we avoid default, they will likely affirm our AAA rating, but they will still assign us on something called a negative outlook, unless there is—this is the money line—"a substantial and credible budget agreement to cut the deficit."

What they are basically saying is, if you raise the debt limit, you may temporarily avoid being downgraded, but

ultimately we are still putting you on a watchlist and we ultimately are still going to downgrade you unless we have a substantial and credible budget agreement to cut the deficit.

What does that mean? They go on to elaborate. They say: The agreement should include a deficit trajectory—basically a path of deficits—that leads to stabilization and ultimately a decline in your deficit, particularly in how much money you owe compared to how big your economy is.

That is what they want to see, a plan in place that shows how we stop growing the deficit and then how we start reducing it. That is what they are saying. Then they actually talk about specific numbers. They have said, their analysts have said we think \$1.5 trillion of cuts this year—over the next 10 years—is a plan that is too little. We think \$4 trillion might be enough. That is from Moody's.

Standard & Poor's, the other rating company, wrote very clearly that even if the parties—meaning Republicans and Democrats—agree to raise the debt limit, it may not be enough to avoid downgrade.

That is the second credit house. They are saying: Even if you raise the debt limit, we may still downgrade you. In order to avoid a downgrade, you need a plan that reduces annual budget deficits by at least \$4 trillion over the next 10 years.

We hear the \$4 trillion number again. This is the second rating company basically saying: Yes, the debt limit is a problem. What we are worried about is, do you have a plan to deal with the debt and the deficit?

Then the third major company, called Fitch, wrote that they are looking for an agreement on credible fiscal consolidation strategy in order to secure America's top credit rating, a triple A.

So the three major houses' rating which is what this is all about at the end of the day, because if our credit rating goes down, interest payments go up on everything from your mortgage, to your car, but, more importantly, on America's debt, which means we are going to have borrow more money to pay the interest on the debt we already owe.

So we cannot allow our credit rating to go down. The three major companies that give us our credit rating are all saying the same. Here is what they are saying in plain English: The debt limit is a problem, but it is the least of your problems. Your bigger problem is the debt. If all you do is pass an increase to the debt limit and it does not come with a serious, credible, substantial plan to deal with the debt, you are in big trouble.

I would submit to you that the biggest issue facing us on this issue is not the debt limit. The debt limit is actually the easiest issue. That is one vote away from being raised. Our biggest issue is the debt, and the fact is that as we speak, there is no plan in place to

begin to do anything about it. Our credit is in danger because of this. That is what we should be focused on like a laser.

What will a substantial plan look like? Let's take it from the words of these credit companies: It has to stabilize deficits and begin to show how the deficits come down. We know that \$1.5 trillion in cuts is not enough. We know that \$4 trillion might be enough.

This is what we need to do. How do you do this? How do you get there? It is not rocket science. It is a pretty simple mix of two things that have to happen. The first thing you have to do is you have to stop spending money at the rate you are spending. You cannot keep spending more money than you have. If you are in debt and you keep borrowing a lot more money than you take in especially, it is only going to get worse. So you have got to control the amount of money you spend. Also what you have got to do is generate more money for government.

So if you can do those two things, if you can control how much you spend and you can generate more money for government, and you can do both things at the same time, that is how you dig yourself out of this. The debate we should be having here is how do you accomplish that.

On the do-not-spend side, we have two choices: You can either trust that future Congresses will do what virtually no Congress in the history of this Nation has ever done; that is, control themselves. And I say this when Republicans were in charge, Democrats were in charge; they have never been able to control spending. If you let politicians spend money they do not have, they will spend it, I do not care who is in charge. That is what history teaches us. So we can either trust that somehow in the future Congress will not do that or we can put into law limits on their ability to do that.

That is why I am for things such as a spending cap and a balanced budget amendment, because I think if you do not have restrictions in place, it is not going to happen. Almost every State in the country has a balanced budget amendment. I come from a State where there is a balanced budget amendment.

I assure you, I do not care who is in charge or how conservative they claim to be. If you do not have laws in place that keep politicians from spending money they are borrowing, they will borrow the money and spend it. History will back that up.

The second is, how do you generate more money for this controlled government? That is the crux of the debate we are having today. Some of my colleagues believe the way you do it is you raise taxes, especially on rich people. To some people this may sound appealing. Here is the problem. It does not raise nearly enough money, if you could even collect it. It does not raise nearly enough money.

From the only tax plans I have seen put out there by the administration

and some of my colleagues here on the other side of the aisle, it adds up to less than 10 days' worth of deficit spending. We do know, however, that these increases in taxes could kill jobs.

The other way you can generate more revenue for government—and it is the way I think we should do it—is to grow your economy. You get more people back to work, and so now more people are paying taxes. You get people who are working to make more money because their businesses are doing better and so they are paying more taxes. The government uses that money not to grow government, it uses that money to pay down its debt and control itself. How do you create more jobs and economic growth? You do it by encouraging people, not in this building but outside this building, to start businesses or grow existing businesses.

If you ask those people—not economists, not people on Wall Street, not journalists, not professors, not politicians—if you ask people to create jobs: What would it take for you to start creating jobs again, what they are looking for is a tax system that is fair and regulations they can comply with and then get out of the way and they will do what Americans have always done. Those are our ideas.

Here is the problem. Even as we stand here today, there are few plans on the table to do it. I have watched the President give press conferences. I have watched the President give speeches. I have yet to see a plan from the President. With all due respect to my colleagues in the other party in the Senate, I have not seen a plan from them either. They are the majority party. They control this Chamber. They control the Senate. I have not seen a plan from them.

A moment ago we heard this talk about we have to compromise. It is hard to compromise when the other side does not have a plan. What do you compromise on? Where is your plan? You cannot compromise if only one person is offering plans. There is only one plan that has been voted on by any House to deal with this issue, and it is the one we are on right now—cut, cap, and balance.

I would submit if you do not like cut, cap, and balance, if you do not think we need to cut spending, cap spending, and balance our budget, then show us your alternative. Or maybe you do believe we do need to cut, cap, and balance, but you do not like the way this bill cuts spending, caps spending, and balances spending. Fine. Offer your version of cut, cap, and balance. Let's proceed to this bill. Let's get on this bill the House has passed. If you do not like it, change it. You have got the votes here to do it. If you have got a better idea, bring this bill up and amend it and put your ideas on it.

But how could you ask for compromise? How could you scold Republicans in the House for refusing to compromise if you do not have a plan of

your own? How can a person compromise if they don't have any ideas of their own? It is not a fair thing to say.

So I urge the leadership of the Senate and the President of the United States to offer their ideas on paper—put their ideas on paper and offer them so we can begin to work on this concept of compromise they have offered.

We cannot compromise and negotiate with people who will not offer a plan. Why don't we vote to proceed to cut, cap, and balance—proceed to this bill so we can debate it and they can offer their ideas on this bill. This is the perfect opportunity to do it. Stop negotiating in the media and through press conferences and start doing it on the Senate floor, which is what the people sent us to do. I hope that is what will happen.

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

The PRESIDING OFFICER (Mrs. HAGAN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

NOMINATION OF RICHARD CORDRAY

Mr. BROWN of Ohio. Madam President, as we debate the best way to get our fiscal house in order, we must avoid, first of all, defaulting on our obligations while also working to make our economy stronger.

While our debt has been rising for several decades—and there is enough blame to go around—it has been exacerbated by the economic crisis that has all too often turned workers and taxpayers into collectors of unemployment insurance, housing assistance, and health care assistance.

We must not forget that the economic crisis was brought on by a financial crisis that pulled our economy into a deep recession.

Some people in this Chamber—conservative politicians in Washington—like to forget this financial crisis ever happened. But throughout the United States—in places such as Cleveland, Dayton, Chillicothe, and Zanesville—fast-talking mortgage brokers in America steered Americans into unfair loans that helped put our economy on the brink of collapse, costing millions of Americans their homes and jobs.

While Wall Street has regained its footing, millions of Americans are still struggling to find jobs, stay in their homes, and afford health care coverage. Businesses are struggling to access credit so they can hire new workers.

Thankfully, 1 year ago, we passed Wall Street reform. The President signed the landmark legislation that was aimed at providing consumers with protection from abusive rates, fees, penalties in mortgages and credit cards.

The centerpiece of the bill—one of the centerpieces of the bill is the creation of the Consumer Financial Pro-

tection Bureau, which is aimed at giving consumers a voice as loud and powerful as Wall Street; frankly, something this city is not used to.

Richard Cordray will be that voice. He is one of Ohio's most talented public servants, who is strongly committed to protecting Ohio consumers and investors.

As Ohio's attorney general, he was a strong voice for Ohioans who struggled during these tough times to stay in their homes, consumers who faced unfair practices by big Wall Street banks who had deceived consumers.

He has targeted institutions—including Fannie Mae—that hid material information from investors, in the process undermining pension funds that provide retirement security for teachers, secretaries, police officers, and janitors.

Coming from Ohio, he has seen firsthand how unscrupulous actors steered Americans into unfair subprime loans that helped push the economy to the brink of collapse, costing millions of Americans their homes and jobs.

Rich took the unscrupulous actors, but he also worked closely with Ohio banks, which are supporting his nomination to advocate the Consumer Protection Bureau because he played it straight and fair. He worked closely with them to promote financial literacy and craft effective, targeted legislation distinguishing traditional banks—those that lend and are the lifeblood of any economy—from those banks engaged or those companies or Wall Street institutions that are engaged in predatory lending.

As he has been throughout his career, Rich will be a strong voice for consumers as the Consumer Financial Protection Bureau carries out his mission. It is a mission of bringing oversight and transparency to checking accounts, credit cards, mortgages and student loans and ensuring that our financial system continues to support job creation. The Consumer Financial Protection Bureau is already starting to make a difference. It is working to make sure credit card terms and loan contracts are written in ways that regular people can understand—in plain English. It has earned rave reviews from industry and consumer groups alike for the substance and process involved in creating a new model mortgage loan disclosure form.

The Consumer Product Financial Protection Bureau is helping our men and women in uniform, preventing them from being targeted by bad actors committing fraud and engaging in deceptive financial practices. You can see them like vultures surrounding military bases as they do it—at Wright-Patterson Air Force base in Dayton and other places.

When Rich was attorney general of Ohio, he was the first State attorney general in Ohio to take on unscrupulous bankers and sue a mortgage lender over foreclosure fraud. He recovered billions of dollars for Ohio.

I am proud to have worked with him to identify financial predators that prey on homeowners facing foreclosure. When he was Ohio treasurer, he worked across party lines to strengthen Ohio's finances.

Besides being a five-time Jeopardy winner, Rich is a great human being and a devoted family man. The challenges he will face in his new position are great, but I know he will be strengthened by the support of his wife Peggy and twins Holly and Danny.

I urge my colleagues to support Richard Cordray to be head of the new Consumer Financial Protection Bureau. It will help consumers, banks, and our economy.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

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

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

Mr. BROWN of Ohio. 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. WYDEN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. WYDEN. Madam President and colleagues, I have been struck in the discussion about cut, cap, and balance that there has been virtually no mention—virtually no mention—of the No. 1 issue on the minds of the American people, and that is jobs. What we need above anything else is to create more good-paying jobs. In this discussion about cut, cap, and balance, the whole question of jobs has virtually not come up.

Now, what we know is that between the worst of this fiscal crisis and the end of 2010 we lost 8.5 million jobs, and our country has only recovered a small portion of those jobs. The fact is, many of those new jobs that have been created don't pay as much as the jobs that have been lost. We also know millions of our people can't find full-time work, and they have had to settle for part-time jobs to make ends meet. Cut, cap, and balance virtually ignores that question.

I hear, for example, from our business community that they have a very serious challenge in terms of generating sales. Sales are all about middle-class folks coming into our stores and, in a consumer-driven economy, making purchases. As we have seen a number of

times, David Leonhardt—particularly over the weekend in an excellent piece in the *New York Times*—described how in one area after another, in terms of consumer durable goods, middle-class folks have essentially walked off the economic playing field.

There is, however, one particular approach to job creation that has a proven track record—a proven track record—and bipartisan support, and it is one I hope the Congress will soon move to. I find that we have plenty of disagreement now in the Congress on a whole host of issues, but whether one is part of the Warner-Chambliss group or any other particular group, there is a sense that even though cut, cap, and balance doesn't talk about it, job creation is the most important issue. The path to that—the proven path to that, Madam President—is tax reform.

The fact is, that is the one unused tool in the economic toolshed. The Federal Reserve has thrown tremendous efforts at trying to boost the economy. The Recovery Act was a path. Various steps have been taken with respect to housing. Tax reform is the one area from the economic toolshed that has not yet been picked up and actually used. I think the country understands what needs to be done. Certainly, the Congress does. We had the report from the Bush Commission—George W. Bush—that made a number of excellent recommendations in their report. The Volcker Commission for President Obama had a number of sensible ideas.

I have had the pleasure of working with two very thoughtful colleagues on the other side of the aisle—Senator Gregg, before he retired, and now Senator COATS—and we have picked up on the model that populist Democrats and former President Ronald Reagan pursued in the early 1980s. It was all about cleaning out scores of special interest tax breaks and using that money to hold down rates for everybody and keep progressivity.

The reason I bring it up this afternoon—in the context of the fact that I sure don't see any mention of cut, cap, and balance focusing on jobs—is when Democrats and Ronald Reagan got together, the results on job creation were real, they were tangible, and we saw middle-class people get a chance to get back into the economy and get back to work.

According to the Bureau of Labor Statistics, in the 2 years after Democrats and Ronald Reagan got together on a bipartisan basis to focus on job creation, our country created 6.3 million new jobs—6.3 million new jobs. Between 2001 and 2008, when tax policy was partisan, we only created about 3 million jobs. We have lost jobs in this last fiscal crisis, looking particularly at the measure that I cited at the end of 2010. So we have to get people back to work.

I see my friend from Iowa is here, and we have talked about tax reform on a number of occasions. Let me just cite

an example of an approach on which Senator COATS, a Republican, and I have teamed up. We take away the tax breaks for shipping jobs overseas.

Right now, there are a huge array of tax breaks for, in effect, exporting jobs, when the country wants to export goods and services—goods made in the United States, where we add value to them in the United States and then we ship them somewhere. What Senator COATS and I propose is taking away those tax breaks for exporting jobs and using those dollars for what I call red, white, and blue jobs—jobs that pay a good wage in the United States so we can get full-time employment for some of the folks so hard hit now who can't find more than 15 or 20 hours of work a week that doesn't pay a good wage so they can support their families.

Cut, cap, and balance doesn't raise those kinds of issues. It doesn't raise the fact that when we put people back to work, have good-paying jobs in this country, that generates revenue Democrats and Republicans alike can support.

I know Senator HARKIN has focused particularly on this question of where the revenue is going to come from to pay for our safety net with so many people hurting and falling between the cracks; tax reform that puts middle-class people back to work as we saw when Democrats such as Dick Gephardt and former President Reagan got together that generates revenue both sides can support, private sector job growth that puts folks back to work and gets the middle-class consumer back into the economy and back into our stores.

Look, for example, at the bipartisan proposal Senator COATS and I have. The typical middle-class person can get \$3,000, \$4,000 worth of tax relief under our proposal, not by raising the deficit, not by spending more money, but by closing out some of these special interest loopholes. Where is that consumer going to go? They will have a chance in a consumer-driven economy to go back into the stores. Maybe they will buy a washing machine, maybe they will buy a computer for their kids. They will go back into the economy and help, as we have seen time and time again over our history, to get our country back on its feet by middle-class people who have good-paying jobs going back into the marketplace and helping our economy grow.

The numbers are striking. Again, after Democrats such as Dick Gephardt got together with Ronald Reagan, in the 3 years after those reforms in the middle 1980s, Federal tax receipts for individuals and corporations rose by \$137 billion. That is the kind of revenue-raising approach that Democrats and Republicans alike can support. But we don't hear a word about job growth in the private sector under cut, cap, and balance.

We hear a lot of technical terms about whether Federal spending ought to be 19.9 percent of gross domestic

product or should it be 20 or 21. Those are important issues, but to their credit, one economist after another has made it clear that we don't get to economic recovery in this country just by cutting. We are going to have to do some growing.

Colleagues, we are going to have to do some growing. And, to me, to be out on the floor talking about cut, cap, and balance and not paying any attention to a Tax Code that is a job killer rather than a job creator for what I call red, white, and blue jobs in this country just seems to be a mistaken set of priorities.

The reality is, as Senator COATS and I have made clear in offering our bill, the Tax Code is larded down with so many special interest goodies and sweetheart deals, and I just touched on one that we would actually be rewarding: the export of good American jobs. What we ought to be doing is taking away these foolish tax breaks and creating ones that get the middle class back into the economy and get our companies investing in our country.

Now, it does not take a constitutional amendment to do what Dick Gephardt, Ronald Reagan, Dan Rostenkowski, Bob Packwood, and a whole host of Democrats and Republicans got together to do in the 1980s. It requires Democrats and Republicans to work together to take on the special interests that currently benefit from the broken tax system.

Make no mistake about it. Those special interest groups are taking tax breaks that ought to instead go for real relief for hard-hit, middle-class families and American business to create jobs in this country.

I see colleagues on the floor. I want to wrap up with one last point, briefly. I would not say for a second that tax reform is the only component of economic recovery. Senator BLUNT is here, and as chairman of the Trade Subcommittee on the Finance Committee, we have worked very closely together on another important trade issue. What we have seen—and I know Senator HARKIN is interested in this—is the Chinese have essentially been involved in merchandise laundering—some companies. What they have done after they have been found guilty of violating our trade laws, instead of changing their practices and complying with the trade laws, some of these Chinese outfits essentially go to another country and export through that country, and put on, for example, “Made in Korea”—big implications with these trade agreements—and end up shipping those goods to the United States.

Senator BLUNT and his constituents have made the correct point that is again taking away jobs from middle-class folks. But we have to get back to the issue of jobs on the floor of the Senate. That is the most important question for our constituents.

Staff told me on the way over here that in a recent survey of businesses

cites, again, their No. 1 concern is that sales are going down in their stores. I think everybody in the Senate knows you can often go to a store on a weekend or an evening and you hardly see anybody there because middle-class people are very worried about what is ahead and simply because of these economic times do not have the money to go in and buy those goods and arrange for those services that, in an economy that requires they be in the marketplace, they simply don't have the resources for it.

So I hope my colleagues will oppose cut, cap, and balance. I hope they will see the No. 1 issue in the country is jobs. Tax reform has a proven track record, colleagues—a proven track record: 6.3 million new jobs in the 2 years after Ronald Reagan, a conservative President, and Dick Gephardt, a populist Democrat, got together—a conservative Republican President, a populist Democrat. That is the tool we ought to take out of the economic toolshed and use as quickly as possible.

I hope we will move on certainly to tax reform in the fall, and I hope colleagues will remember that as we have this discussion about cut, cap, and balance. I think it misses the central question of our time, which is job creation. For that reason, I oppose the bill.

Madam President, colleagues are on the floor. With that, I would yield.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BLUNT. I thank the President for recognizing me, and I will speak and then look forward to hearing the remarks of my good friend from Iowa.

I agree with the simple premise of what Mr. WYDEN had to say. I think private sector job creation should be the No. 1 target for the country today. Frankly, anytime we are not talking about that or what we can do about spending, we are talking about the wrong two domestic issues.

I would suggest, however, it is not like the option today was to bring that bill he described to the floor. I would love to see it on the floor. I would love to see a simpler, fairer, flatter more easily understood Tax Code because I do think certainty is one of the things that makes a difference in that decision to invest. But I absolutely agree the No. 1 priority for the country at this minute should be private sector job creation. And I look forward, as he does, to working on that.

My only fault I find with the premise that is not the reason to talk about this is that is not what we were going to be talking about otherwise. In fact, the week we were going to spend here that was supposed to be the workweek during the Fourth of July, the bill the majority brought to the floor was the Libya resolution, which I haven't seen since.

That was the week we were here to do something about spending, and that is why we didn't do the other things we had scheduled because we were going to

talk about spending. The bill the majority was going to bring to the floor was the Libyan resolution, which was the most important thing in the world, apparently, that day, and we haven't seen it since that day.

So while I agree job creation matters, I don't agree that it doesn't matter how much the Federal Government spends. In fact, I think there is a lot of difference in a country where the Federal Government is spending \$1 out of \$4 that the country can produce in goods and services, or \$1 out of \$5. Now we are spending \$1 out of \$4.

For 40 years, before 2008, we spent \$1 out of \$5. In 2008 we didn't spend an average of 20.6 percent; we spent 19 percent. So we have gone from 19 percent of GDP spent by the Federal Government to 25 percent of GDP spent by the Federal Government, and it matters. That is why spending is the other issue.

What we are talking about with cut, cap, and balance is, How do we get that spending under control? If there is a better plan, I would be glad to see it. But I don't see a plan on spending control coming from anywhere else.

We all know we now have a record debt of almost \$15 trillion, at \$14.3 trillion and counting. We all know we have spent approximately \$7.3 trillion and added almost \$4 trillion to that debt since the Senate and President Obama passed the last budget the country had 813 days ago. We all know unemployment has increased by 18 percent since January of 2009.

In the 29 months since then, despite the so-called stimulus package, unemployment has been over 8 percent every month for 29 months, and it was 9.2 percent in the month of June. We also all know that 40 cents out of every dollar the Federal Government spends is borrowed, and we just can't continue to do that. One option might be to raise taxes and think that 40 cents would come in. I am not for that because I don't think higher tax rates necessarily produce more tax revenue.

Until 1981, for 50 years the highest tax rates had been 70, 80, or 90 percent, and people don't pay that tax rate. People definitely don't take a chance and invest in that tax rate. But the fact that we know maybe most of all is we can't keep doing what we are doing now. The status quo is both unacceptable and unsustainable, and we have to look at what it takes, as Senator WYDEN said, to meet the No. 1 priority, which is, What do we do that creates private sector jobs? I think getting Federal spending under control is something that the moment, the moment of August 2, creates an opportunity for us to talk about and do.

Now, why was I one of the first co-sponsors of cut, cap, and balance? It is because I thought it had the potential, and I believe it has the potential, to do what needs to be done.

What was "cut"? Cut was to go back not to 1980 spending levels, but to go back with nondefense discretionary to 2006—just to go back to what we were

spending on nondefense discretionary in 2006. Rearrange that as you may want to, rearrange that in a way that better meets 2011 goals, but go back to that amount of money and then set caps.

By the way, in virtually all cases they were growing caps in various categories of government spending for the next 10 years and working within those caps, but knowing every year what they were going to spend.

Then, the third element was, let's balance the budget. While I have always been for a balanced budget and a balanced budget amendment, I believe now more than I ever have that it is the tool that ensures, not just 5 years from now, but 55 years from now that we just have to simply get the resources of government and the spending of government in place. Forty-nine States, including my State of Missouri, have a balanced budget amendment. Every family at some point or another has to deal with the reality of a balanced budget amendment. These provisions take us in the right direction.

President Obama has said he would veto this bill if it passed. It has already passed the House. If it would pass the Senate this week, I don't know that the President would veto it if he really was faced with those options, but he said he would. I guess we might have to test that. But we shouldn't not vote for this because the President said he is going to veto it. We should vote for this because it is the right thing to do to get the spending of the Federal Government under control.

Missourians deserve better. Americans deserve better. Both parties no doubt have contributed to where we are right now in our current economic situation. Frankly, both parties have to find a way out. It takes three things to pass a bill in Washington: It takes the House of Representatives, it takes the Senate, and it takes the White House. My party, the Republican Party, controls one of those. Our friends on the other side control the other two. So how do any of us think we are going to get everything we want in this environment? But we have to work toward the right result. I think cut, cap, and balance would produce that result. I think we do have to get on with the work of being focused on what do we do to create private sector jobs, what do we do to get this spending under control.

American families have to deal with this all the time. It is time their government dealt with it as well. I don't want to settle for business as usual. We have a unique opportunity here. Are we going to be like every other country, like Greece and Ireland and Portugal and Italy and so many countries in the world today? Or are we going to set out on a different path, a path that shows we are prepared to control and rein in Federal spending and do what is necessary to encourage private job sector growth? I hope we can join together and find a solution. This is the moment we need to do it.

Madam President, I am looking forward to working with you and others. I know I am yielding the floor to my good friend, Senator HARKIN from Iowa. We are working together on the Missouri River working group. We are sponsoring legislation together for Special Olympics. We can find solutions to these problems if we want to find solutions. That is what the people we work for deserve. Let's find a way forward.

For me, the way forward would be cut, cap, and balance but I do know we all have to work together or we are not going to arrive at any conclusion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I listened both to Senator WYDEN and to the remarks of Senator BLUNT. They are both very thoughtful individuals, thoughtful Senators. I enjoy working with both of them.

Madam President, why are Republicans refusing to agree to raise the debt ceiling, something we have done 89 times since the 1930s, including 18 times under President Reagan? I might point out, the Republicans at that time controlled the White House and the Senate and the Democrats controlled the House.

Also, in September of 1987, President Ronald Reagan used his weekly radio address to urge Congress to increase the debt ceiling. He said—and here it is. I thought it was worth printing out. Here are the exact words of Ronald Reagan spoken in September of 1987:

Unfortunately, Congress consistently brings the Government to the edge of default before facing its responsibility. This brinkmanship threatens the holders of government bonds and those who rely on Social Security and veterans benefits. Interest rates would skyrocket, instability would occur in financial markets, and the Federal deficit would soar. The United States has a special responsibility to itself and the world to meet its obligations.

I didn't put it on here, but President Reagan went on:

It means we have a well-earned reputation for reliability and credibility—two things that set us apart from the rest of the world.

Today, so many of our friends on the other side, Republicans, constantly invoke Ronald Reagan as a role model, almost as a kind of a patron saint. I wish they would heed his words and what he said in September of 1987.

I also remind my colleagues when President Reagan realized that his 1981 tax cuts were resulting in large deficits, he turned right around and supported corrective income tax increases in 1982 and 1984. That is right, President Reagan supported income tax increases in 1982 and 1984. In stark contrast to President Reagan's example, today Republicans reject any compromise that requires raising any new revenues from the wealthy.

One of the things we are talking about is eliminating tax expenditures. Those are special interest tax breaks that even Senator COBURN, on the Republican side, described as "corporate

welfare." As the distinguished chair of the Budget Committee said in his remarks earlier today, Senator CONRAD pointed out that tax expenditures now total more than \$1 trillion, more than all of our discretionary appropriations in the Federal budget.

Here is the difference. The discretionary appropriations for the most part go out for programs such as health, education, research, transportation, security, police, the judiciary—it goes out for that. What do tax expenditures go out for? They go out to support the wealthy. Here is why I say that. The wealthiest 1 percent of Americans get 26 percent of the benefits from these tax expenditures. That is what Senator CONRAD pointed out this morning.

Many of our Republican friends are perfectly willing, indeed eager, to slash Medicare, Social Security, Medicaid, education, other programs that undergird the middle class. But they have made it clear they would rather default on the debt than agree to a compromise that requires shared sacrifice from the most privileged people in this country.

The legislation before us, which is called cut, cap, and balance, and which should be more fairly described, as Senator CONRAD and others have said, as cut, cap, and kill Medicare, this bill that is before us now would enshrine in the Constitution a requirement that two-thirds supermajorities in both the House and Senate vote to raise revenues. Fifty-one percent could cut spending but it would take two-thirds to raise any revenues.

What does that mean? It means as a practical matter that it would permanently lock in the benefits of the current tax breaks for the wealthy, such as the outrageous 15-percent tax rate for hedge fund billionaires, and by building a firewall to protect tax breaks for the wealthiest Americans, this legislation would shift even more of the burden of deficit reduction onto the backs of middle-class Americans. Really, it should be cut, cap, and kill Medicare. That is what it is all about.

Let me take this a step further. In this bill before us that was passed over here from the House, it would cap Federal expenditures at 18 percent of GDP. Where did they get that number? Is that an arbitrary number? Why isn't that 18.5? Why isn't it 19? Why is it 18? I will tell you why. That number has a purpose. The last time Federal spending was at 18 percent of GDP was in 1966, right before Medicare kicked in and started expanding. So, guess what. They want to roll it back to a point in time before we had Medicare. This assault, now, on Medicare comes on the heels of another Republican assault on Medicare. You remember the Republican budget, the so-called Ryan budget. What was its centerpiece? A plan to dismantle Medicare, replace it with a voucher system that would require seniors to spend \$6,400 additional out of pocket for Medicare every year. It was

basically the dismantling of Medicare, turning it into a voucher system. That was the Republican budget.

So now we have a two-front assault on Medicare by Republicans. One is the Ryan budget, kind of a frontal assault, if you will, to dismantle it, turn it into a voucher system, and now we have the so-called balanced budget amendment that takes an indirect backdoor approach. It would simply defund Medicare. It would put the Federal Government in a fiscal straitjacket and allow it to spend no more than we did in the mid 1960s, before Medicare started. That is why it is at 18 percent.

I would say this legislation before us is also a direct assault on Social Security, the bedrock of our American retirement system. It is vitally important to the middle class of America, to ensure that seniors are able to enjoy their retirement years without falling into poverty or moving in with their kids. Social Security's modest benefit, around \$14,000 a year now, has become the biggest source of retirement income for two out of three retired Americans.

Mr. BROWN of Ohio. Will the Senator yield for a question?

Mr. HARKIN. I am glad to.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. BROWN of Ohio. Madam President, I thank the Chair. I heard what the Senator was saying about Medicare. Am I right about this? I know what some conservative politicians in this town think about Medicare. In 1965 when Medicare passed, it was a lot of conservative Republicans who opposed it. Later—I was in the House then. Senator HARKIN was in the Senate. But the first chance that Speaker Gingrich with the new Republican majority had in the mid-1990s, they tried to privatize it. Remember, Speaker Gingrich talked about it withering on the vine.

Am I right, with the Ryan budget they tried to privatize Medicare again and the public rose up against it a few months ago, so is this sort of a backdoor way of going after Medicare? They do not want to acknowledge to their constituents they do not like Medicare because 90-some percent of Americans like Medicare and benefit from it. This is this sort of backdoor approach to put these limits on spending so it will force the privatization and unraveling of Medicare and ultimately Social Security and these programs we care about?

Mr. HARKIN. I think my friend from Ohio put his finger on it. Of course it is. It is a backdoor approach. We all want to have surpluses. We don't want to have deficit spending. So it sounds good: We will balance the budget. Most people say that sounds like a good idea, let's do that, without looking behind this cap they put in of this 18 percent. Eighteen percent is a number picked by the Republicans because that would take us back to where we were in 1966, before Medicare kicked in. It would throttle it, a backdoor approach as a way of defunding Medicare and also as

a way of getting at Social Security, moving it to privatization, which the Republicans never have given up on.

They started under Gingrich. My friend is right. I remember them talking about privatizing Social Security. They have never given up on it. They cannot do it frontally but they are trying to do it through the back door.

Mr. BROWN of Ohio. If the Senator will yield again, imagine what would have happened in 2003 and 2004 with the Senator in the Senate and a lot of people all over the country—including a lot of Republicans all over the country, but not elected Republicans, when we were fighting the privatization of Social Security in 2004 and 2005—imagine what would have happened if so much of Social Security had been turned over to Wall Street. Imagine what would have happened if, in 2005, people would have put all this money in Wall Street instead of their secure lockbox, if you will, the Social Security fund, where nobody is missing Social Security payments and people know what they are going to get. It is predictable, it is always there and always will be. If we put it in these private accounts, there goes the predictability and there goes the solidness of Social Security, right?

Mr. HARKIN. Another thing we ought to think about, I say to the Senator, is this: What the Republicans are saying—there are a lot of Republicans who do not care if we default. They don't care if we default. In fact, MICHELLE BACHMANN, Congresswoman BACHMANN—who is one of their frontrunners for the Presidency—said she would never vote to increase the debt ceiling no matter the circumstances. As President Reagan said in 1987, it would mean that “those who rely on Social Security and veterans benefits” wouldn't get their Social Security checks, and that is exactly right.

People have to think about this. If we default, that means all the people who have put their money into Social Security in the past, what we are saying is you may have put your money in there and guess what. We are not going to pay you. Is that what we want to do as a country? Social Security is backed by the full faith and credit of the U.S. Government—more than anything than Wall Street has ever gotten. Wall Street can go under. The Senator is right, if we had put Social Security in the stock market it would be in the toilet now. But we put it into U.S. Government bonds because it is backed with the full faith and credit of the U.S. Government. That is why we have to support Social Security. That is why we can't support this cockamamie scheme they are trying to do here.

I thank my friend Ohio for pointing those things out. It is a backdoor assault on Medicare and on Social Security. People are saying: Well, Social Security—we have to shore up Social Security. It is sound for about the next 20-some years, but looking ahead, yes, we should shore up Social Security.

One good way to do it is to raise the cap on Social Security taxes. Well, right now the cap is \$106,800 a year. What does that mean? That means if you make up to \$106,000 a year, you pay into Social Security on every dollar you earn. If you make over that, you don't. Well, let me put it another way. If you make \$50,000 a year, you pay on every dollar you earn into Social Security. If you make \$500,000 a year, you only pay on every 20 cents of every dollar you earn into Social Security. Why is that fair? Why is that fair that someone who makes \$50,000 a year pays on every dime they earn, every dollar they earn, but someone who makes \$500,000 a year only pays 20 cents on the dollar? If you want to shore up Social Security, raise the cap on payroll taxes. Raise the cap. That is something no one is talking about. What are they talking about? Cut benefits. Cut the benefits. Well, we don't have to cut Social Security benefits in any way. We just have to make it fairer in terms of how we raise the payroll taxes.

As I said earlier, the bill before us would require a two-thirds vote before we could even change that. So if we wanted to raise the cap on payroll taxes on Social Security, it would require a two-thirds vote. That means we would never get it done. That means, yes, at some point we would probably have to start reducing Social Security benefits. Well, again, as the Senator from Ohio pointed out, this is a backdoor approach to dismantling Social Security.

Republicans are rejecting any notion of shared sacrifice. They demand we dismantle Medicare, slash Social Security, slash education, cut infrastructure—all those things that undergird the middle class. They shred the safety net for the most vulnerable people in our society, as Senator WYDEN pointed out earlier, but they insist on shielding the wealthiest people in our society from even contributing \$1 to the mess we are in.

Lastly, why are so many people here—to pick up on what Senator WYDEN said earlier—obsessed with deficit reduction to the exclusion of the single largest priority we should have in this country: putting people back to work. That is the most urgent deficit we have—the jobs deficit. Senator WYDEN spoke eloquently about that.

My friend from Missouri, Senator BLUNT, talked about that too. He talked about private sector employment. Well, something has to happen to get that moving. It is not giving more tax breaks to the wealthy. The old trickle-down theory, we tried that and it never worked. All these big tax cuts we gave to the wealthy happened under George Bush and a Republican Congress. Look at the mess it got us into. We have been losing jobs for the last several years. Our jobs have been going overseas. It put us in a huge budget deficit.

One of the things we need to do now is not to turn a chainsaw on ourselves

but to recognize that the Federal Government can be a powerful force for stimulating the private sector. Again, one of the things I think we need to do is to put more money into the infrastructure of this country. We need to rebuild our roads, our highways and bridges, and our sewer and water systems. We have hundreds of billions of dollars needed to remodel and upgrade our schools all over America. We need a new electric grid, a smart grid. We need to be putting more into green energy so we won't be importing so much oil into this country. There is only one place that has the power to focus on that in a large, comprehensive way, and that is the Federal Government. But then people say: We can't do that. We can't afford it. We don't have any money. Well, they are right.

So there are two ways we can get these wheels of our economy going again: We can either borrow the money or we can raise the revenue. I would prefer that we raised the revenue. There is plenty of it out there. The businesses in America are sitting on, I have heard, anywhere from \$1 trillion to \$2 trillion that they are not investing. Well, if they are not investing it, I know where to invest it. Let's put it out there rebuilding the infrastructure of America.

Now, that is not the government doing the work; it is simply the government providing the input so that the private sector can go to work. It is not government workers out there who would be building the roads, bridges, highways, remodeling our schools, and rebuilding the new electric grid. No, this is the private sector doing it, but we can marshal the forces from the Federal Government, marshal the power to focus the funds in that direction to rebuild America, to make it a more energy efficient, a better educated, a more innovative, technologically competent future for our kids and grandkids. Once we start doing that, then other elements of the private sector will take off because they will see we have made a commitment to the future, the growth of this country—not a dismantling, not a withdrawing, not a shrinking, but, as Senator WYDEN said, a growth. Once the private sector sees we have made a national commitment to growth, they will start investing.

How many times do we have to learn that the investment we have made in infrastructure has spun off into all kinds of private sector entrepreneurship and jobs and new businesses or research, the money we have put into research and how that stimulates the private sector?

How many times have you heard this old Republican line—I hear it all time—the government doesn't create wealth, it consumes wealth. I hear that all the time. Well, that is nonsense.

Just about a month ago, I had a hearing before my committee, the HELP Committee, which has jurisdiction over the National Institutes of Health. We

had the National Institutes of Health here, and Francis Collins, who is now the Director of it, brought us up to date on what the NIH is doing. He pointed out something very interesting. Some 20 years ago, we began to invest taxpayer money—your money, taxpayer dollars—into something called mapping and sequencing the human gene. It was called the Human Genome Project. It became the Human Genome Institute at NIH. After 12 years, they finished the process of mapping and sequencing the human genome.

The Battelle Institute—a research institute that is privately owned, not government, based in Ohio—did a study of what happened because of that. We invested \$3.8 billion in mapping and sequencing the human gene—\$3.8 billion. The Battelle Institute said: In the last 8 to 10 years, that \$3.8 billion of taxpayer money invested in research resulted in over \$790 billion of private sector investment. Let me say that again: \$3.8 billion of taxpayer money resulted in \$790 billion of private sector investment. Tell me again that the government can't create wealth. Of course, it can because it can marshal the kinds of resources that this sector or that sector can't do. No private entity could have mapped and sequenced the human genome. Well, they probably could have, but it would have taken 40 or 50 years to do it. It took the massive power of the Federal Government to get it done, and in a short period of time.

So, again, this is what we ought to be thinking about: How do we create jobs? How do we put people back to work? I say it is by making sure we have the revenue to invest. We can invest in our infrastructure. I don't mean just the physical infrastructure, I mean also the human infrastructure. That means education and job training.

I just saw a figure the other day. This year, we are spending—of the taxpayer money—\$14 billion training Iraqi and Afghanistan security forces. That is for training, \$14 billion this year. Yet here in America, for all of our job-training and retraining programs for the entire country—all job-training programs—we are spending less than \$10 billion. Do you think the American people think that is wise? Do you think they don't know this? There is \$14 billion going to Iraq and Afghanistan to train their security forces while less than \$10 billion is going to retrain our workforce for jobs of the future.

Well, I see others have come to the floor, so I will wrap this up.

Deficit reduction is important—I am not saying it isn't—but it is not the single most important thing right now. The single most important thing is to put people back to work. As Senator WYDEN said, that will start to create the demand. It will spur more private investment as the Federal Government begins to invest in the future of this country. That is where we ought to be focusing. Once we get the wheels going

again, once we get people back to work and the economy starts to grow, that is when we start to reduce the deficit. To just focus on deficit reduction right now to the exclusion of putting people back to work reminds me of when doctors used to put leeches on people who were ill. It only made them more ill because it drained more blood out of their system. And most times it proved fatal, as it did to our first President, George Washington. Our urgent, No. 1 priority must be to create jobs and put people back to work. We shouldn't just turn a chainsaw on ourselves.

I look at this Republican cut, cap, and kill Medicare proposal we have before us, and what I see is a budget predicated on fatalism—fatalism and fear of the future. We need a budget that is predicated on hope and aspiration, of putting our people back to work.

So put the ideology aside. Come together in a spirit of compromise for the good of this country to have a balanced package—balanced—spending cuts that will take place in the mid-and outer ranges of our years and revenue increases now so we can take that money and start putting people back to work rebuilding both the human infrastructure and the physical infrastructure of this country.

I ask unanimous consent that the time from 2 p.m. until 5 p.m. on the motion to proceed to H.R. 2560 be equally divided between the majority leader and the Republican leader or their designee and that Senators be permitted to speak for up to 10 minutes each.

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

Mr. HARKIN. I yield the floor.

Mr. CORNYN. Mr. President, I would like to speak on the cut, cap, and balance legislation. I plan to vote yes on Saturday morning to proceed to this bill, and I urge my colleagues to do likewise. I would also like to explain why I think that is important.

Most of us understand what this bill does. It cuts spending next year by more than \$100 billion. These are real savings and not smoke-and-mirrors. It caps total Federal spending as a percentage of the economy, and it puts us on a path to keep spending at 19.9 percent of our gross domestic product. Right now, our Federal spending is at 25 percent of the gross domestic product. Our revenues are at roughly 15 percent, so there we have a 10-percent deficit totaling \$1.5 trillion this year alone. Of course, those cumulative annual deficits make up our debt, which is now approximately \$14.4 trillion.

This piece of legislation also links an increase in the debt ceiling to passage of a joint resolution to balance the budget, and this is an important amendment to the Constitution that is being proposed. I believe we have amended the Constitution 27 times so far. This is a process the Framers of our Constitution embodied in the origi-

nal document to allow Congress and the American people to amend the Constitution as circumstances change. Clearly, it is obvious to anyone who will look and pay attention that Congress has shown itself unable to constrain its spending and live within our means and to spend only the money we have as opposed to money we borrow from future generations. As important, this constitutional amendment—this balanced budget amendment to the Constitution—is not an extraordinary thing. It may be for the Federal Government, but 49 different States operate under a balanced budget requirement.

I support the cut, cap, and balance legislation because it meets the three primary criteria I am using to evaluate proposals related to the debt ceiling. The first of those three criteria is, No. 1, we must not default. That is not an option. Also, we must not lose the Federal Government's AAA credit rating. No. 2, we must not increase the tax burden on job creators during a fragile economic recovery. This is not just my position; this was the President's position last December when the expiring tax provisions were extended for 2 more years. No. 3, we cannot resort to smoke and mirrors in the hopes of somehow fooling either the credit rating agencies or the American people that we are serious about the spending problem Washington clearly has.

Cut, cap, and balance earned bipartisan support in the House of Representatives, and I applaud the courage of those who crossed the aisle to support this legislation in the House. I hope we see a similar demonstration of bipartisan support for this proposal in the Senate.

I know some of our colleagues on the other side are dismissive of this piece of legislation. I believe the previous speaker—I wasn't here for most of his comments, but I did see his chart—is fairly dismissive of this proposal. For those colleagues who are critical of this proposal, my question for them is this: Where is your plan? Where is your plan? To criticize what responsible Members of Congress are trying to propose as a solution to a problem when they have no plan of their own is irresponsible, in my opinion.

The House of Representatives passed a budget earlier this year but, unfortunately, it has been more than 800 days since the Senate has adopted a budget—800 days. That is approaching 3 years. When asked, the majority leader, Senator REID, said it would be foolish for the Senate to pass a budget. I think he was saying that not because he believes it is foolish to have a budget, but perhaps he thought by attacking the House plan, while having nothing to propose on his behalf, gained some marginal political advantage.

President Obama has ignored his own debt commission for months and the debt problem. We know last December his fiscal commission, the Simpson-Bowles commission, rendered a very

important report documenting in sobering detail the debt problem the Federal Government has—unfunded entitlements, as well as our tax system, which makes very little sense and makes us noncompetitive globally. It is our corporate tax system which encourages—because it makes economic sense—businesses here in the United States to create jobs overseas where it is more efficient, it is cheaper to do so, and where it affects their bottom line in a positive way. Why wouldn't we want to encourage job creators to create jobs here at home by reducing the disincentives and providing an incentive for job creation here in the United States? Until recently, the President has shown very little interest in that recommendation of his own deficit commission.

We know when the President proposed his own budget in February—this is a budget never taken up by a Democratically controlled Senate either in the Budget Committee on which I serve or here on the floor—the President's own budget proposed in February would actually make our debt problem worse, not better. That is why, when we had a vote on the President's proposed budget a few weeks ago—not because our Democratic friends proposed it and brought it up for a vote but because our side of the aisle asked for a vote on it—it failed 97 to 0. None of our Democratic colleagues saw fit to vote for the President's budget proposal because they know it makes the problem worse, not better.

The President finally got engaged a few weeks ago. But the problem we still have is we don't know what the detail of the President's proposed solution to the plan is. He will not say publicly in detail what his plan is. Unfortunately—and this is sort of the nature of the beast—all the negotiations so far that apparently are still continuing are behind closed doors. If there were a grand bargain to be, I am confident what would happen is it would be rolled out on the floor of the Senate or in the House at the last minute, without adequate time to review it or to debate it or for the American people to read it and see how it affects them and to give us feedback. We are representatives of a constituency, and the 25 million people I represent in Texas would like to have a chance to read it and then tell me what they think about it.

We know so far the American people are in the dark about the negotiations, and that is not a good way to do business. That does not help gain public confidence in what Congress is trying to do in dealing with a very serious problem.

Last week, I believe it was the Press Secretary at the White House who actually said that “leadership is not proposing a plan for the sake of having it voted up or down.”

I think that is a bizarre statement. A person offers a plan because they believe it offers a solution to a problem, not because of some fear of having it

voted up or down. That is, in fact, how our system works. The majority rules. But, unfortunately, the President's leadership style is captured perfectly in that statement, and I think it sums up what is wrong with what is happening here in Washington.

I wish to remind my colleagues of the challenge before us, and it is not the debt ceiling; it is the debt. I think those who think it is not real are just whistling past our fiscal graveyard.

Here is what one of the credit agencies, Standard & Poor's, said just this morning, according to Reuters. They said:

If an agreement is reached to raise the debt ceiling but nothing meaningful is done in terms of deficit reduction, the U.S. would likely have its rating cut to the AA category.

Such a downgrade would have an immediate effect on other securities, as Standard & Poor's said:

We would downgrade the debt of Fannie Mae and Freddie Mac . . . the AAA rated Federal Home Loan Banks, and the AAA rated Federal Farm Credit System Banks, to correspond with the U.S. sovereign rating. We would also lower the ratings on AAA rated U.S. insurance groups, as per our criteria that correlates insurers' and sovereigns' ratings.

What would be the impact if these credit rating agencies—which seem to have an oversized influence on our lives but they are what they are—what would be the impact of them downgrading the quality rating of our national debt? We know it would yield higher interest rates for American families, for small businesses, and for the U.S. Government. In fact, we know interest rates are at a historic low now because of Federal Reserve policy, primarily. Those low interest rates we may think are a good thing and they have provided some glimmer of hope for our struggling economy. But if they were as a result of a downgrading of our debt by these credit rating agencies or by a default which, to me, is unthinkable—just a 1-percent increase on the cost of credit we would have to pay to people who buy our debt—just a 1-percent increase over current rates would mean \$1.3 trillion over 10 years.

So the results of cuts in the billions of dollars are chicken feed compared to what the credit rating agencies could wipe out almost immediately by downgrading our debt. This is what we are risking by not dealing with this problem. This is what we are risking by political gamesmanship rather than trying to work together in a bipartisan basis to solve this threat to our country and to our future.

As the economist Larry Lindsey wrote in the Wall Street Journal last month:

If interest rates rose to their historical average over the next 2 decades of 5.7 percent, our cost of borrowing would be \$4.9 trillion higher over the next 10 years.

So we are left with the obvious question: How can we stop this economic calamity? We can pass this cut, cap, and balance plan or the President or

our friends across the aisle could propose something they consider just as serious and just as credible, but we have to do it quickly. So this deadline of August 2 is one we should not flirt with, we should not play with, we should not ignore. We have to deal with it, and we can't just deal with it by raising the debt ceiling because as we have seen from the credit rating agencies, that doesn't solve the fundamental problem. We need to solve the fundamental problem of unsustainable debt or our economic future will not be one of hope and optimism, as the Senator from Iowa was saying earlier; it will be bleak indeed, and it will be our fault.

I see my colleague from Kansas, and I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Mr. President, it is my understanding I am recognized for 15 minutes; is that correct?

The PRESIDING OFFICER. It is the understanding of the Chair, Senators may speak up to 10 minutes each under the previous order.

Mr. ROBERTS. I see. If I hit 10 minutes, I might ask unanimous consent for an additional 5, and seeing the smile on the Presiding Officer's face, perhaps he will be conducive to that request. I also wish to associate my remarks with the distinguished Senator from Texas.

Every generation confronts challenges. The greatest generation declared victory over fascism and imperialism. The next generation faced down an enormous competition between the United States and its way of life based on free markets, private ownership, and free expression on one hand; and the Soviet Union and its way of life based on central planning, collectivization and police state control on the other. Again, victory belonged to America and the free world.

A new generation in America has now come of age since the Soviet system collapsed. It is a generation that too often, in my opinion, takes for granted the hardship and sacrifice of our forebears. It is this generation that must confront the crippling \$14.3 trillion debt—and climbing. We have met the enemy and he “is” us. The enemy today is our unsustainable debt, as has been pointed out by speaker after speaker on both sides of the aisle.

I am privileged to represent the people of Kansas and the people of Kansas are rightfully angry over the endless posturing and all the rhetoric and all the fingerpointing regarding yet another increase in the national debt. That is right, another increase in the debt limit. Here we are again trying to reach agreement. I wish the President and the House leadership well in their current talks. I wish the Senate was engaged. We certainly don't need to kick the can down the road any farther.

We are faced with one issue; that is, to rein in spending. Let me point out

that in 2 years, the debt limit was raised nearly as many times as it was in 8 years under the previous administration. It should come as no surprise that the American people in general, and those in Kansas in particular, reject these current spend-thrift policies.

I, from the first, decided it was time to stand up to spending, deficits, and debt. I am talking about the time when we were considering TARP, and we went through that very difficult time when many in the administration—the previous administration—indicated if you did not vote for TARP you were taking a very dangerous road.

I must confess, I have written a lot of speeches down through the years of public service I have been privileged to have. It is that old line of somehow or other we have to set our fiscal house in order not only for us but for our kids and grandkids. How many times do we have to say that? How many times do we have to give the speech? I decided no more during the TARP consideration. I voted no.

I remember the time when the administration folks came in to visit with me to convince me to vote yes. I said: Can you explain to me what a credit default swap is? I had not really heard that term before. They could not. They said they did not have enough time to do that. I just decided to vote no. I opposed TARP. I opposed the bailouts. I opposed the stimulus. I opposed Dodd-Frank. I opposed ObamaCare. And I oppose any increase in the debt limit without real, tangible cuts in discretionary spending and meaningful, structural reform to mandatory spending.

I do not challenge the intent of people who promoted all of these things, but the result has been an incredible increase in our national debt.

Remember the line: Did you read the bill?—that was the question people got when they went back home, faced up to the folks back home, especially with the health care bill. All of a sudden people became aware of the regulations and all the problems—now we have a hurricane of regulations pouring out of the Department of Health and Human Services.

Now the question from folks back home is: Have you read the regulations? If we add up the costs of regulations, for goodness' sakes, clear back in 2008 alone it was \$1.78 trillion in cost to the American public. Figure that in regards to the debate about the national debt. That was back in 2008. Think what it is today. It is probably twice that amount. So, consequently, we really have a problem.

Now, since last November the President has spoken to this issue. As a matter of fact, he has spoken rather continuously at the White House and campaign rallies. The problem is, there is no specific plan.

I know Republicans in the House are getting a lot of criticism for their plan. At least they have a plan. The cut, cap, and balance plan has received, as I

said, a lot of criticism, but at least it is there. On the other side of the aisle we just do not find anything. There is no specific plan at all. We call that in Dodge City: Big hat, no cattle.

The President's first opportunity to put words into action came in February when the White House submitted its budget request: \$3.73 trillion. It was estimated to add another \$1 trillion to the debt. Obviously, that did not work. That proposal was defeated 97 to 0 in the Senate. Not too many bills get defeated 97 to 0.

Then, all of a sudden, now, we got into the tax situation. Maybe if we just got involved in a little more revenue enhancement—that is what we call it here; it is called taxes back home. Taxing is not the problem; the problem is spending money we do not have.

In May, the President's budget was, as I said, defeated. And rightly so. So here we are, more than halfway through the calendar year, 2 months away from the end of the fiscal year, and still no budget from this body—over 800 days. Meanwhile, we have met the \$14.3 trillion debt ceiling, and it is climbing. Rather than make meaningful cuts and meaningful reforms—specific reforms—the White House and some in the Senate want to increase the debt ceiling again.

Again, we have met the enemy, and he is us.

Mr. President, \$14.3 trillion—it is a sum so large that it is difficult to understand. Kansans with whom I visit and who call my office express shock we have allowed it to get to this point. How did we get to this point? Then, if, in fact, we kick the can down the road, what does it mean in regards to—as the Senator from Iowa pointed out—the faith and optimism in our country? What does the future hold for a country that acts this way?

Paying down the debt should be bipartisan. What would Presidents Truman and Eisenhower say of a \$14.3 trillion debt? I think they would be pretty harsh. Both Presidents had pretty tough quotes in regards to fiscal responsibility. What we need in this Chamber, what we need in Washington is a very strong dose of common sense and a sense of purpose, as evidenced by previous Presidents when they put leadership first.

Here are the facts. They are stubborn things. They are clear. We borrow 40 cents for every dollar we spend. A lot of people hear that. That is climbing. It is going to be 41 cents pretty quickly.

There is a lot of talk about tax breaks for corporate jets. Boy, am I tired of that. I am tired of this class warfare stuff in regards to saying: If we just apply taxes to a certain, small segment of the economy, or maybe a big segment like oil and gas—the bad guys, the fat cats—boy, if we get them, we can sure solve the problem.

Let's take corporate jets, which I would emphasize represents general aviation. It is called general aviation

because the general public uses it. It is not all Hollywood stars. It is not all rich people using these so-called corporate jets. General aviation—it is the people who have to get from here to there because for 90 percent of our airports, a commercial flight does not land there.

What if you have a plant? What if you are a manufacturer? What if you are a farmer? What if you are a rancher and you have to visit several places in the country at one time, say, 5, 6, 7, 8, maybe 30? That is what general aviation is all about.

As a matter of fact, in the stimulus, the President recommended an extension of this same tax depreciation schedule. Now he is blaming the fat cats in regards to taking advantage of corporate jets. That is nuts. What the left hand giveth, the left hand taketh away in regards to this class warfare rhetoric. We make these jets in Wichita. They are great airplanes, and they service the general public for the public good.

According to Charles Krauthammer, the renowned columnist, if we collect the corporate jet tax every year for the next 5,000 years, we would cover only 1 year of the debt the President has run up—1 year.

The general aviation industry will persevere, but we have come through some tough times. We are coming in on a wing and a prayer—that old World War II song that is almost revered. So we will persevere. But can't we end this class warfare business? My Lord, the President talked about it six times in two paragraphs. As I say, again, that is the same industry he tried to help in the stimulus.

Here is another fact: Every cent of taxpayer money is used to pay for entitlement programs and interest payments on the national debt. All discretionary spending is borrowed. That is where we are headed; that is where we are at.

On average, we accumulate \$4 billion in debt each day. It would cost each citizen \$46,000 to pay the debt off. That means a family with a husband, wife, and two kids would owe \$184,000. That is rather startling to Kansas families. They do not have that kind of money. I know perhaps some would say that is apples and oranges with the function of government and the function of families, but it is a good illustration.

We have gone over 800 days—I think it is 810 now—without a budget in the Senate of the United States. During that time, this country has spent \$7.3 trillion. We have spent \$439 billion in interest on the money we have borrowed.

We do not have regular order. If Robert C. Byrd were here today and sitting in that chair, he would be appalled. He would be making a speech in louder terms than I am, with short sentences, and he would point out we are not doing our duty.

It used to be that we would have a budget. Then we would have appropriations bills. Then we would have the

committees of jurisdiction meet those budget demands, meet that number. Then we would debate it on the Senate floor. Members would have an opportunity to bring amendments. That is how we worked. We do not work that way anymore. There is no regular order anymore.

What we do is bring up huge bills such as Dodd-Frank and the health care bill, usually written in private, and then we vote on it. Then the American public says: Have you read the bill? Then they say: Have you read the regulations?

We have to restore regular order and restore the Senate back to the Senate. People are fearful. The American public is fearful today. They have a real, conscientious worry that America is not the same as it used to be. Why is that? Because I think the American dream is that every American youngster can climb on the ladder of success as fast and as high as he or she can, with nothing government made or manmade in their way. Regardless, they may stumble, hit their chin on a couple of rungs, but, by golly, they get back up and they go right up again.

Not anymore. We have, apparently, a national agenda to level everybody with everybody else. It is called social justice. Nothing wrong with social justice except if it is an agenda to affect everybody. We now have the President of the United States deciding who is rich. It does not make any difference if a person does not make anything 1 year and makes \$250,000 the next year; he is rich—despite his or her circumstances, family circumstances, or anything.

We have the national government, the Federal Government deciding everything: light bulbs, what you eat, rural fugitive dust. When a grain truck goes down a gravel road in Kansas we have the EPA worried about it. No kidding. We have navigable farm ponds now, farm ponds declared navigable waters. No self-respecting duck would even land there.

We have regulation after regulation after regulation. I cannot talk to any manufacturer, any business, anyone in Kansas where I have the privilege of speaking without somebody raising their hand and saying: Pat, what on Earth are you doing back there passing all these regulations that really don't make any sense and are about to put me out of business?

My reply to them: I am not a "you" guy; I am an "us" guy; and I am sure trying to do something about that. I do have a bill on that, by the way, and I encourage my colleagues across the aisle to look at it. I will be talking to you personally.

These are all serious issues, but the most serious matter is the national debt. At the rate we are going, in a few short years we will spend more paying interest on the debt than on all discretionary spending outside defense. Mike Mullen has said this is the biggest threat to our national security: \$14.3

trillion. He is right. His comments echo the calls I receive every day from Kansans.

There is a lot of rhetoric going on now, and I understand that. Perhaps I have added to it. If I have offended somebody, I apologize. But let's all take a deep breath, if we can. Debate and posturing is nothing new in this body. In American history, in the earliest days of our Republic, it was between Alexander Hamilton and the Federalists on one side and Thomas Jefferson and his allies on the other. The enmity between these men was so obvious through vitriolic rhetoric. Much of the mudslinging that occurred then would be considered out of bounds by today's standards of political discourse.

Well, as the debate raged on between the early parties over the drafting of the Constitution, it seemed possible that the great American experiment would be over before it even began. Edmund Randolph wrote to George Washington, who at that time had retired to private life, and begged him to "rescue America from the impending ruin."

Washington rose to the occasion the way a leader does. He did it for his country, for his fellow Americans. He showed leadership because it was the right thing to do. In the end, a compromise was reached—yes, it was a compromise—to have the Constitution as drafted by the Federalists but with the Bill of Rights included as drafted by the Jeffersonians.

Later, after being elected our Nation's first President, Washington was dismayed over the continuous bickering between Hamilton and Jefferson—not so much different than we are doing today—over a wide range of issues: how to interpret the Constitution, the powers of Congress, the relationship between the States and the Federal Government, and the public debt—even then. Sound familiar?

Well, amidst the feuding, George Washington wrote to Jefferson and said this:

How unfortunate, and how much is it to be regretted then, that whilst we are encompassed on all sides with avowed enemies and insidious friends, that internal dissension should be harrowing and tearing our vitals.

That is pretty tough. That is the bottle we ought to drink from every morning and stop to think about it.

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

Mr. ROBERTS. I ask unanimous consent that I may proceed for 2 additional minutes.

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

Mr. ROBERTS. Mr. President, since the founding of our Nation, people the world over have looked to us as a beacon of light because of our freedoms. Others have watched the great American experiment with a perverse hope that it falls. We can only fail if we fail ourselves, if we fail to balance the budget and bring down the debt.

America has always proven itself. We will meet any challenge and confront

any enemy. The enemy before us is our own fiscal irresponsibility. It is time to stop talking. It is time to start doing. It is time for the President to come up with a specific plan, and in meeting with Republicans and Democrats in the House and the same in the Senate, let's do our duty.

In some of the toughest early debates in our country, Americans were fortunate to have steady leadership in keeping a hand on the wheel. I hope Members of this Chamber and the current President of the United States can look to character, to leadership, to love of our country to guide us through these very trying times.

Every generation confronts a unique set of challenges. The challenge we face today is the \$14.3 trillion debt—and growing. I am so hopeful we can close ranks and confront this enemy. We owe the American people and our forebears no less than victory in this fight.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I ask unanimous consent to speak for 15 minutes.

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

Mr. ENZI. Mr. President, we have spent a considerable amount of time discussing the debt and the deficit crisis this country is facing during the 112th Congress. Although we have heard from the President that we must raise the debt limit, neither he nor any of his Democratic colleagues, with the exception of the three Senators in the Gang of 6, have presented us with a concrete plan to rein in spending and get our fiscal house in order.

Meanwhile, every day we are spending more money that we do not have. While my Democratic colleagues continue to talk about the need to increase the debt limit and get our fiscal house in order, the House of Representatives has taken concrete action to make that happen. On Tuesday night, 234 Members of the House of Representatives joined to pass the Cut, Cap, and Balance Act.

The bill will put the country on a sound fiscal course at the same time that it gives the President \$2.4 trillion in additional borrowing authority that he has asked us to provide. The problem we currently face is that we are spending too much money and borrowing too much money.

I agree with our colleagues in the House that it only makes sense for us to increase the borrowing authority if we put the country on a path where that borrowing will eventually end, even though it is a long way out.

The Cut, Cap, and Balance Act takes a three-tiered approach to finding the right fiscal ship. First, it provides some substantial but reasonable cuts to spending immediately. The bill requires us to cut about 3 percent in spending from the bloated Federal budget next year. That cut amounts to more than \$100 billion in spending next year.

The bill allows the House and Senate to determine where those cuts are most appropriate. Because we recognize the need to cut in appropriate areas, the Cut, Cap, and Balance Act ensures there are no immediate cuts to Social Security, Medicare, veterans benefits, or to our military colleagues.

At the same time we cut spending, the bill puts in place spending caps that prevent us from spending above a specific amount and puts our spending trajectory on a path where we can achieve a balanced budget. We all wish we could balance the budget tomorrow, but we are spending money at such an alarming rate that it just is not achievable. We are almost borrowing as much money as we take in in revenue. The bill recognizes that fact and gradually caps spending so we can achieve balance.

Finally, the bill gives the President the ability to borrow an additional \$2.4 trillion he is requesting, subject to one condition: that Congress passes a balanced budget amendment. We all agree we need to stop borrowing so much money. The only way to stop borrowing is to have a balanced budget—not spending more than we take in.

We have a pretty good idea how much is coming in and how much is going out. That is why August 2 is the day of crisis, and that is including the money we borrow. When we pay the interest, we have to borrow 40 cents on every dollar to pay the interest.

If someone has a maxed out credit card and borrows to pay the minimum balance, do you think they will ever pay that card off? Not a chance. That is the situation we are in.

A balanced budget means we will not spend money we do not have. Therefore, if the President wants to borrow \$2.4 trillion more from a country such as China, we need to know it will not force us to borrow money forever. Cut, cap, and balance does not ask for the time for States to ratify a balanced budget amendment after it passes. Their time to ratify gives us time to get where we need to go.

Like families across America, we are going to have to decide what spending is essential. Families have as many ideas for spending money as the Federal Government does. But they know it is not an option to spend what they do not have. They have to decide what is essential and what is nice to have.

I think it is important to take a look at the problem we are facing. If we grasp the size of the problem, we will share my sense of urgency that we must pass the Cut, Cap, and Balance Act.

Our national debt is around \$14.3 trillion. Our national debt is almost equal to the whole economy of the United States—everything that is produced and sold in the United States.

Our debt is almost equal to the whole economy of the United States. We call it GDP. That is so we do not really know what we are talking about. That means if we were to pay off the debt,

every man, woman, and child in this country would need to write a check for more than \$46,000. It would be one matter if that number were projected to decrease or if there were signs that we are making progress in bringing our budget back into balance. But that is not happening. Since the President took office in 2009, our national debt has increased by more than \$4.4 billion each day, for a total increase of \$3.7 trillion.

I can already hear the President counter that he had a lot to clean up. At what point when things are getting worse instead of better is the President going to take ownership and provide a solution on paper? Lots of speeches, no paper.

The stimulus did not work, so let's not repeat it. If we keep doing what we have been doing, we should not be surprised when we wind up with what we already got—the same result.

Margaret Thatcher, when she was Prime Minister, proved that putting your fiscal house in order increased the economy. They already tried some of the other things, but putting the fiscal house in order is what made the difference.

In 2011 we are expected to spend \$3.6 trillion. At the same time that we spend the \$3.6 trillion, we will have revenues of \$2.2 trillion. That is a \$1.4 trillion deficit. If we follow the President's budget, we will have a deficit the next year of \$1.2 trillion. The 10-year average, if we follow the President's budget proposal, is nearly \$1 trillion in deficits each year.

After his first term, the President's policies are expected to add almost as much debt held by the public as all the Presidents in the history of the United States. That level of deficit cannot be sustained and, contrary to the opinions of my friends on the other side of the aisle, we cannot tax our way out of this problem. Failure to live within our means does not warrant taxing the taxpayers for Washington's failures.

According to the Congressional Budget Office, the top 20 percent of income earners paid almost 86 percent of all Federal taxes in 2007. Those individuals are the job creators in this country. Many of them are small business people who reinvest their profits, even though they have to pay the taxes on them at that time. So they put the profits back into their businesses to make them grow.

Increasing taxes at a time of economic struggle will cost jobs and will lead to more unemployment and higher deficits. Businesses are already reluctant to expand because of the increasing and detrimental regulations coming out every day of this administration. Some of the regulations are not even from current law, so they will be fought in the courts and they will be overturned. But it will be at a great expense, a great delay, because it will take over a 5-year period to do that, and we will experience more pain than any cuts we might make.

Now, rather than increasing taxes, we need to cut spending and reform entitlement programs. Mandatory and entitlement programs now account for 62 percent of all Federal spending. That number continues to rise as the baby boomer generation retires. By comparison, mandatory and entitlement programs accounted for 33 percent of all Federal budget spending in 1964—33 percent up to 62 percent.

The numbers do not lie. Entitlement programs are placing a stranglehold on our budget, and yet there are still calls from my colleagues on the other side of the aisle to keep them as they are. Misinformation from campaigns and outside groups say there is not a problem and we can fix our budget simply by cutting earmarks and finding waste, fraud, and abuse. That is just not true. Even if the money from the Social Security trust fund that has been spent were returned, the length of time a person now lives makes the fund actuarially broke.

These problems are too serious for us to ignore. Erskine Bowles, the cochairman of the deficit commission, said it best when he testified that “we are facing the most predictable crisis in our nation's history.”

Everyone knows we need to take action. Everyone knows we need to make the tough choices necessary to right our fiscal ship. Yet there are some who suggest we should not act or that we should wait to act.

To those Members, I say we have kicked the can down the road long enough. It is time for us to take serious action to change the trajectory of our spending habits and get this country in a condition that we can be proud to leave to our grandchildren.

We have known that this debt limit debate was coming for months. We can all see that the government is spending money at a rate that will require us to authorize the Treasury Department to borrow more money. Although the date shifted, the fact that the government will have reached the debt limit should come as no surprise to anyone. That is why it is so perplexing the President and my Democratic colleagues have not presented any written plan to get the country back on track.

Well, I guess the President did present one. We voted on it, and it did not get a single vote in this Chamber—not one vote. He did not even talk one Democrat into voting for it. He had an outstanding opportunity to talk about the deficit crisis that the deficit commission pointed out. He could have done that in the State of the Union speech. He could have followed that up with a budget that would have mirrored what the budget commission said. That is kind of where this Gang of 6 is right now with their suggestion.

But that did not happen. Instead, we move on to the crisis and figure that just raising the debt limit will solve everything. We have known it was coming for a long time.

In the House, Republicans passed a budget that would cut the spending by

\$5.8 trillion over the next 10 years. Senator TOOMEY and Senator PAUL in this body presented their own budget that would get our country back on track. Senator CORKER has introduced legislation that would cap spending levels and head us in the right direction. I have introduced legislation that would require us to reduce spending by 1 percent for 7 years and cap spending each year to balance the budget. It will work: In 7 years, 1 percent.

Incidentally, that is probably how long it will take the States to ratify the balanced budget amendment. If we are saying we can do it without a balanced budget amendment, we should also pass my 1 percent solution bill and prove that we can. A backup plan is always a good idea.

Most businesses in the United States have to find a way to reduce spending by 1 percent to match the economy or to do the regulations we have forced on them. Most families have to find a way to spend one penny less out of every dollar or face a financial crisis.

Why can't the United States do 1 percent—1 percent each year? By making the 1 percent spending cut, we would save around \$7½ trillion over the next 10 years, balance our budget, and we would put the country on a sustainable spending path.

Republicans have offered all of these plans, and we continue to hear only silence from the other side. The only plan presented by the majority, as I mentioned, was President Obama's fiscal year 2012 budget, which was unanimously opposed.

When the President and the majority do not lead, some bill has to take the lead. Members of the House proved that on Tuesday night by passing a plan that allows the President to have his debt limit increase and get our country back on track. The Cut, Cap, and Balance Act is a responsible solution to the problems we face. We are spending too much. Too much spending leads to too much borrowing.

To rein in spending, we must make immediate cuts that prove Congress can act. We must cap future spending to ensure that our spending levels do not grow at an unsurmountable level.

To prevent future borrowing, we need to put into place a mechanism that will require us to balance the budget. Forty-nine States require a balanced budget, and it is well past time for the Federal Government to show the same fiscal restraint.

The President has asked us to give him the ability to borrow \$2.4 trillion more, which our children and grandchildren will have to pay back and, if the crisis worsens, it will move up to the current generation. It is money we will need to borrow from countries such as China, which are our competitors in the world and which don't necessarily share the same values. I don't take that responsibility lightly.

This responsibility requires immediate action to correct the problem and prevent future generations from having

to make the tough choices our out-of-control spending has forced us to make. The House took the responsibility seriously and passed the Cut, Cap, and Balance Act to right our fiscal ship at the same time we give the President the borrowing authority he so desires. The Senate should follow suit and pass the Cut, Cap, and Balance Act immediately.

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

The PRESIDING OFFICER (Mr. SANDERS). The clerk will call the roll. The bill clerk proceeded to call the roll.

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

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

Mr. BARRASSO. Mr. President, I ask unanimous subsequent to speak as in morning business.

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

Mr. BARRASSO. Mr. President, I come to the floor today because we are discussing the cut, cap, and balance legislation, which I support. This gets back to a poster I have had at home with my kids over the years. I have a copy of it here. It is called "the two penny difference." It says that if you earn a dollar and you spend the 99 cents, you are OK. But spend \$1.01 and you are heading for trouble. This is from many years ago.

Today, spending seems more fashionable than saving. What once was called "poor money management" is now called "deficit spending." Whatever it is called, it leads to inevitable headaches for people, companies, and even for governments.

Frankly, that is the situation in which we find ourselves today, a major headache, because as a nation we have continued to spend money we don't have. As a result, we have been borrowing money, significant amounts of money. Actually, it is about \$4 billion a day. A lot of it we are borrowing from overseas, and much of it from China. You say, how does one maintain oneself as an independent, strong, and forceful nation when it owes that sort of debt to someone else?

What the American people have told me as I traveled around my State is that Americans believe—and the people of Wyoming clearly believe—they want Washington to cut spending, not increase taxes. The White House doesn't seem to hear that message. They are ignoring it, tuning it out. They have admitted they don't have a plan to cut Washington wasteful spending, and actually the President doesn't think he needs one. I will quote the White House press secretary:

Leadership is not proposing a plan.

You know, it is saddening, but it is not surprising given this White House's track record of changing positions, saying one thing and doing another, and nobody can predict what they will do. Last week, the President said he

would not support a short-term increase in the debt ceiling. He even warned the House majority leader: "Don't call my bluff." We have all seen it on television. Now we know it was a bluff.

The President is now saying he might welcome a short-term increase in the debt ceiling. Yesterday, the President announced—or it was announced by his spokesman—that they would consider the short-term increase. So it is hard to tell what they are thinking at 1600 Pennsylvania Avenue. A lot of times it depends which way the wind is blowing. White House officials aren't the only ones who think it is better to not propose a plan. The story in Roll Call yesterday said that the senior Senator from New York warned the Democrats to not release a plan. The article even said they told the budget chairman not to propose a budget because it would give others around the country something to shoot at.

We have been here for over 800 days since a budget was passed through the Senate, and a Senator tells the chairman of the Budget Committee don't let them see the budget. According to this article, it said he thought it was politically helpful to spend time "attacking corporate jet owners and defending entitlements."

Our entitlements are going to be bankrupt in just over 10 years, and some folks don't want to produce a plan to save them or to strengthen them. That is what we are hearing on the floor of the Senate.

People often try to figure out how large this debt is that we have. We spend more on interest on our debt—just interest—each and every day than it would cost to buy several hundred corporate jets, which the senior Senator from New York is railing against. And that is just the interest alone on the debt. That is what kind of money we owe.

This isn't the kind of leadership America needs right now. Even though the White House and my friends on the other side of the aisle continue to send different signals each day, Republicans remain committed to cutting spending. In fact, we put forward the only plan that has passed either House of Congress. It is called cut, cap, and balance. It will cut spending. The American people realize we continue to spend money we don't have. It will cap future spending, and it will require Washington to balance its budgets. Wyoming does that every year. Every other alternative in the Congress, on the Hill, around town, is either undefined or unfinished or only speculative.

I am pleased that the Senate will soon vote on cut, cap, and balance, which is a plan that is good for our country. It is common sense that when Washington is \$14 trillion in debt, we must cut spending. When Washington borrows \$4 billion a day, we must cap future spending. When Washington borrows \$2 million every single minute, we must learn to balance our budget.

Americans understand our country can't continue down this same track. We cannot continue to spend money we don't have. Cut, cap, and balance is the best plan for America.

I yield the floor.

The PRESIDING OFFICER. The Senator returns from Rhode Island.

Mr. REED. Mr. President, these are challenging and daunting times. While we are coming out of the worst economic crisis since the Great Depression, with continued high unemployment, our economy remains fragile.

The fragility is not simply a macroeconomic phenomenon. It affects every family in this country who is worried about their employment, about the future of their children, and about whether their parents will still enjoy adequate coverage under Medicare and will still be able to draw some sustenance from Social Security checks. All these worries are in the daily lives of all Americans. We have to respond to that.

The most salient fact that affects most Americans is the dramatic loss of employment, beginning in 2007, 2008, as the financial crisis engulfed this country.

The U.S. economy has lost about 8.8 million private sector jobs just in 2008 and 2009 alone. These were times when a Republican President continued to accumulate huge deficit spending—most of it beginning with tax cuts, which my Republican colleagues supported enthusiastically; two wars that were not paid for, which was supported overwhelmingly by my Republican colleagues; and an expansion of Part D of Medicare, which again they supported. At no time did I hear the kind of outcry about growing deficits we are hearing today.

We all understand that after the 10 years of this decade—8 of which were under the Presidency of George W. Bush—we are in a very difficult deficit position. That position is made worse because our economy has not generated enough jobs. One of the aspects of all these so-called plans—the cut, balance, whatever plan, and all the rest—should be the answer to the fundamental question: How is it going to help us grow our economy and grow jobs in Rhode Island, in Vermont, and in Wyoming? That seems to elude all the proponents of these plans at the moment.

We have seen, since President Obama has taken office, some growth in employment, with 16 consecutive months of private sector job growth—about 2.1 million jobs—in sharp contrast to what was happening during the last 2 years of President Bush's administration. But we have a long way to go. Indeed, we have a long way to go to make up for the surplus which President Bush and the Republican Congress inherited in 2001 and the deficit and economic destruction President Obama inherited when he took office.

Our most immediate and pressing business is to reach some principled compromise on raising the debt ceiling—something that was done, I must say, rather routinely under President Bush about seven times, even though Democrats had very serious disagreements with him on tax policy—a tax policy that was increasing the deficit—and disagreement on wars, which were increasing the deficit as well as distorting our strategy internationally. At no time did we try to use the debt ceiling as the ultimate apocalyptic weapon to bring the President and, perhaps in doing so, even the country down. Yet I hear too many of my colleagues on the other side talking in those terms, particularly in the other Chamber.

The bill that has been passed in the House is an attempt to shrink government, protect the wealthy and special interests in the Tax Code. It ties the debt ceiling increase to passage of a constitutional amendment that would require 38 States for ratification. Once again, we are taking what was routinely done and necessary so we don't default on our credit and making it the vehicle for altering the Constitution of the United States, of building in even additional protections in the Tax Code for our wealthier citizens. This approach they are taking will needlessly jeopardize Social Security, Medicare, and Medicaid, while it enshrines in the Constitution further protections for loopholes in our Tax Code and the tax benefits that many of the wealthy and the large corporations enjoy today.

At the heart of what they are trying to propose in the House, and what they have sent to us, is to make it easier to cut these vital programs—a range of programs that involve transportation security agents at our airports, flight controllers in the towers, and can even involve the distribution of agriculture programs, which affect large parts of our country—not so much in my State but large parts of this country. All that would be subject to the calculation of cutting, cutting, cutting, while it would be extraordinarily difficult to raise revenues.

I don't think that makes sense. I don't think that is what the American people want. From what I have seen from the polling, huge numbers of Americans are frankly saying the wealthiest in this country are enjoying huge tax benefits. I believe approximately 80 percent of the American public believes the first step we should take in balancing the budget is to raise the taxes on the wealthiest Americans. That is what they are saying. They are not saying cut benefits from people who are on the margin, who are struggling—the working poor, who may be just under or over the line to qualify for Medicaid benefits in a State and get health care for their children. I think the American people are smarter and more decent than some of the proposals that have surfaced around here.

Again, the caps on spending are all dressed up as if they will have no real effect on the important programs, but they will have an effect on every program, including Social Security, Medicare, and Medicaid. For people who are still struggling to find work, who are still struggling to find some type of traction in a difficult economy, these cuts can be devastating. Indeed, one of the challenges we have is to generate more growth in our economy again. When we pull back from spending in the economy, that will further accelerate the lack of demand and the lack of any incentive for private hiring.

We are already seeing companies cut back and cut back. What are they saying? There is no demand. People aren't buying. People are saving. They sense—not sense, they know—they have to save more because they are not quite sure whether they will get all of their Social Security check or their Medicare benefits or any other benefits. That drives demand further down and slows the economy further down.

The Republican plan includes overall spending caps that reach 19.9 percent of GDP in 2017, but we have to look at this number in historical perspective. Over the past 40 years, this rate of spending is not only lower than the average spending but, moreover, outlays as a percentage of gross domestic product have only declined to 19.9 percent or lower when unemployment has been 6 percent or below. That makes sense. When the American economy is working, people don't collect a lot of benefits. They have a job and so they do not need the kind of assistance they need today. This cap of 19.9 percent is totally out of the context when it comes to the present unemployment rate of 9.2 percent and, frankly, could perhaps cause an even larger unemployment rate if this program is enacted.

Again, I don't think this makes sense in terms of the simple mathematics or the history or the underlying policies it would inevitably produce in the country. Yet still, in this Republican proposal, we are protecting the most special interests in this country—Big Oil and corporations. Those tax breaks, those tax perks, are still there, and they will continue to be there.

We all recognize we have to make tough decisions about spending and about revenue. What I find acutely ironic is Democrats did that in 1993 and 1997 and we heard about it for years and years, with Republicans assailing us. Of course, by 1998, we had a surplus. We had an economy with an unemployment rate much closer to 5 percent than 10 percent. But all that hard work—without any assistance from the Republicans—was completely squandered beginning in January 2001. Now we are back to the same challenge we faced in 1993 and 1994. But we did it before by making tough decisions. We did it over several years. We did it by trying to balance both cutting expenditures and increasing appropriate revenue and also by recognizing that working Americans need the assistance and support of their government. So we can do it again, and I hope we do.

Our most immediate and pressing business is to reach some principled compromise on raising the debt ceiling—something that was done, I must say, rather routinely under President Bush about seven times, even though Democrats had very serious disagreements with him on tax policy—a tax policy that was increasing the deficit—and disagreement on wars, which were increasing the deficit as well as distorting our strategy internationally. At no time did we try to use the debt ceiling as the ultimate apocalyptic weapon to bring the President and, perhaps in doing so, even the country down. Yet I hear too many of my colleagues on the other side talking in those terms, particularly in the other Chamber.

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But the first challenge—the one that has to be met—is to raise the debt ceiling. Defaulting on our debt would have catastrophic consequences. As we approach this deadline, the mere fact we haven't done anything yet is prompting credit agencies to suggest they will downgrade our credit rating. One of the most salient figures I have heard in this debate is that for every increase of 1 percent in our cost of credit and the interest we pay to borrow over 10 years, we will add \$1.3 trillion to our deficit. The longer we avoid raising the debt ceiling, the closer we come to actually accelerating the deficit dramatically by increasing the rate we have to pay to borrow funds.

The final point I would make is, raising the debt ceiling is not for new spending we want to borrow money for. This is for the accumulation of the deficit that began dramatically in January of 2001. So I would urge my colleagues to move promptly and responsibly to raise the debt ceiling and then to get to the hard, difficult work of balancing our budget, as we did, as Democrats, in the 1990s, and then later, in 1996–97, with a Republican Congress, further adding to the deficit reduction under the leadership of President Clinton and not some magic plan that is produced overnight.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

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

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

Mr. SESSIONS. Mr. President, one of the things that frustrates the American people about Washington is how hard it is to get reliable information and straightforward answers. We in the Senate and Congress have that same difficulty. It is hard to know sometimes what numbers and statements and plans mean and what they will cost. Politicians offer a budget proposal and they say it cuts taxes even though taxes go up. They even come up with new names to disguise tax hikes, like revenue enhancements or reduced spending in the Tax Code. It doesn't mean eliminating the earned income tax credit; it usually means some deductions somebody is allowed to take, and that has been renamed as spending.

We hear people come to the floor and blame our massive deficit on anything and everything but our out-of-control spending, whether it is the war in Iraq or it is a tax cut passed a decade ago, or it is special preferences for private yachts or Lear jets. We can't have an honest budget if we can't talk honestly and factually about it, and I hope to be able to contribute in some way to clarifying the issues. I will do my best today to plainly state some of the things I think are plainly true.

First, I wish to address the myth that the President has a \$4 trillion deficit reduction plan. Some believe that the President has a plan to reduce

spending by \$4 trillion, but the only plan the President has put on paper and allowed anybody to see is his February budget, which doubles the national debt. The President has never put a single spending cut plan on paper that actually reduces spending, and he has no program that would substantially reduce the deficit. If he does, it is a closely guarded secret.

His budget, which he submitted earlier this year, increases taxes significantly but has greater increases in spending. By the Congressional Budget Office analysis, it would increase the deficit more over the next 10 years than if the budget were not passed at all. Indeed, it would increase the gross debt of the United States by \$13 trillion, doubling the entire debt of the United States again in the next 10 years.

If there is a secret plan that does exist somewhere, it should be made public this afternoon. Let's see it. I would like to. I think millions of Americans would feel the same way. Summaries don't work.

The President summarized his budget, which I just described, as calling on Americans to live within our means and will not add more to the debt. That sounds pretty good, because this year our deficit is projected to be \$1,500 billion. So we want to be living within our means again and we do not want to add more to the debt. But even by the President's own analysis, the plan didn't do this. The Congressional Budget Office, Congress's independent agency, analyzed the President's budget and found that in 10 years, the lowest single annual deficit that would occur would be \$740 billion. The highest budget deficit under President Bush was \$450 billion. But under the President's budget, the lowest deficit that would be accrued would be \$740 billion. It goes up in the outyears until it goes over \$1 trillion, over \$1,000 billion in the tenth year of his budget.

How can that be living within your means? It will not add more to the debt? Every single year would be adding to the debt. So we can't deal with summaries and spin statements about a plan until that plan has been put in legislative language and scored.

We also have received no plan from our Senate Democratic colleagues. For a time there a couple of months ago, the Democrats were on the path of producing a budget in the Budget Committee as required by statutory law. I, as ranking Republican, was very anxious to see it. We were told we would get it the morning of the hearing, not a bit sooner. I grumbled about that. I wanted to have a little more time to see it. But we never received a budget. I think the majority leader and the Democratic leadership, not our committee chairman, decided they didn't want to have a budget. One of the committee folks said it would put a target on your back. Senator REID said it would be foolish to have a budget. Why would it be foolish to have a budget?

Well, you can't say your budget calls on you to live within your means if you actually put it out there. People can score it and find out whether it is true.

We haven't had a budget this Senate in 813 days. As of now, there is only one debt limit plan on paper, only one plan available for public scrutiny and review, and that is the one we are considering today, cut, cap, and balance. It cuts spending immediately, it caps it so it won't go up, and it requires the passage of a balanced budget amendment to ensure that Washington ends deficit spending once and for all.

The American people do not support a Washington plan to pass some grand deal with tax hikes that never go away and with spending cuts that are talked about but never materialize. They are wise to the gimmicks and accounting of Washington. They are not happy with us.

At this very moment the people's Representatives in Congress preside over a country that borrows 40 percent of every dollar its government spends.

People in the Tea Party are angry. And why shouldn't they be angry when this kind of leadership has occurred in the Congress of the United States of America? It is utterly, totally indefensible. It should never, ever have happened. Yet, it has. It threatens our financial future. It threatens our economy and our economic growth. So the American people are not happy about it.

That is why I introduced a piece of legislation that would require 7 days to review any bill that would increase the debt limit, because this is going to be complex. People want to bring it up at the 11th hour under a panic mode. Some warn that if we don't pass it tomorrow, the world markets are going to be destabilized, interest could go up. I don't know, some of those things could happen. So we absolutely should do something. But we ought to not wait until the last minute and have plopped down in the Senate some big complex bill that has got to be passed before the sun rises the next day and nobody has time to analyze it or score it to find out what it means.

But our Democratic colleagues here in Washington are resisting the cut, cap, and balance bill because there is no gimmick in it. There is no accounting trick to get around if this becomes law. They know it will work. And for the big spenders, the only thing you don't want to pass is a piece of legislation that will work to contain spending. You see, they want to spend more. They think if they continue to spend more, then they can go and demand you raise taxes to pay for it.

Washington is going to have to end this spending spree. These kinds of difficult choices are the responsible choices families, cities, States, and county commissions are making every day, every year.

In Alabama, Governor Robert Bentley oversaw an across-the-board cut of 15 percent from the general fund in the

current year because of the constitutional prohibition on deficit spending. Alabama is not going to run up debt. For next year, he has taken a cautious approach. Hopefully we will have more revenue, but he is cautiously approaching next year and he has proposed cuts of up to 45 percent for some agencies that he felt would be appropriate places to reduce spending. Those are tough choices. But unlike Alabama, the Federal Government is not required to live within its means.

Another myth I wish to address is the idea that our current budget crisis is the result of two wars and a tax cut. We have heard that over and over again. The wars cost money, a good bit of money. Over the entire decade, the cost of the Afghanistan and Iraq wars is about \$1.3 trillion. That is a lot of money. Again, that is over 10 years, over a decade. This year alone, the deficit is expected to be \$1,400 billion, or \$1.4 trillion. The deficit this year will be larger than the cost of the wars in Iraq and Afghanistan over 10 years. So the driving force behind our deficit is not the wars in Iraq and Afghanistan. It is not. War costs represent only 4 percent of total outlays over the last 10 years. The total amount of money spent since President Obama took office is \$8.5 trillion. By the end of his first 3 years in office, we will have added \$5 trillion to our gross Federal debt. These are stunning numbers.

As I said, President Bush had a widely criticized—in many ways rightly criticized—\$450 billion deficit. Since President Obama has been in office, the deficits have been 1.2, 1.3, looks like this year it will be \$1.4 trillion, each year, more than double the deficit under President Bush.

We are borrowing close to half of what we are spending every single day. In 2 years, nondefense discretionary spending increased 24 percent, 12 percent a year on average. This is our discretionary spending. This isn't Social Security and Medicare, which increase more than that. The stimulus package alone added into law the largest expenditure bill in the history of the American Republic. It cost more than the entire war in Iraq has cost. In a single day in 2009 we passed it on this floor, over my objection, and every penny of it was borrowed. We were in debt, but they said: The economy needs to be stimulated so we are going to spend \$50 or so billion dollars.

The spending when President Bush took office was less than \$2 trillion. Today, it is almost \$4 trillion. It will be almost \$6 trillion by the end of the decade. There is only one honest answer to the question of why our debt is rising so fast, and that is out-of-control domestic spending.

Another myth that is circulating, which I wish to address, concerns the outline from our colleagues and friends who participated and worked hard on the Gang of 6 proposal. I give them a lot of credit and respect for the hard work they put into it. I wish it had

been produced a month ago so we could have actually had legislative language and know what it would mean today.

The authors of the summary, though, that they just produced for us, claimed the approach would reduce the deficit by \$3.7 trillion over 10 years. That is a little over one-third or so of the deficit we projected to see in the next 10 years. But my staff on the Budget Committee, taking the summary pages they produced for us, can only find \$1.2 trillion in reduced spending in that outline, along with what is a very clear \$1 trillion tax increase.

Where does the other \$1.5 trillion in deficit reduction claimed in the outline come from? Chairman CONRAD, one of the members of the Gang of 6 and our chairman on the Budget Committee, a man I respect and have enjoyed working with, even said the outline has a \$1.5 trillion tax cut. But this is compared—this is how these numbers get bandied about—it is compared against a baseline which assumes more than \$3.5 trillion in tax increases would occur. So they are only going to increase taxes, I guess, by \$2 trillion, and you can get savings by not having them go up as much. But based on the current tax rates that are in existence in America today, as we read their outline—and I think they would agree—it increases taxes by \$1 trillion over 10 years. That is a large amount.

The real cost of the tax changes, some who have looked at these numbers say, is not \$1 trillion but \$2 trillion. That remains to be seen. Hopefully we will get the legislative language that can actually be analyzed, and we would know how much our taxes would actually go up.

The last myth I would like to address is perhaps the most important of all, and this is the myth that we only need about \$2 trillion in actual spending cuts over the next 10 years. That has basically been what our colleagues are saying. They float the idea of \$4 trillion in savings. What they mean is that you save \$2 trillion by reducing spending and you increase taxes \$2 trillion and you have saved \$4 billion over 10 years. I am not sure that is what the American people are expecting of us when we say we are saving money. By taking it from them? It is not saving the American people more. It is not saving the private economy more, to take another \$2 trillion from them. There is no free lunch. Somebody pays.

Our Democratic colleagues have said, although no plan has ever been made public to this effect, that they could get behind the budget deal that reduces the deficit \$4 trillion over the next 10 years, half of it composed of spending cuts. This is not even close, frankly, to what is needed to ultimately balance our budget. We are projected to spend \$46 trillion over the next 10 years. A \$2 trillion reduction is only about a 4-percent reduction in spending, and that is set to increase by almost 60 percent.

Remember, we will say we are reducing spending. We are not reducing

spending, we are reducing the rate of growth in spending by \$2 trillion on a \$46 trillion plan. Think about it. We are not talking about reducing spending. This budget would have the expenditures go up significantly in the next 10 years to \$46 trillion. The \$2 trillion means we are just reducing the growth of spending by \$2 trillion. The \$2 trillion in tax increases would mean we would still spend the same \$46 trillion, but we just would borrow \$2 trillion less because we have extracted more from the American people.

In just a little over 2 months, our debt will reach 100 percent of our economy—100 percent of GDP. That is the gross debt. That would match the size of our economy. It costs us 1 million jobs or more a year when gross debt reaches this level.

We have the Rogoff-Reinhart study that shows that when a country's gross debt climbs as high as ours has, it starts pulling down economic growth. Secretary Geithner said it is an excellent study. He said in some ways it understates the problem we have. Secretary Geithner knows this debt is a real problem for America.

We expected 3 percent growth the first quarter. It came in at 1.8 percent. Could that be because we have crossed the 90-percent debt-to-GDP threshold, and that debt is now a burden on the economy that is reducing growth? The experts have also downgraded the projected growth for the third and fourth quarters of this calendar year. It is very serious.

Christina Romer, who used to be in President Obama's White House on economic matters, said 1 percent growth means you will add 1 million jobs. So if our economy grows at 2 percent instead of 3 percent we will fail to add 1 million jobs we could have added. And I truly believe the debt is the reason we are having surprisingly low growth rates, below projected rates. Maybe I am wrong, but we certainly have a study that seems to say that exactly, and it has been widely praised by economists all over the country.

The honest truth is that this President and his Democratic Senate are not going to agree to the level of spending cuts in a debt deal that is necessary to put our country on a sound path. I think that is a fact. We have been negotiating and talking all year. The House laid out a budget plan. The Senate has refused—813 days without a budget. They are determined not to reduce spending after increasing domestic spending, nondefense, by 24 percent. They say they will freeze spending—freeze spending at levels that have jumped 24 percent? We do not have the money. We are borrowing 40 cents out of every dollar we spend.

Unfortunately, we're in a battle over the vision for the future of America. It is a big-government vision a lot of our Members have, and they are going to work as hard as they possibly can to preserve that vision, preserve that spending. After running up this huge

debt by a 24-percent baseline increase—that does not count the stimulus package of almost \$900 billion that is thrown on top of that—now they want to go to the American people and say: We are not going to cut spending; you have to pay more in taxes. I don't think that is what the American people want, so we have a national debate here.

This is the great debate of our time. It is not going to be settled in 2 weeks. A few people are not going to meet in secret and work out some grand and glorious deal. I wish they could, but I don't think they will. I would be pleased if they do.

I am confident that the good sense and wisdom of the American people will ultimately prevail. I am confident we will eventually get our spending under control. We will restore the American principles of limited government and build a better, freer future for our children. We will raise the debt limit, but we will also put this country on a sound path. If we get our debt under control, I think our economic growth will rise quickly, and I believe we will see the progress we have always seen in this great, productive, dynamic country.

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

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

Mr. BENNET. Mr. President, we have reached a point in this country's history that I never thought I would ever see, which is that the major credit rating agencies have all said that our credit rating is in jeopardy and that the United States may face a downgrade of its debt.

You and I both have had our issues with the credit rating agencies that failed to predict the crisis we were driven into by very poor business decisions. I can't even really call them business decisions—horrible decisions that were made that drove our economy off a cliff, both here and in our financial markets, both in Washington among our politicians and among people who securitized debt, sold it off, and took no responsibility for it. Having said all of that, I don't think these agencies have any political incentive other than to shoot straight on this question of the condition of our debt.

One of the greatest assets we have always had as a country is the steadiness of our credit. Countries and investors all over the world use it to finance transactions that otherwise would be difficult to do because we have an AAA rating on our debt.

Now we are facing a downgrade because we cannot even have an adult conversation, a polite conversation about a path forward. People should be

very clear about what this means. This is not just a Washington problem. If we blow through our credit rating and if our interest rates rise by 1 percentage point—just 1 percentage point—that is going to add \$1.3 trillion to the debt over the next 10 years. If it goes up 2 percentage points, that is \$2.6 trillion added to the debt over the next 10 years. That means we will continue to pay our borrowers interest and we will continue to underinvest in the children of this country, in our infrastructure, in our research and development—in all of what will allow us to compete in the 21st century. For what? Just to pay higher interest rates to people because we could not come to an agreement here in Washington.

I have spent the last 2½ years traveling around the great State of Colorado, a State which is complicated politically, which I enjoy, because we are one-third Republican, one-third Democratic, and one-third Independent. If I had to boil down the essence of what I have heard from people in my State about what they want us to be doing, it is that they want us to approach this question the same way they would approach this question. They want us to materially address the problem we have. They want a material solution to it. They know we cannot fix this overnight, a \$1.5 trillion budget deficit and a \$15 trillion debt, but they want us to fix it. They want to know that we are all in it together, that we all have a role to play to solve a problem that is too big for any one of us to solve or any group of us to solve. They want it to be bipartisan because they have no confidence in my State in either party's go-it-alone approach.

I would add a corollary to all that: We need to satisfy the capital markets that the paper they bought is actually worth what they paid for it and that the United States of America is going to stand behind that paper and is going to be able to stand behind the paper. This is one of the reasons I have supported an approach the Gang of 6 has brought forward—because it meets that test. It may not be perfect in all respects. I know there can be disagreement about it. But that is one of the reasons I have supported it. It is bipartisan, it is a measured approach, and I cannot say the same for the bill we are considering today.

Among other things, even if you thought this was a good idea, even the proponents of the legislation say it would take 10 years before this constitutional amendment would take effect. What we need to be doing over the next 10 years is figuring out how to get our fiscal house in order. I have other issues with it as well, but I think the point I want to make today is we need to work together in a bipartisan way to create a measured approach. You know what else. We cannot declare victory then even when we are able to say to the credit markets, you know what, we have had a disaster. This did not used to be our standard as Americans.

I know I have heard the Presiding Officer on the floor many times talk about the state of the American economy, and I agree with him and his diagnosis. If I had to pick one fact over the last 10 years from our economic life—and I see the Senator from Oklahoma is here, and I will wrap up in 1 minute. What worries me the most is that median family income has fallen the last 10 years for the first time in this country's history. It stagnated for a while before that, but it has fallen for the first 10 years. The average family income went up over that period of time. Median family income has fallen and the cost of higher education has skyrocketed, the cost of health care has skyrocketed, and it is harder and harder for the middle class to get ahead. Our economic production in this country is roughly the same as it was before we went into this recession, but we have 14 million fewer people doing the work because they are unemployed. We need to have a set of tax policies, regulatory policies, that is driving innovation in this economy and a policy to drive energy independence and make sure we are fiscally responsible.

Before I leave the floor, I want to thank the Senator from Oklahoma who is here today. He and I probably don't agree on most things—we disagree about a lot of things—but I want to thank him and the other members of the Gang of 6 for the work they have done. I want to thank him and DICK DURBIN, in particular—one of the more liberal members of the Senate—for voting for the deficit and debt recommendations that were made by the bipartisan commission that was appointed to the deficit and the debt committee. It took real courage for him to do that. It took real courage for DICK DURBIN to do that. It is going to take real courage for the 100 Members of this body and for the Members of the other body to produce a plan to address this fiscal problem that no one would agree with every single aspect of but that we can come together and agree is worthy of the aspirations we have for our kids and our grandkids.

Time is very short. If we trip over this debt ceiling and if we fail to uphold the full faith and credit of the United States, no one is going to be asking any one of us what pledge we made about this or what pledge we made about that. They are simply going to observe when we were 1 of 100 Americans—out of over 300 million Americans—we let the unthinkable happen to this country.

I yield the floor.
The PRESIDING OFFICER (Mrs. MCCASKILL). The Senator from Oklahoma.

Mr. COBURN. Madam President, I wanted to spend some time talking about what is coming forth Saturday morning. As a member of the Gang of 6, I am wanting us to solve our problem. But the best way to solve that problem would be the bill that is going to be voted on Saturday morning. Why is

that? We are borrowing \$4 billion a day, and I have enough gray hair to know that regardless of all the good intention and regardless of all the statements of the Members on the floor that we will never live within our means in Washington until we are forced to live within our means, and just because a constitutional amendment would take probably 4 years to pass—given what the American people think about it—isn't a reason not to go on and do it no matter what we do about our short-term problem coming up August 2. So the very fact people would say we are not going to pass the Cut, Cap, and Balance Act because it won't happen in a period of time is exactly the same approach that got us \$14.3 trillion in debt, that has our credit rating at risk and puts us in the kind of problems we have today.

I have offered a plan I think is even better. I know not many of my colleagues will, but here is a plan to cut \$9 trillion over the next 10 years. It is the only plan that specifically states what you would cut, where you would cut it, and why you would cut it. It is backed up with the facts. Nobody else can claim it. You don't have to like all of them, but what we do know is if something doesn't come out of this body between now and August 2 that cuts at least \$4 trillion, this country is going to see significantly increased interest rates as a cost of that. What so often happens is you hear wonderful words and wonderful speeches on the Senate floor but nobody putting their name on where you would cut. Well, I put my name on \$9 trillion worth of cuts. It pinches everybody in this country. Everybody. But you know what. We are all in this. We have lived for the last 30 years on the backs of those who are going to pay the taxes for the next 30 years. It is time we start paying back. It is time we start giving back.

The Senate is a different place today than when I came to the Senate. When I came to the Senate, the idea was not to block legislation but to discuss legislation, to have the courage and the backbone to vote against something and go home and tell your constituents why you voted against it, to offer amendments you thought would improve legislation and defend those amendments, and to vote for a bill you thought was in the best interest of the country and be able to defend that. What has happened in the last 3½ years in the Senate is we don't vote because the politicians of the Senate don't want to go home and explain their positions. So if you are not voting, you are not accountable and you are not responsible.

That type of behavior is exactly the opposite behavior we need to have. So Saturday morning, when Members of the Senate vote against proceeding to cut, cap, and balance, they will display either courage or cowardice. I am not talking about simple words. There is only one plan that has passed the House of Representatives that raises

the debt limit and addresses what is said to be needed by the rating agencies, and that is cut, cap, and balance. And to not allow proceeding to that debate whether you agree with it or not—you can change it through amendments. You have the votes to change it through amendments. But to not allow it to proceed so the American people can see their elected Senators and their real positions and what they know has to be done—you know, what happens around here is we say things so we can protect our political careers. You know what that does? We are not only bankrupting financially, we are bankrupting our country's history and heritage. The heritage of this country was sacrifice, and that means even sacrifice of political careers to do the right thing right now for the country.

I believe if you were to pass something like this, we would lower our debt by at least \$2 trillion over the next 10 years, the economy would absolutely boom, and we would quit undermining self-reliance and enforcing dependency. We would hold accountable a Pentagon that is wasteful, we would eliminate duplication of hundreds of programs that all do the same thing with multiple layers of redundancy and administrative bureaucracy. If we were to do that, this proposal will never come to a vote in the Senate nor any of the aspects of it because Senators don't want to make those hard choices, and that is what the debate about cut, cap, and balance is all about. It forces Senators to go back to embrace the heritage of this country and make the hard choices. If you don't pass a balanced budget amendment and you don't force the discipline, the political expediency of this country will continue to run and the problems will not be solved.

I would also say raising the debt limit doesn't have anything to do with our real problems. That is just the symptom of the problem. The problem is not living within our means. Somehow thinking the U.S. Government is different than all the State governments, all the city and county governments, every family in this country, every business in this country, and every other organization in this country that has to live within its means, I refuse to believe the American people will not hold Members of the Senate accountable for not giving them a chance to put those fixed parameters on us and their government for the future.

We are going to hear all sorts of reasons why we can't do that, why we won't do that, or we may not hear many at all. What we will see is voting against the procedure with no comment whatsoever. My plan is if that happens, to be all over this country to make sure every citizen of every State of every Senator who does not allow them to proceed is aware of that. I want to personally make them aware of that. Because what you are doing is denying the liberty and the freedom of this country to hold you accountable

to do the right thing. So we are going to see.

I wanted to spend a few minutes saying that the only thing that is possible right now to solve the problems in front of us—even though I have endorsed a \$9 trillion plan and \$3.7 trillion plan—the only thing is this \$6 trillion plan. It has passed the House of Representatives. They voted to increase the debt limit and they put significant cuts into our budget for next year. They put significant caps as we go forward and they said we have to vote to pass a balanced budget amendment. Right now that is the only thing that will get us out of a jam. You know what. That is not hard to do. The first point, we are going to cut another \$111 billion at least next year, no matter whether that passes. We are going to cap spending in the years that go forward whether or not that bill passes. But the difference is as soon as we get our balance again, the politicians who don't want to make hard choices will be back to not making hard choices and we will get in trouble again. That is why it is absolutely critical that this country's citizens have the ability to hold us accountable within the parameters of living within our means.

We will hear all sorts of reasons why we can't do that, that it might hurt the poor. Nobody here wants to in any way intend anything other than support for those who cannot help themselves. That is their excuse, we can't do that. Well, let me tell you what is going to happen in our country. The very programs that help the poor are going to be diminished in the future through fiscal necessity when we are mandated to make cuts to be able to borrow more money. So it is a false statement because by not voting for a balanced budget amendment, what you are saying is I want to plan one thing but I know something else is going to happen.

I paraphrase a statement by Martin Luther King that I think describes this place more than anything I have ever known and it was this: Vanity asks the question: Is something popular? Cowardice asks the question: Is it expedient? Character asks the question: Is it true and right? We have tons of vanity. We have tons of cowardice. We limit ourselves on courage and character.

As we listen to the debate over the next 2 days on this motion to proceed on the only thing that will solve the problem in front of us today, I want my colleagues to listen for political expediency, I want my colleagues to listen for vanity, and then I want them to search hard for courage and character because we will see an absence of it from those who oppose this. They know this will solve the problem. They know this is one of the few things that can pass the House of Representatives. Yet we are not going to have it come to the floor for an amendment process, for a full debate, and for a vote. We are not going to allow it to have a vote because

we are political cowards. We do not want to truly address the problem because it might affect our political careers. That is a sad commentary on the heritage of this country—a sad commentary—but it is a commentary to be expected; otherwise, we would never have gotten into the position we are in today.

Let me talk about some details of what we can do. We are going to hear all sorts of reasons why we can't do things and all sorts of reasons why we couldn't come up with \$9 trillion. But when the American people truly know what is going on—if they go and read about it in "Back in Black"—when they find out about the background of all the waste, all the duplication, all the stupidity that goes on in our government, all the lack of accountability, the lack of responsibility in bureaucratic agencies, all the silly decisions that get made that spend billions of dollars and don't help anything—the Tax Code. Tax earmarks and tax credit and tax expenditures are nothing but, most of the time, corporate welfare or socialism. The greatest tax in the world comes when we allow the Federal Reserve to print money which devalues our assets through inflation and the earnings on those assets. So the greatest tax in the world that is coming in America is we are going to devalue the dollar and inflation is going to go up and what we can earn on our assets is going to be limited by the interest rates, and the differential is that which we actually lose in real value of what we own every day.

The other thing I would point out is, through the tax earmarks and tax credits in our Tax Code, anybody who doesn't get one of those is actually paying for it. So if a person doesn't have an "in" up here, if a person doesn't have a lobbyist, if a person doesn't have some special interest looking out for them and they are not getting one of those, they are paying for them through the increased taxes. It is inherently unfair.

Let's look at duplication for a minute. It is interesting to look, as we have gone through the government programs in a detailed fashion, at the GAO report. We have 100 different programs with 100 sets of bureaucracies for surface transportation. Why do we have that? Because Congress has mismanaged. That is why. Because of expediency, because of vanity, because of wanting to get reelected, we create another program, another program, another program. It looks good and sounds good, but nobody ever does the research to see where they overlap. Nobody ever requires us to ask if this program is effective, and nobody ever looks at the Constitution to see if it fits with article I, section 8 of the Constitution—the enumerated powers we are supposed to live by and which we blow by all the time doing things.

Today, the Judiciary Committee passed a bill for State prisons called

the Second Chance Act. When we passed it the first time, I finally let it go because it was supposed to be a demonstration and a limited program. It is now going to get reauthorized for 5 more years. It legitimately has zero role for the Federal Government, and we are going to spend \$600 million which we don't have. We will borrow. It is well intended, but it is not our role. It is the States' role. We have hundreds of thousands of examples such as that, where we have ignored what the Constitution says so we can look good politically.

We have teacher quality programs. Teacher quality programs—82 different programs by the Federal Government to improve the quality of our teachers. Thomas Jefferson was truly the father of education in our country. He worked for years to establish the University of Virginia. He was committed to the fact that a great education will produce great benefits, not only for the individual with the education but for their family and our country as a whole. Here is what he said: For the Federal Government to become involved in education would require a change to the U.S. Constitution, and he happened to be one of the people who wrote it.

What have we done since the beginning of the Department of Education? We have spent \$2.6 trillion on education in this country at the Federal level and every parameter measuring a metric on the progression of our kids in school is worse or the same after that \$2.6 trillion. Hey, it is not working. The reason it is not working is a person can be a teacher at home and the Federal Government looks at that person and they don't know what to do, but we can hire that person to do the work in Washington and all of a sudden that person knows what they need to do. So we have this massive bureaucracy that has ruined our education because we spend all our money filling out forms and requirements and meeting mandates and we have taken the power and control of education away from the parents and teachers, the very people who care most about the success of the kids. So \$2.6 trillion with nothing to show for it, other than for the politicians to feel good about themselves and to say we were doing something.

We have 88 different economic development programs, with \$6 billion just in four of them. Not for 1 of those 88 programs is there a metric anywhere that says it is money well spent that gets a positive result for the country. There is anecdotal evidence that says it worked here or it worked there, but we don't know what we are doing. We are throwing money we don't have at things we don't know are working and when we go to vote for them to eliminate them, the Senate votes against it because it might bother their political position. It might bother their next election. We don't do it. We don't address it and do our job.

I will never forget in one of the committees I was on last year, two sepa-

rate times bills were brought up in committee that were doing identical things that we were already doing in the agencies. The Senators and their staffs didn't know it. Had I not raised objections, we would have created more agencies.

Eighty programs for transportation assistance—80. If it is our role, why do we need 80? Oh, by the way, has anybody measured to see if any of the 80 actually work? The answer is no. We have none that have a report on whether they are effective to the goals of what they were set out to do because there is no oversight carried out by Congress. We were so busy earmarking for so many years, everybody forgot to check to see if what we intended to do is working, and we still aren't doing it.

We have 56 different programs to teach the American people to become financially literate—56. The Federal Government is teaching financial literacy when we can't balance our budget. We have multiple programs. We don't live within a confined budget. The first principle of financial literacy is living within your means. Yet we have this many programs—56—to teach American citizens to be financially literate.

Job training. Here is one of the best. This is great. We have 47 job training programs that cost \$16 billion a year. All but three overlap one another. That is what the GAO says, and there is not a metric on one of them to see if they are working. When we talk to the people who go through the program, half of them say it is a waste, it is a joke. I have actually talked to them. Yet we are spending that kind of money, in excess of \$15 billion a year, on job training programs. There is no question we need job training programs, but we need job training programs that work. Why would we need 47? So when somebody tells you we can't balance our budget, you ought to blow a hole right through them with your thought that says you obviously don't know what is going on in the Federal Government.

Homeless prevention/assistance, 20 different Federal programs. We should be helping people who need our help. I am not denying that. But how we help and the mechanisms of the way we help ought to be frugal, efficient, and effective.

I have served in Congress—I am in my 13th year, 6 years as a Congressman, 4 years out of here to get a breath of fresh air, and now my seventh year in the Senate. What I know is, we don't know what we are doing, and it is obvious looking at our budget. It is also obvious looking at the dysfunction of the Senate and the leadership in the Senate, that we—we haven't had a budget in 2 years. The one thing any financial counselor will tell you is the first thing you have to know is where you are and set up a plan. We have had no attempt to bring a budget to this body in well over 2½ years—no attempt. What does that tell us? It goes back to vanity. It goes back to cowardice. It goes back to

us not doing what we are intended to do because we care more about our position than we care about the country.

There are 18 programs to feed the hungry. We have 17 disaster response/preparedness, just in FEMA—17 different programs, of which 11 overlap. FEMA didn't set those up. The bureaucracy didn't create those; we did. Every one of these programs was created by a Member of Congress. So we can't blame administrations and we can't blame Presidents. What we have to do is blame Congress.

We have 130 overlapping programs in the Department of Agriculture; 18 overlapping programs in the Department of Commerce; 230 overlapping programs in the Department of Education; 17 in the Department of Energy; 36 in the Department of Human Services; 32 in the Department of Homeland Security; 60 in the Department of Housing and Urban Development; 40 in the Department of the Interior; 53 in the Department of Justice; 35 in the Department of Labor; 6 in the Department of State; and 180 governmentwide if we look at all economic development programs. We just listed the 88 that run through 4 of the agencies.

Is it any wonder we are going belly up? The problem is us. The problem is we have a solution now that has come to us from the House and we are not going to let that solution go forward because politically—politically—it is uncomfortable. Politically, we don't want to allow the people of this country to decide whether we ought to live within our means and put a bridle with a bit in our mouth that says, whoa, you are not going to continue to destroy the future of this country and the prospects for our children anymore.

When I came to the Senate, I came after having read a book called "Running On Empty." It was written by a man by the name of Pete Peterson. He was bipartisan in his criticism of both parties, and he was absolutely accurate. We are in trouble because parties matter more than the country, because control matters more than the country, because political careers matter more than our children or our grandchildren.

So I go back to talk about what is possible. A lot of people would disagree with what is in here; this \$9 trillion of what the House has sent us would take about 60 percent of it. But here is what I say to my colleagues who don't want to vote on a balanced budget amendment, don't want to vote on cut, cap, and balance. Where is your plan? I have listed 625 pages of specific cuts, elimination of duplication, elimination of waste, elimination of fraud, and 3,000 footnotes that looked at every program throughout the Federal programs—looked at every CRS report, looked at every OIG report, looked at every GAO report, looked at every OMB report, and looked at every other outside report we could find.

The fact is, we could solve our problems tomorrow, America. We could

solve them tomorrow, with good old-fashioned common sense that the vast majority of Americans have and is sorely lacking here.

We do not have a fiscal crisis. We have a commonsense crisis in this body and in the leadership in Congress. We lack common sense, we lack sound judgment, and we need the hard bit of a bridle put on us through a balanced budget amendment to control us. Because human nature is human nature in whatever we do today, we will be back to our bad habits tomorrow. Even if we pass cuts, even if we cap spending, if we do not have a balanced budget amendment that forces us to live within the constraints of our revenue, we will be back here again.

What does that mean? That means the future of America is suspect. It does not have to be. We do not have to go the way of every other republic. We do not have to fail over fiscal issues. We can cheat history. The American people are the greatest people in the world because they are a blend of all the people in the world and they desire freedom and opportunity and that is limited because we have limited it.

We, through our profligate spending, our inattention to detail, our failure to do oversight, have undercut the potential of our country. Let's restore it. Let's restore it Saturday morning by moving on to this bill and allowing ourselves to have a debate, offer amendments, and truly debate—have what the Senate has not had in a year and a half: a real debate about the issues of our day and the reasons behind it.

But I would caution the American people. Remember what Martin Luther King said as you hear that debate: Vanity asks the question, is it popular? Cowardice asks the question, is it expedient? But conscience and right and good asks, is it right?

I tell you, it is not right to have multiple programs doing the same thing, wasting our kids' future. It is not right for the Congress not to do oversight and eliminate programs. It is not right for us to spend money we do not have on things we do not absolutely need. It is not right for us to take the control of our children's education from the parents and teachers who have their best interests at heart and place it in a bureaucracy that has no compassion whatsoever, even though it feigns that it does. It is not right. It may be politically expedient, it may be popular to some people, but it does not make it right.

As you look at this, here is how you get \$9 trillion, and you can pick any part of that to meet this cut, cap, and balance or you can come up with your own. But the fact is, nobody wants to lay on the table what they think. I have already been roundly criticized in the press for certain aspects of this by people who disagree. That is fine. I am planning on defending everything I put in here. With the best of my knowledge and a great staff that spent thousands

upon thousands of hours on this, we came up with a way to solve America's problems, and we can do it.

America can be bright, can be growing, can be developing jobs, if we get the government out of the way and limit the role of the Federal Government.

I see my colleague from Delaware, one of my great friends. We hear that said a lot here, but he is a great friend. It is not the conventional, common greeting. I believe I am over my time. I will be back to the floor to finish this conversation.

But America needs to know we do not have any problem we cannot fix. What we lack are leaders who will fix it. That is our deficit. It is a deficit of courage. It is a deficit of will.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Madam President, thank you very much for this time to speak.

Before Dr. COBURN leaves the floor, I thank him for the kind things he just said. As to TOM COBURN and I—a lot of people say: Well, that is an unlikely duo who would end up working together as much as we have and actually having the sense of trust and friendship. There are things people certainly find in me not to like, and the same is true of all of us. But I would say, there is nobody in the Senate who cares more about getting our deficits under control. He and DICK DURBIN have shown terrific courage and leadership, along with others in this so-called Gang of 6, and also as members of the deficit commission, in trying to get us to a comprehensive, bipartisan solution as to how we rein in the budget deficit without destroying our economy, making sure we do not pierce the debt ceiling and have our financial world begin to crumble around us. So I very much appreciate what he said today. I heard most of it, not all of it. I have had a chance to work with him in a number of areas.

What we try to do, and Senator MCCASKILL—who is presiding at this moment—what she tries to do, along with others of us who serve on the Homeland Security and Governmental Affairs Committee, is we try to look in every nook and cranny of the Federal Government. Whether it is defense spending, entitlement spending, domestic spending, we look at the so-called tax expenditures, tax breaks, and so forth, and we look at all of them and ask this question: How can we get a better result? Whether it is health care, education, transportation, defense, how can we get a better result for less money or how can we get a better result for not much more money?

We need to do that across our government. We need to change, if you will, the culture in the Federal Government from sort of a culture of spendthrift—which a lot of people think we operate under—we have to change it to a culture of thrift and not just for a couple

weeks or a couple months or a couple years; I mean for as far as the eye can see, until these pages who are sitting in front of me—who are rising juniors in high school—until they are rising juniors in college and out of school and off into the world and well beyond that. That is what we need to do. That is part of our obligation.

One of the recommendations—I am going to go back to over 1 year ago when we voted on whether to create a deficit commission that would have a number of members who would be responsible—some elected, some not—they would have a responsibility to look across the Federal Government and to come back to us at a date certain with ways to rein in the Federal deficit to get us back on a more fiscally sustainable and responsible track.

We voted in the Senate. Our Presiding Officer will recall not all the folks who were cosponsors of the legislation that created the deficit commission actually ended up voting for it. In fact, seven of them who were cosponsors—as I recall, I do not believe any of them were on this side of the aisle; I think they were on the other side of the aisle—ended up voting against it, and we did not actually have the votes to create the deficit commission.

With that happening, a number of us encouraged the President to use his Executive powers to create one by Executive order. He did that. Last year, the deficit commission was created, and there were 18 people named to it. Madam President, 12 were elected, 6 were not, and he named 2 cochairs. One was Erskine Bowles.

Erskine Bowles, who is he? He used to be, in the second term of President Clinton's administration, Chief of Staff for President Clinton. Erskine was asked by President Clinton to negotiate the deficit reduction package with the Republican House and Senate. At that time, during those years, Republicans were in the majority in the House and Senate. President Clinton said: Erskine, go out and negotiate a deficit reduction deal, where some of the deficit reduction comes on the revenue side and some comes on the spending side, so we can follow up on, actually, an earlier deficit reduction package adopted in 1993 with only Democratic votes. But he said: Let's see if we can't actually balance our budget. We had not done that since 1968.

God bless Erskine Bowles and the folks he negotiated with too. He went to work in 1997 and came up with a deficit reduction package with 50 percent revenues, 50 percent spending that had everything on the table. A long story short, we ended up with a balanced budget—not 1, not 2, I think at least 3 years in a row at the end of the Clinton administration and handed off to a new administration balanced budget surpluses as far as the eye could see.

I remember Alan Greenspan testifying, I think, before the Banking Com-

mittee, when Alan Greenspan was the Federal Reserve Chairman. He said he was concerned at the time we were going to pay down our debt too soon, too fast. I mentioned to him later that concern was misplaced because we certainly did not pay down our deficit too fast. About starting 10 years ago, we turned black ink surpluses as far as the eye could see to red ink, to deficits as far as the eye could see.

A lot of people like to reinvent history. They say we did not do much to reduce deficits in the years from, say, 1993 to 2000. Actually, we had two big votes, one in 1993, with all Democrats—and I am not saying this in a partisan way—and one in 1997, where the Republicans in the House and the Senate actually negotiated in good faith with a Democratic President. With those two packages together, with a strong, robust economy, we balanced the budget not once, not twice, three times, created something like 21 million new jobs, and ended up for the decade ending in the year 2000 among the nations with a balanced budget and the most productive workforce on the face of the Earth. Those were halcyon days for our country. We need to get back to that.

So President Obama, naming the cochairs of the deficit commission, goes back to an earlier President and taps the same guy, Erskine Bowles, to be a coleader of the deficit commission.

On the Republican side, the President asked a guy a lot of people remember, Alan Simpson, a Republican Senator from Wyoming, here for a number of years, as maybe the funniest person who ever served in the Senate. He is also one of the most insightful, commonsense deficit hawks, and a great guy to be a partner with Erskine. They went together.

We had 12 Members of the House and Senate—6 Democrats, 6 Republicans—and some other folks from civilian life. Dave Cote, who is chairman and CEO of Honeywell, was among the private sector participants. But they worked for months and gathered input from all kinds of sources and came up with a broad-based plan that was recommended, adopted, endorsed by, if you will, 11 out of the 18 Commissioners. That was not the magic threshold of 14 before it actually would be the official recommendation of the Commission, but it was a majority, and it included 3 Republican Senators: Judd Gregg, who was then a Senator from New Hampshire, TOM COBURN, and MIKE CRAPO. I thought they were courageous, those Republican Senators.

On our side, among them included KENT CONRAD and DICK DURBIN, and I want to say MARK WARNER, but I may be mistaken. MARK has been all over this stuff. I think he has been a real leader, but I am not sure if he was the third Democrat. Yes, the third Democrat was John Spratt, Democrat from South Carolina, chairman of the House Budget Committee. But anyway, those three Democrats and three Republicans basically agreed to a package and said:

Let's reduce the deficit over the next 10 years by \$4 trillion. Let's do it mostly on the spending side—two-thirds to three-quarters on the spending side—but let's have revenues as well.

They did not propose raising the rates. What they actually proposed was to reduce the rates for business, put us more in line with other advanced countries, bring us down from about 35 percent to somewhere roughly between 25 percent and 29 percent on the corporate income side, to reduce personal income tax rates for middle- to low-income families to as low as 8 percent, and to actually reduce the upper income rate from somewhere in the mid thirties to the high twenties. But at the same time we would bring down the rates. We would eliminate not all but a lot of the so-called tax expenditures.

The tax expenditures—what are tax expenditures? They are tax breaks. Some folks call them loopholes. Actually, a lot of them are meritorious: the mortgage deduction, deductions that will encourage people to make charitable donations, stuff that a lot of us will say: We don't want to change that. We don't want to get rid of that. But if you add all those tax expenditures over the next 10 years, do you know what that adds up to? Madam President, \$15 trillion. Think about that. Add all the tax expenditures for the next 10 years, and it is \$15 trillion. If we only were able to somehow reduce that by 8 or 9 percent, we would come up with the revenues that were called for in the Bowles-Simpson deficit commission to be part of a \$4 trillion package.

In order to be able to bring the rates down, to lower the rates, broaden the base—in order to do that—we are going to have to take more than 8 or 9 percent out of tax expenditures. They may have to be reduced by as much as 50 percent.

I would argue, at the end of the day, we should preserve the deduction for interest we pay on mortgages, especially for our primary home. Also, to encourage charitable donations, I think we ought to preserve the deduction for charitable donations. There are others as well. But those are a couple of the good ones. But that was sort of the sum and substance they came up with.

Among the things the Bowles-Simpson commission also said we ought to have on the table for deficit reduction is entitlement programs.

What are entitlement programs? Things that we are entitled to by virtue of our age, our station in life. If we are 65 years of age and we have paid into Social Security and Medicare, we may be eligible—we will be eligible, in all likelihood, for Medicare. If we are disabled and totally unable to work, we will be eligible for Medicare even before age 65.

If we paid into Social Security for a number of years, we would be eligible for early retirement for Social Security at age 62. If we want to take it later, we can take it at age 67 for full

retirement benefits, which I think are roughly about \$2,000 per month max, something like that.

Medicare and Medicaid, Social Security are entitlement programs. They said they should all be on the table. They did not propose using Social Security to balance the budget. But they did say: We have a long-term problem in Social Security with an imbalance between now, the amount of money that is coming into Social Security, and the amount of money that is going out.

As the baby boomers are starting to retire—my generation—we are paying out now, for the first time in a long time, more in Social Security benefits than we are raising. The reason is, for today it is roughly, for every one person receiving Social Security benefits there are about 2½ people working. Before long it will be for every one person receiving Social Security benefits, it will be two people working and paying into Social Security. The mismatch of inflow into the Social Security trust fund versus the outflow is going to get worse not better.

Sometime, a couple of decades down the road, we are going to start running out of money to pay 100 percent of Social Security benefits. We will not have to stop them all together, but we will have to get them a pretty serious haircut. I was a freshman Congressman, sworn in on January 3, 1983. The day I was sworn in at the other end of the Capitol, they told all of my freshman class: We are going to run out of money in Social Security. That is what they said.

We said: Well, when? In a couple of decades or when?

They said: No. This year. This year.

We said: Are we going to provide a haircut, reduce Social Security payments?

They said: No, we are going to stop making them because we are running out of money in the Social Security trust fund.

That was where we were on January 3, 1983. Thanks to the good work of the commission led by Alan Greenspan and others, but the good work they did then, they handed off to us not just a problem but a solution. Their solution was a combination of new sources of revenue for Social Security and some reductions in benefits, gradually raising the full retirement age over a period of 25 years from 65 to 67; requiring what people pay into Social Security, State and local employees, among others. A balanced plan.

Ronald Reagan, then President, provided political cover to Democrats to vote for that. Tip O'Neill, then Democratic Speaker of the House, provided cover for the Republicans to vote for that. Almost everybody, House and Senate, Democrat and Republican, drank the Kool-Aid and voted to preserve Social Security. It preserved it for another 25 years. We did not have to stop paying Social Security benefits that year or the next year or the next

year after that. We had a significant surplus that has gone up in the Social Security trust fund.

But now it is beginning to be paid down. But the fund is going to be going in the wrong direction in the years to come. Over time the outflow will increase as my generation retires. The question is, Do we wait until the 2020s or 2030s to do something about it? I do not think we should. I swore, 28 years ago, I did not want to hand off to the next generation the problems we should solve today.

We have an opportunity not to use Social Security to balance the budget, but actually under the plan that has been now sort of reworked from the Bowles-Simpson deficit commission, the opportunity to secure Social Security for the next 75 years, and to do it in a way that involves a number of, I think, relatively modest changes, some new revenues, and to gradually increasing the full retirement age from 67 to 68 by 2050, and from 68 to 69 by 2075.

Remember, when Social Security was first introduced, signed into law by FDR back in the 1930s, a person had to be 65 years of age in order to receive Social Security benefits. The average life expectancy then was just over age 60. Think about that. Back then a person had to live to 65 to draw benefits. The life expectancy for most people under 65 was between 60 and 65.

We are talking today about a life expectancy closer to 80. People still get early benefits for early retirement benefits under Social Security at age 62, but to gradually increase the full retirement age and make a couple of other changes as well that on the surface do not seem to be major changes—in fact, I think they are relatively modest. But when we put them all together over many years, it is a lot of dollars and a lot of people.

We can put Social Security on a safe footing for another 75 years. The idea is to actually kind of wall that off from the rest of the problems so we are basically preserving Social Security for a lot longer, for my lifespan and the lifespan of these young pages who are about 16 years of age, throughout their lifetimes as well.

On Medicare—let me talk about Medicare, health care for people 65 and over, people who are totally disabled under the age of 65 and are unable to work. We will spend this year about \$550 billion in Medicare—about \$550 billion. The amount of fraud in Medicare—Eric Holder, our Attorney General, tells us that fraud each year from Medicare is about \$60 billion. That is roughly 10 percent of the amount of money we spend in Medicare—\$60 billion. Roughly 10 percent.

GAO keeps track of something else that is called improper payments. One of the things GAO does is tell us every year how much we are making in improper payments in our Federal Government across the board. They said last year improper payments were about \$125 billion. That is different

from fraud. That is just overpayments, accounting mistakes, that sort of thing—\$48 billion in improper payments for Medicare, and another \$60 billion, according to Eric Holder, just from fraud.

If those numbers are true, \$60 billion out of \$550 billion in Medicare payments, that is actually more than 10 percent. Well, let's just say it is only 10 percent or close to 10 percent.

How are they doing over in the private sector? How are they doing in the private sector in terms of controlling their fraud? Well, their fraud costs are not 10 percent of their costs. That is probably not a surprise. They are not 9 percent. They are not 8 percent. They are not 7 percent. On balance, they are probably closer to 5 percent, and in some cases less than 5 percent. Roughly half, their fraud cost, over Medicare. Maybe they are doing something over in the private sector to control fraud in ways that we can learn from in the Federal Government. If we can learn those lessons, maybe we can provide better rules for less money in Medicare.

Let me give you a couple of examples. Improper payments. Last year Medicare had \$48 billion in overpayments, mistakes, that kind of thing—\$48 billion—separate from fraud. The President said we are going to cut it in half by the end of next year, from roughly \$50 to \$25 billion. If we do that for 10 years, 10 years times \$25 billion, what does that add up to? \$250 billion. That is real money around here, one-quarter of a trillion dollars.

If Eric Holder, our Attorney General, is right on the fraud side, we actually have \$60 billion in fraud losses for Medicare in a year, if we could cut that in half—and we put in the health care law, the new health care law, all kinds of tools to do that kind of thing. If we can cut that in half, that would be a savings of \$30 billion a year. Over 10 years that is \$300 billion—\$300 billion in potential fraud savings, \$250 billion in potential savings by cutting in half improper payments for Medicare. That is \$550 billion. That is over ½ trillion.

For those who say we have to savage Medicare and Medicaid in order to reduce outlays in them and achieve savings in Medicare and Medicaid, that is not correct. That is not true. Let me give you a sense for where some of the money is being lost in fraud.

I have learned a new term this last week called the “death master file.” Maybe you have heard that term before but did not remember it.

But we are trying to keep track of the folks who are dying so that we—when people die who are getting Social Security, we do not continue to send out Social Security checks forever for people who are dead. The same thing with folks who are eligible for other benefits, whether they are benefits for—whether they happen to be educational benefits or health benefits. We do not want to pay benefits for folks who, frankly, are not with us anymore.

By the same token, we want to make sure that when doctors die, we do not face the possibility that someone steals their provider ID number, their Medicare provider ID number, or their Medicaid provider ID number, if they have one, and write prescriptions for, among other things, controlled substances. What we have today are crooks, criminals, stealing provider ID numbers from dead doctors and using those to write prescriptions for controlled substances, which then feed the drug trade and provide profits to criminal groups.

The inspector general tells us in the most recent report in terms of buying advanced wheelchairs, we spent almost \$200 million a few years ago. Over half of the payments did not meet the Medicare reimbursement rules for the wheelchairs.

We have to be smarter than that. Over in Japan—I have my friend from Florida sitting here waiting for me. He is cooling his jets, but he will not do it for long, so I will close with this: As he knows, we served together on the Finance Committee, and we used to serve together in the House. He is an old friend and a good one. But as we wrestled with health care reform legislation a year or two ago, one of the things we heard in our hearings was, over in Japan—we compete against Japan, friendly competition, but they are our competitor in a lot of ways: electronics, cars, any number of products, we compete against them. They spend about 8 percent of GDP for health care. We spend 16 percent. They get better results: longer life, longevity, less infant mortality. They get better results. They spend half as much, they get better results. They cover everybody. They cover everybody.

I would like to say, they cannot be that smart. As smart as they are in Japan, they cannot be that smart, and we cannot be that dumb. There are any number of ways that we can actually save money that does not reduce benefits in Medicare or Medicaid. We can learn from some of the things they are doing to uncover fraud and reduce improper payments in the private sector and just navigate some of those ideas over to the public sector, and find out what works.

I like to say—this was Alan Blinder's. Alan Blinder testified before us a couple of months ago, a month or two ago, as the Senator will remember.

Alan Blinder said: In terms of reducing the deficit, especially on health care costs, he said: I am not an expert on this thing, but here is my advice to you. Find out what works. Do more of that.

Think of that. Find out what works, do more of that. The converse of that would be, find out what does not work, do less of that. If we do that sort of thing, if we do it not just once or twice or for a couple of weeks or a couple of years, but we just make that a cultural change going forward, we will get us back on the right track. That is our challenge.

It is not just Democrats, it is not just Republicans, it is not just the Congress, we are in this with the President. We are all in this together.

In closing, that is a good thing for us to remember. We are all in this together. We do not have all of the smart ideas on this side, neither do the Republicans. It has to be a combination of spending and revenue. If we are smart about it, we will come out of this at the end of the day just fine.

I yield the floor to my friend from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Madam President, I know that the Senator from Massachusetts has time. I just want to take this time while he is coming into the Chamber to say that you can almost hear in the background very foreboding music as we are counting down the days. Here we are in a situation in which we cannot get a certain group of people over in the House of Representatives to be willing to sit down, and, as the Good Book says, to come and let us reason together.

If we are going to govern this country, we have to come and reason together, people of goodwill who will respect each other's point of view, to hammer out a final agreement in order to start bringing this country into balance. It is sad that it is taking this long and this much of a difficult torturous process.

FLORIDA'S HISTORY

On a much happier note, at a subsequent time I want to share with the Senate the wonderful heritage that we have in this country, not from the English but from the Spanish. We are about to celebrate 500 years of the discovery of what is now America, the United States, from the Spanish explorer Ponce de Leon who first came to the shores of my State. Then soon thereafter we will celebrate the 450th anniversary of the oldest continuous settlement, a settlement that is 42 years before the English came and settled Jamestown.

Those celebrations are going to be not just for Florida and not just for St. Augustine but for all of Florida and all of the country. We have a commission that has been appointed by the Secretary of the Interior. We have just kicked off that commission. I will be sharing with the Senate a lot about this historical restoration in the public's mind of all of those Spanish explorers who helped establish this country, first with Ponce de Leon in 1513, and he came back in 1539.

By the way, the Puerto Rican community is quite energized and excited about this because Ponce de Leon, when he came and found at the Feast of Flowers, Pascua Florida—and thus he named La Florida—he was the Governor of Puerto Rico.

So they are quite excited, as they should be, and they will be part of this celebration.

After him came a Spanish explorer named de Ayllon, who sailed up the coast.

Later, in 1527, came Spanish explorer Narvaez, who landed somewhere in the Tampa region and went up into the panhandle of Florida.

After him came the Spanish explorer Hernando de Soto in the late 1530s. He ended up landing also in the Tampa Bay region when, all over Florida, they celebrated the first Christmas because he had Spanish priests with him and was in what is today Tallahassee by Christmas Day. They celebrated the first Christian Christmas by Europeans in this new world of what is now the United States. That was the late 1530s. Then he ended up traveling all over the United States, what is now the Southeastern United States.

Then along came de Luna thinking he would have the first permanent settlement in 1559 in Pensacola, and in 1561, along came a hurricane, and it wiped them out. We had the King and Queen of Spain in Pensacola on that anniversary back in 2009.

Then later came the French thinking they were going to set up the first permanent settlement at Fort Carline at the mouth of what is today the St. John's River at Jacksonville in 1564. But when they heard that the Spanish explorer Menendez had come 30 miles to the south to set up this permanent settlement at St. Augustine, they sailed to wipe out the Spanish colony and instead got hit by a hurricane and were shipwrecked and thus dispatched by the Spanish explorer Menendez. From there, St. Augustine continued all the way to the present day. You ought to see that restored city. It is a sight to behold, and it is not only the history of St. Augustine, the history of Florida, it is the history of this United States.

I will share a lot more about our Spanish history, our roots in this country. I thank the Senator from Massachusetts for his kind indulgence so that I might share this with the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Madam President, I congratulate the Senator from Florida. I am delighted to accommodate him and join with all Floridians in a good celebration of a great part of our history.

Madam President, obviously everybody in America is well aware that the date of August 2 is fast coming at us. They are also, unfortunately, well aware that the Senate and the Congress appear to be stuck yet again at this moment—in fact, here in the Senate we are debating a constitutional amendment to balance the budget instead of balancing the budget. I have heard a lot of sidesteps around here, but this is what they call a message amendment. It is sending a pretty mixed message to America.

What we, in effect, ought to be doing is not trying to pass a piece of paper

that tells us to do what we know we ought to do, we ought to be doing it. What we ought to be doing is stopping our country from defaulting on debt that has already been obligated.

What people are refusing to do in the House on the other side of the aisle is to live up to our obligations. This is not suggesting that we are giving permission to borrow more money to spend money on something responsible in the future; this is paying the debts of our country—money already spent, already obligated.

Here we have the so-called Cut, Cap, and Balance Act that passed the House of Representatives. Everybody understands it is nothing more than an ideological message exercise. Everybody knows it is not going to pass the Senate. We know even more that if it does pass, it is not going to be signed by the President of the United States. What it is doing is taking up time that we ought to be spending with a real solution on the floor of the Senate that addresses the needs and concerns of the American people. We ought to be reaching that compromise. What this does, unfortunately, in terms of message is it sends a message to the American people that this place may not quite get it still and that a lot of folks here are more prepared to play politics than to really engage in the real business of our Nation.

If you look at the specifics of this legislation, which is not going to pass, it is divided into three parts. Each one of them is equally problematic.

The cut part of the bill would require immediate cuts that would cut almost 1 percent of our GDP, which economists tell us would result in the immediate loss of 700,000 jobs. So they are coming to the floor with a program to actually cut 700,000 jobs at a time when most Americans believe job creation is the single most important thing we can do in the country, as well as avoid defaulting on our debt.

The cap part locks into place the unrealistic spending levels the House passed in their budget, while at the same time preserving hundreds of billions of dollars in tax cuts for the wealthiest Americans and tax loopholes for the biggest corporations.

I think every American scratches their head and says: What? They are going to put in these unrealistic caps that would strip away research and development, education funding, the ability of kids to go to college—all of the things on which we build the future job base of our country. They are going to strip that away, but preserve the tax cuts for the wealthiest people in the country, who, incidentally, may be investing the benefits of those tax cuts in China or in India or job creation in many places other than here.

The balance part of this amendment requires the passage of a balanced budget constitutional amendment that would require a supermajority to raise any new revenue or close any wasteful tax loopholes. In other words, you

don't have to have a supermajority to decide where and what you are going to wind up spending, but you have to have a supermajority in order to raise any revenue or close an egregious tax loophole—one that may have no economic purpose, may be completely outdated, or may be a sweetheart deal that got into the Tax Code over the course of the years, but you still have to get a supermajority to get rid of that.

Everybody here knows how hard it is to get 60 votes. A lot of the business in the Senate has been caught up by the eternal filibuster. Every single nomination, every single small piece of legislation that comes to the floor of the Senate—everything requires a motion to proceed, which requires 60 votes, which is effectively a filibuster each time. We have had a record number of filibusters in the Senate over the last three years compared to any other time in the entire history of the United States of America, so requiring that two-thirds supermajority would lock in gridlock, it would lock in bad policies for the future.

The constitutional amendment that is proposed would make all revenue-raising measures unconstitutional unless they secured a two-thirds supermajority in both the House and the Senate.

Again, I repeat, we do not need a piece of paper, a new one—we do not need an amendment to the Constitution, a group of words—to tell us to do our duty. Every single Member of the Senate raised their right hand and took an oath of office over there beside the Presiding Officer and said they promised to uphold the Constitution of the United States. All we need is the courage and the conviction to make compromises and do the business of the Senate. It is not going to get any easier just because you pass some words that tell you to do it.

We did this in the 1990s. What I am talking about is not pie-in-the-sky, it is not some theory; we balanced the budget in the 1990s. We did it without a constitutional amendment. We had people of good common sense who came together and voted on compromises, and we not only balanced the budget, we created a \$5.6 trillion surplus for America, and at the same time we created 23 million new jobs for Americans. Guess what. While we balanced the budget in a sensible way, without artificial caps and artificial, Draconian instructions but with common sense, while we did that, every single quintile of American income earners rose in their income. Every single American quintile saw their incomes go up. America got richer than at any time in America's history even as we balanced the budget without a balanced budget amendment.

So I will tell you, if we go down the road our friends on the other side of the aisle are proposing, we will see major reductions in Medicare, and much worse than what the Ryan budget proposed, and Social Security bene-

ficiaries would receive a \$3,000 reduction in average recipient benefits within 10 years and be forced to see deeper cuts down the road. I think it is safe to say, without exaggeration, that it would put an end to Social Security and Medicare as we know them today.

This week, Eric Maskin, Robert Solow, and Alan Blinder—each a Nobel laureate in economics—and other renowned economists sent an open letter to President Obama and Congress in strong opposition to a constitutional balanced budget amendment. These economists stated that a balanced budget requirement to the Constitution would be a “very unsound policy” that would adversely affect the economy.

They believe that adding arbitrary caps on Federal expenditures would make the balanced budget amendment even more problematic.

A balanced budget amendment would mandate perverse actions in the face of recessions. By requiring large budget cuts when the economy is weakest, the amendment would actually aggravate recessions.

Madam President, in the 27 years I have been privileged to serve here, we have already debated this several times. We have voted on it. As I have said in the past, the most compelling argument against this amendment doesn't come from me or from anybody on the floor; it actually comes from the real experts, the people who framed the Constitution of the United States. If they were here on the floor of the Senate today, they would vote against this amendment because it violates the Constitution's most basic tenet majority rule. The notion that the most fundamental document of law can be set aside for a time is ludicrous and anathema to the very reasons for having a governing document at all.

Worst of all, this bill from the House Republicans, holds hostage the increase in the debt limit needed by August 2 and it holds it hostage until a constitutional amendment to balance the budget is sent to the states. We all know that is not going to happen. August 2 is looming. We have to put aside this type of partisanship. We need to sit together and develop a bipartisan plan that works for America with no preconditions and not hide behind a constitutional amendment that makes choices for us.

We can no longer afford to delay. We are facing a default that would jeopardize Social Security payments, Medicare benefits, and troops' pay, as well as send interest rates soaring in a way that would force Americans to pay more for their mortgages, student loans, and small business loans. And the whole world is watching to see if we make the right choices because the consequences would be cataclysmic.

Madam President, let's get real. President Obama offered to cut the debt by \$4 trillion—exactly what we know we need in savings and nearly twice as much as the Republicans had

proposed—and Republicans turned it down. President Obama has gone the extra mile. He has put everything on the table, even things Democrats strongly oppose. But the House Republicans simply will not budge because for them, this isn't about the deficit; it is about ideology, an extreme ideology.

But it needs to be about priorities. And leadership. President Kennedy said "sometimes party asks too much." Well, if the cost of ideology is economic ruin, the House Republicans really are asking too much—much too much. Americans deserve better. They need the Senate not to be a slightly slower version of the House; no, they need the Senate to be the deliberative body of serious people the Framers expected us to be.

Madam President, I yield to the majority leader.

The PRESIDING OFFICER (Ms. KLOBUCHAR). The majority leader.

Mr. REID. Madam President, I appreciate my friend's courtesy.

I want everyone who has any interest in this piece of legislation on the floor today to know that now is the time to come and debate to their heart's content. If they want to debate it late tonight, we are here to do it late tonight. If they want to debate it tomorrow for a period of time, they can do that.

I think this piece of legislation is about as weak and senseless as anything that has ever come to the Senate floor, and I am not going to waste the Senate's time day after day on this piece of legislation, which I think is anathema to what our country is all about. So I want everyone to understand we are going to have a vote tomorrow. I am not going to wait until Saturday. We are going to vote tomorrow, and I feel confident this legislation will be disposed of one way or the other.

The American people should understand this is a bad piece of legislation—perhaps the worst piece of legislation in the history of this country.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Madam President, I hope we will move quickly to the real business, which is avoiding default. Let me say, I think there is one effort we ought to be engaged in, and that is the serious effort of passing the McConnell-Reid, Reid-McConnell initiative, or whatever you want to call it. Their initiative is not kicking anything down the road. Their initiative requires, just like the base closing commission, for the Senate to deal with the big deal in a very short period of time. If colleagues want to speed that period of time up, I wouldn't object. I think that would make sense.

What we need to do is to recognize that in the next few days we do not have the time to put the kind of common sense to the task that will allow us to get the budget figures from the CBO, that will allow us to know with certainty what we are doing with Medicare, Medicaid, Social Security, or all

of these other important initiatives are being done in the most deliberative and thoughtful way possible. That is what this institution is supposed to be about. That is what makes the Senate the world's most deliberative body, but it hasn't been particularly deliberative on this subject in the past months.

We have the opportunity, with the Reid-McConnell initiative to be able to put in place a process that will guarantee we have up-or-down votes on these critical issues after all the relevant committees have had the opportunity to weigh in, using perhaps the budget commission's report, together with what the so-called Gang of 6—which I don't think is a particularly appropriate name—has proposed, which I think is a very constructive and important contribution to the debate. It helps us have a starting point for this discussion, as Congress, in the next short period of time, actually fashions the kind of budget decision that benefits America and does credit to this institution as a truly deliberative body.

That is what I hope we do, and I look forward to working with my colleagues in an effort to make that happen.

Madam President, I yield the floor.

Mr. ROCKEFELLER. Madam President, I ask unanimous consent to speak as in morning business for, hopefully, no more than 15 minutes.

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

FAA REAUTHORIZATION EXTENSION

Mr. ROCKEFELLER. Madam President, yesterday, at the direction of the leadership, the House passed an FAA extension. Unlike the 20 previous FAA extensions, their extension included changes to FAA policy that had not been agreed to by both the House and the Senate—both Chambers. What is the effect? The effect is that move will begin to shut down the Federal Aviation Administration, beginning tomorrow at midnight, if we do not reach agreement on a sensible path forward to pass a clean FAA extension bill.

The consequences of an FAA shutdown will be severe. This is not about me or the content of the extraneous provisions in the House bill. This is about being responsible and doing the necessary work to ensure our aviation system continues to function at its highest level while Congress completes its business.

Over the past 4 years—which is how long we have been negotiating this bill—we have been able to work together to do the right thing each time the FAA authorities were about to expire. Congress has consistently acted to pass extensions to make certain the Nation's air transportation system continues to operate safely. Therefore, we have passed 20 extensions over 4 years waiting to do the work we need to do for an enormous Federal agency. In only one case were policy changes made during the consideration of an FAA extension, and that was last year. Airline safety measures were included because both the House and the Senate

negotiators agreed to them, and the extension passed unanimously in both Chambers. You don't pass an extension which has policy riders on it unless they have been agreed to by both Chambers.

It is very unfortunate the House is taking a rash approach to pass a bill when we have made so much progress negotiating a complete FAA reauthorization package. From the time the House passed the FAA reauthorization, we have had more than 3 months of productive negotiations, where staff engaged in more than 30 meetings and spent hundreds of hours developing this legislation.

Over this period, we have worked the entire number of items to be resolved from 281 separate issues to approximately 10 separate provisions of consequence. House and Senate negotiators have compiled more than 300 pages of text for a bill. All of the components of the legislation represent needed aviation policy changes that will improve the country's airspace system.

I remind you that our country, unlike virtually any other in the modern world, basically uses radar as a way to approach landing or takeoff. It is embarrassing. It is ridiculous.

I have been able to negotiate with the two other committees in the House—the Science Committee and the Homeland Security Committee—to develop workable agreements on all of our policy differences. The main items that need to be made final are difficult, yes, partisan provisions that fall within the jurisdiction of the House Transportation and Infrastructure Committee—T&I, as they say—and its chairman, JOHN MICA.

The House bill was developed in a partisan manner. It had a number of problematic provisions added during floor consideration. Central to these was the decision to include language that would reverse a National Mediation Board decision from the previous year. The National Mediation Board—the NMB—provision was so tainted that it passed by just seven votes in the House, which is overwhelmingly Republican. It passed by just seven votes. Consideration of the final FAA package passed in the House by a party-line vote of 223-196. Ultimately, the House FAA reauthorization bill garnered the narrowest vote margin for a House FAA reauthorization bill in almost 30 years. I am talking about the House of Representatives.

As the House well knows, the White House has threatened on numerous occasions to veto any FAA package that includes the House's National Mediation Board language. The House's addition of policy riders to the extension that are being considered as part of the FAA reauthorization discussions represent an abandonment, in my judgment, of the good-faith negotiations we have been engaged in for the last 3 months.

The House acted without consulting the Senate on this FAA extension,

without engaging the Senate on putting policy riders into their extension. From their actions and public statements, it is clear this effort is designed to force the hand of the Congress on the National Mediation Board provision that President Obama has singled out as a reason to veto the legislation. That is the legislation which basically says if you have a vote for a union, or for whatever, and if you are not present and don't vote, your vote is automatically counted as no. This is a whole new concept of democracy in America, one which is very strange and very wrong.

The House claims that negotiations on the FAA bill have been stalled over the NMB issue, but they have simply not done their work. It has been over 100 days since the House passed the FAA bill and they have never even appointed conferees. We have done that; they have not. The Senate is ready to break this deadlock, but we have not been able to engage in a formal process because there are no House conferees. The Senate includes all of its conferees in negotiations and works through each provision to reach bipartisan agreement. And as I indicated earlier, we have gone from 281 down to 10 issues. The House only had Chairman MICA, and now the House leadership, calling the shots on each negotiated item. It makes it very awkward to negotiate anything at all.

If the House wants to move forward, it is time they appointed conferees and we will be able to determine where things stand on what remains in the FAA reauthorization bill. But the Senate cannot accept the House sending over items that remain to be negotiated in a piecemeal fashion as part of this FAA extension, which is what they have done; or for that matter, any future extensions. And it may come to that.

The American people expect Congress to work together to reach agreement. That is what I have been in the Senate for, to reach agreement, and not to have 20 extensions over 4 years. What an embarrassment, chopping the FAA continuity up into tiny little chunks so they can't even let out contracts or proceed with their work. The American people expect Congress to reach agreement, and I believe we can do this, but it is going to take some more time.

If the House continues its attempt to hold the Senate hostage on the FAA extension, it will result in a partial shutdown of the Federal Aviation Administration, and people need to consider that very seriously. A majority of the Senate is more than willing to pass a clean FAA extension of any length. This week, I introduced S. 1387, with Senator KAY BAILEY HUTCHISON and Senator MAX BAUCUS, to do just that. Our bill would give the FAA the necessary funding and authority to keep the agency functioning into September—I think September 16.

I have also indicated to the House on at least four occasions that I am will-

ing to drop all of the remaining controversial items that are not included in both bills in order to get us close to a deal. That offer—seemingly reasonable—has been consistently rejected by the House.

Despite the House's lack of appointing conferees on the FAA bill, and willingness to threaten the agency with problematic extensions, I do remain committed to completing this process in a proper and responsible way.

Again, after spending 4 years trying to complete this bill, nobody wants a resolution more than I do. It is not a way to run a train, much less an airline.

I believe we can finish a comprehensive FAA reauthorization by August if the House will come back to the negotiating table in good faith. I am willing to sit down at the table anytime to move the larger FAA package forward or to develop an FAA extension that can pass the Congress. We will try to move a clean FAA extension through the Senate. Having said that, I ask that the other Members do support this effort when that happens, which will be shortly, and allow us to complete the FAA reauthorization bill.

I will say a word on the consequences of an FAA shutdown. An expiration of the FAA will shut down any activities funded out of FAA's four capital accounts, which I will not name. This includes a program to halt the airport improvement program, which provides \$3.5 billion for infrastructure projects at airports annually and is estimated to support more than 150,000 jobs a year now. Nonessential employees will be furloughed, and approximately 4,000 FAA employees will be among them.

If the FAA authorities do expire, the agency estimates it could only operate air traffic support services through about mid-August 2011. This would mean services to smaller areas such as mine, West Virginia, would need to draw down in the near term so that the FAA can focus on primary traffic. That is not something we would look forward to.

A shutdown quickly starts to have safety implications too and safety projects at airports. It also places a hold on testing and implementation of NexGen efforts, Next Generation efforts. That is the modern GPS-based system which is clear, precise, and reads where airplanes are and how fast they can land one after the other with great precision. Fewer personnel will be available to dispatch to problem areas. So these are real concerns.

Madam President, I hope my colleagues will hear what I have said. I hope my colleagues in the other body will hear what I have said. I want to proceed in good faith. I have tried. It has not worked. The American people are suffering as a result of it, particularly the aviation industry and the Federal Aviation Administration. I would hope my speech will be listened to.

I thank the Presiding Officer and I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. ISAKSON. While the distinguished chairman of the Commerce Committee and my dear friend from West Virginia is on the floor, I wanted to illuminate a little bit of the difficulty on the FAA reauthorization.

I share concern with the chairman, as he knows, because we talked in the well last night about our desire for a reauthorization of FAA and how important it is to our economy. But the difficulty between the House and the Senate, in part, has been over the House version as it treated the National Mediation Board versus the Senate's unwillingness to consider any change in current status with the NMB.

I have been the negotiator or the runner, or whatever you want to call it, between the two bodies, Mr. MICA and Mr. ROCKEFELLER. As the chairman knows, about 1 month ago I delivered Leader REID a comprehensive list of requests the House had asked for in the reauthorization. Senator REID and his staff, after pondering it for a few days, responded that they would not agree to any of the changes that were requested.

I then went back and said, well, let me see what I can do to try to find some common ground, and came back with a recommendation I gave to Chairman ROCKEFELLER that said give judicial review to the airlines, which the unions already have under the National Labor Relations Act, to have a balanced treatment in terms of a response in terms of NMB regulation. As it turns out, that was an unsatisfactory offer.

The House I think still insists that some provision addressing the National Mediation Board should be included in the authorization, and that—and if I am incorrect in any way, please, Mr. Chairman, correct me—I think that is the primary difficulty in getting to a final conclusion.

From my standpoint, I want everybody to understand clearly, I agree with the chairman that we need a reauthorization. But I also think we need a balanced playing field with NMB, and I continue to work to try and find some common ground to see to it that the aviation industry can have judicial review, just as the unions already have, with regard to NMB regulations and NMB rulings.

I wanted that to be documented in the RECORD. I thank the chairman for letting me have a little time.

I yield the floor.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. MCCONNELL. Madam President, it has been reported that the White House has made an internal decision not to send Congress three long-pending free trade agreements before the August recess. I wish to be able to reiterate that I, for one, remain as committed as ever to passing these job-creating agreements into law as quickly as possible, given the condition of our economy.

As I see it, every sticking point seems to have been resolved. The White House initially said it needed a deal on trade adjustment assistance on the substance. I think they have gotten that. Then they said they needed an agreement on the process. I believe we have achieved that.

I, myself, am personally committed to working with the majority leader to ensure a fair floor process for my Members so they have an opportunity to try to amend a stand-alone trade adjustment assistance bill separate from the three free-trade agreements. That way, if the administration can generate the votes it needs, TAA will pass on its merits.

I think we have a pretty clear path in front of us at this point. I recognize that the calendar is tight, that we have got a lot of other urgent business to take care of around here, so I don't expect to finish any of this before August. Still, I think the administration should submit the agreements anyway as a show of good faith with our trading allies in Korea, Colombia, and Panama. Then we can work to pass them when we return. The administration has received everything it has publicly asked for on TAA. It is time to show they are serious about creating jobs and getting those deals done.

This is an opportunity to create jobs in America for Americans. It was snarled needlessly by the suggestion that TAA be dropped inside these agreements. That now has been cleared up. We are going to have an opportunity to ratify all three of these trade agreements, which will be good for the country, and the TAA issue will be dealt with separately, and all indications are that the votes are there to pass the TAA bill.

With that, Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Madam President, I come to the Senate floor to tell my colleagues why I support the issue of cap, cut, and balance.

On August 2, our Nation will be unable to borrow money to meet our current obligations. We have known for a while this was coming. Our annual deficits have been near \$1.5 trillion for the past 2 years and are going to be that large this year as well.

With deficits of that size, no one should be surprised that we have hit the debt ceiling, which raises the question then: What has the President offered to confront this looming crisis?

I ask that question because people expect a President to lead, and we have had an executive budget and an executive budget law since I think the 1920s putting the President in the lead on these issues.

So I ask another question: What has the Senate Democratic majority done to address our deficit crisis? Because it is the responsibility of the majority to present a budget to the Congress of the United States, and we have not had a

budget resolution for more than 800 days now. So I think you can draw the conclusion, whether it is the President of the United States or the Senate majority, the answer is simple: Not much has been done.

Last year, President Obama virtually ignored his own deficit reduction commission. Remember, in February 2010 the President appointed a lot of people to a deficit reduction commission to give us a plan of what could be done about this fiscal situation that has happened so dramatically in the last 2 years, and there was no recognition in December when they reported that the President said that is the thing that should be done in this country.

This year, he did offer a budget, as he has to do under the budget law, February 14 of this year. That budget would increase spending, increase taxes, and still add trillions to our debt.

Everybody would think that a Democratic President suggesting a budget would be well-received in a body that is controlled by the same political party. But that budget he presented in February was so ill-conceived and out of touch that it was defeated here in the Senate by a vote of 97-0.

Let me emphasize that by saying not a single Senator of either party voted for President Obama's budget. Of course, it is very obvious that every member of the President's party said no to the President's budget.

For most of this year, President Obama said we should raise the debt ceiling without taking any measures to address our long-term deficits and debt. It was the position of this administration that Congress should simply rubberstamp another debt ceiling hike with no plan in place to reduce our deficits.

That plan was voted on in the House and was soundly rejected there as well. All of the Republicans and nearly half of the Democrats in the other body voted against increasing the debt ceiling without deficit reduction.

So it seems to me we have a lot of bipartisan agreement, when people say we have no bipartisan cooperation, that with the Senate's vote on the President's budget and in the other body with nearly half of the Democrats opposing a debt ceiling without deficit reduction, that there is a clear understanding in a bipartisan way in the Senate that the President's budget spends too much, taxes too much, and leaves too much debt. In the House of Representatives, there is a strong feeling that is bipartisan that if you are going to have a debt ceiling increase, there needs to be deficit reduction. So don't ever say there is not bipartisan agreement, because it has been expressed in votes in both Houses.

The President then gave a budget speech in April, and I presume he recognized the inadequacy of his budget presented to Congress in February. He outlined a budget framework that would reduce that budget that was pre-

sented in February by \$4 trillion over 12 years. So the President very quickly in about 60 days came to the conclusion that his budget was out of step with what people of even his own political party felt was necessary so he could find \$4 trillion to trim out of it.

But do you know what he hasn't done yet that a President ought to do in an environment where we have an executive budget process? He still hasn't presented the details of that budget.

The Director of the Congressional Budget Office, Dr. Elmendorf—as we all know, a person who is a devoted public servant, doing what is intellectually right all the time when he tries to help us decide how much money taxes are going to bring in or how much is going to be spent on a particular policy of Congress—was asked if he could estimate the budget impact of this new framework that came with the President's speech on April 13, in which he came to the conclusion you ought to spend \$4 trillion less than what he thought he could spend on Valentine's Day. That is not necessarily a Valentine's gift in his February budget.

This is what the CBO Director said in regard to that April 13 speech. He said:

We don't estimate speeches. We need much more specificity than was provided in that speech for us to do our analysis.

But, so far, the President has not provided those specifics. We have heard a lot from the White House about the need to come up with a plan, when the President has not presented a plan. The White House itself has never offered a single debt ceiling proposal for voters, and the Senate Democratic leadership has also seriously shirked its responsibilities because, as I said once before today, they have not put forward a budget in more than 800 days, even though the law requires that they do it.

Every family in America who works hard and sacrifices to pay their bills ought to be ashamed of the failure of the Senate to offer a budget, in violation of the law. In sharp contrast, Members of the House fulfilled their responsibility and passed a budget earlier this year. So the very same majority party in this body that has not presented a budget for 800 days has done nothing in regard to the House budget but demagog.

While they can't find time to compile their own budget, they sure found time to make speeches that are derogatory about the House budget. The House budget, then, obviously means the House of Representatives did their responsibility under the law by presenting a budget and adopting a budget.

While Members on the other side come to the floor to oppose and demagog the bill I am speaking about—the cut, cap, and balance bill—they have offered no plan of their own. While there is now a framework from the so-called Gang of 6, their plan also lacks any specificity. Perhaps that is the political strategy the other side has chosen. Voters and the American people

cannot be upset with the position you have taken if you have not taken a position. It is like a rule for political leaders: You never get in trouble for a speech you do not give. Perhaps this strategy may be politically expedient, but it is going to drive our economy and our country off the cliff.

The strategy of placing a higher priority on the next election rather than the economic and fiscal situation facing our country is how we got into this mess. Based on the lack of proposals put forth by the other side, one could assume they are perfectly content borrowing 40 cents for every dollar we spend. Are they pleased with the deficits of \$1.5 trillion annually? We could conclude they must be because they have not offered a plan to reduce the deficits.

On top of that, they have argued for tax increases. They must believe we have a revenue problem. According to their argument, the American people are not handing over enough of their money to satisfy the needs of Washington to spend. I am not sure we can ever tax high enough to satisfy the attitude in Congress to spend. In fact, if somebody would tell me how much money they really need from the American people to satisfy their appetite to spend, and I could get a limit on it and it were a hard limit, I might even vote for it because I would like to have people say they are finally satisfied, that government ought to be so big but no bigger. But I never get those sort of broad statements in the Congress. So I have come to the conclusion that we cannot raise taxes high enough to satisfy the appetite to spend.

But because we are borrowing money, the economy is not growing, and jobs are not being created because Washington is spending too much. Of course, the other side believes the economy is not growing because we are not spending enough from Congress.

Remember, just a few years ago they passed the \$800 billion so-called stimulus as a means to keep unemployment below 8 percent. That was early February 2009. That is when Speaker PELOSI said: Yes, we wrote the bill. We won the election.

So employment shot above 8 percent right away. It got up over 10 percent. It is at 9.3 percent. So the promise of a \$830 billion stimulus keeping unemployment under 8 percent just did not work. What did they do under those circumstances? They borrowed money and spent it on government programs.

Where is the U.S. economy today? I will say it again: 9.2 percent unemployment, more than 14 million Americans out of work, and now the national debt is more than \$14.3 trillion. This experiment called the stimulus proved that government spending does not stimulate private sector job growth. Do you know why? Government consumes wealth; government does not create wealth. The only jobs created by government are government jobs. They don't add value to the economy; they are a cost to the economy.

Do we have to have government? Yes. Do we have to have government employees? Of course we have to have government employees. But to think we can hire more government employees and create wealth is false. The fact is, we are the hole we are in because of our spending problems, not because we do not have enough revenue coming in.

Look at this historically. Spending has averaged about 20 percent of our gross national product. That is probably over four or five decades. Today and in recent years spending has grown to 25 percent of the gross national product. This level of spending cannot be sustained, particularly when revenue has historically been around 18 percent of GDP. This very day it is less than 18 percent because the economy is not growing, but a 50-year average is 18 percent of GDP.

For my colleagues who think we can reduce deficits by increasing taxes, they need to understand it just does not work. Professor Vedder of Ohio University has studied tax increases and spending for more than two decades. In the late 1980s he coauthored, with Lowell Galloway also of Ohio University, a research paper for a committee of Congress called the Joint Economic Committee that found that every new dollar of new taxes led to more than \$1 of new spending by the Congress.

In other words, raise taxes \$1 and you think we would go to the bottom line and reduce the deficit? But, no, \$1 coming in, we spend more than \$1, so we make the deficit worse. Professor Vedder has now updated his study. Specifically he found:

Over the entire post World War II era through 2009, each dollar of new tax revenue was associated with \$1.17 of new spending.

History proves tax increases result in spending increases. We know increasing taxes is not, then, going to reduce the deficit. Instead of going to the bottom line, tax increases are a license for Washington to spend even more.

History also shows that tax increases do not increase revenue. Everybody thinks if we raise the marginal tax rates we will bring in more revenue. But the taxpayers, workers, and investors of this country are smarter than Members of Congress are who believe that.

Regardless of the rate, over the past 40 years—I am sorry, I don't have a chart with me. I had a chart with me a week ago that demonstrated this. But if you listen closely, you will get the message of the chart.

Regardless of the rate of taxation, over the past 40 years revenue has averaged, as I said before, about 18 percent of gross domestic product. Higher tax rates just provide incentives for taxpayers to invest and earn money in ways that reduce their tax liability. We cannot tax our way out of this problem. We have a spending problem, not a revenue problem. That is why I am supporting the only plan that has been put forth to address our deficit and debt

problem: the cut, cap, and balance plan passed by the House with the bipartisan support of 234 Members.

This plan is the only plan offered to cut spending in the near term. We need to halt and reverse the trend of the last 2 years when government spending increased by 22 percent, not even counting the failed stimulus program of another \$830 billion. We cannot increase expenditures 22 percent when the growth of the economy is about 2 percent. It just does not add up. That is how we get into trouble, and that is how we have increased a 50-year average of the national debt from about 35 percent of gross national product to—after 2 years, it is now 65 percent, and it is on a path to go over 90 percent.

We know where Greece is right now when they are over 100 percent. It is going to lead to failure. We are on that path right now, and we have to preempt that.

This bill before us also will impose budget caps to get our spending down to a manageable level compared to our gross domestic product.

Finally, it would impose a balanced budget amendment to our Constitution, similar to what—I don't know whether it is 46 States or 49 States—but most States have a constitutional amendment requiring a balanced budget. You know what. It works.

We have to stop to think, if a State that is as liberal as New York, if they can elect a liberal Democratic Governor, and if he can cut, cut, cut, to live within that constitutional requirement of a balanced budget, it ought to be something we can do in Washington DC. It is a discipline that works in the States. It is a discipline that we need through our Constitution so when we take an oath to uphold the Constitution, the requirement of a balanced budget is something we swear to, and we will deliver on our promise to the American people. It only makes sense to impose a requirement that we live within our means. Washington proves again and again that it needs this kind of discipline.

I say to my colleagues: If you do not support this plan, then offer your own plan. You know the debt limit must be increased, but you also know we must take action to reduce the future levels of deficits and begin to bring our debt down. Where is your plan to do that? Where is your budget resolution that has not been presented in the last 800 or more days to the Senate, violating the budget law? How will you meet the responsibilities, then, of being elected to this office where you take an oath to uphold the laws and the Constitution of the United States?

The trajectory of our debt is alarming. It will soon undermine our economy and our economic growth. If we do nothing, our children and grandchildren will have fewer economic opportunities than we have had. So this is not just an economic issue, this is not just a fiscal issue, this is a moral issue of whether this generation, my

generation and people who are even younger than me but spending a lot of money, ought to live high on the hog and leave it to young people to pick up the bill.

Without a plan to put our fiscal situation on a better path, the next generations will have a lower quality of life than the one we have experienced. We cannot let that happen. We must take action to correct our course.

I urge my colleagues to support the cut, cap, and balance plan.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUE. Madam President, I ask unanimous consent that the time from 5 p.m. to 8 p.m. on the motion to proceed to H.R. 2560 be equally divided between the majority leader and the Republican leader.

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

Mr. INOUE. Madam President, I rise today in opposition to the Cut, Cap, and Balance Act of 2011. Rather than taking a balanced approach that requires shared sacrifice, House Republicans have passed legislation that would gut essential services for average Americans while asking nothing of the wealthy and privileged. Such a misguided approach would cost countless American jobs while doing nothing to solve America's long-term deficit challenges.

In my opinion, the Cut, Cap, and Balance Act fails to measure up as a serious proposal to address the structural deficit that our Nation faces. It is misguided, and assumes that our Nation will pay no price if we fail to invest in our future. These are some of the assumptions of this bill. Highways will not buckle, pipes will not rust, bridges will not collapse, and there is no need to invest in the next generation of innovators to keep America's competitive advantage. This bill would gut the very funding we need to revitalize our economy and invest in the future.

Cut, cap and balance would render Congress essentially powerless to address revenues, thereby pushing America further down the road of economic inequality by ensuring that the wealthy do not have to share in any sacrifice. And whatever might be said about this legislation, to call it balanced is a cruel irony. In fact, all of the sacrifice is demanded of the poor and working families. This legislation forces Congress to slash programs that average Americans rely on for education, housing assistance, food safety, safer air traffic control, and clean air and water.

We have an aging population, which means that increasing costs for Social Security and Medicare are a reality that must be dealt with. The Baby Boomers are retiring, which increases the need for Social Security and Medicare. And while those programs are not subject to sequester, how will we meet the higher costs and at the same time bring down overall spending to 18 per-

cent of GDP, a level that has not been achieved since the 1960s? My colleagues should not kid themselves: mandating a balanced budget by 2020 while taking revenues off the table will require draconian cuts to Social Security and Medicare.

As the chairman of the Appropriations Committee, I take particular note of the impact cut, cap, and balance would have on nondefense discretionary spending. A 10-year freeze on domestic spending that does not adjust for inflation would have a devastating impact on the ability of all nondefense departments and agencies to carry out their missions. My colleagues should know that over 10 years, such a cap would amount to a 33-percent cut in real dollars. Such a level of cuts would make it impossible for the United States to compete on a global stage. Our infrastructure, our education system, our technology, everything we need to remain a great nation will be drastically underfunded, or simply not funded at all.

I hope we all understand that we are not talking about nice to have things, we are talking about investments that are necessary to maintain the quality of life for the middle class. Education is not optional. Roads and sewers, clean air and clean water are not options. Meeting the basic nutritional needs of our poorest children should not be optional. This great Nation was built on such investments, made in the best interests of the American people—all the people, not just the wealthiest one-tenth of 1 percent.

I would like to take a brief moment to provide a few specifics about the impact of this act. While it is not possible to predict specific impacts 10 years down the road, it is certainly possible to give examples of what the American people would experience in the near term, as a result of this deeply flawed bill.

In fiscal year 2012, Head Start funding would decrease by more than \$900 million, eliminating comprehensive early childhood services for over 130,000 low-income children and their families and resulting in the termination of 30,000 teachers, teacher assistants and related staff.

The combined cuts to mandatory programs such as Food Stamps and School Lunch programs coupled with domestic spending reductions contained in this legislation would be a double blow to the Nation's most vulnerable populations. With these cuts, there would be 13 million fewer meals served to seniors. Let me be blunt, if this bill is enacted, children and seniors in this Nation will go hungry in far larger numbers than today.

We all recognize that reducing waste, fraud, and abuse are essential components of getting our fiscal house in order. Every billion dollars we save is a billion dollars we can use to reduce the deficit or better invest in America's future. And yet this bill would reduce funding for the Internal Revenue Serv-

ice by some \$1.8 billion below the President's request for fiscal year 2012, which would cripple its efforts to find fraud and eliminate waste and abuse. The IRS could be forced to furlough between 4,100 and 5,000 employees, mostly enforcement agents. Furthermore, a cut to IRS funding would increase the deficit by approximately \$4 billion a year beginning in 2013, since every dollar invested in enforcement resources brings in \$5 in tax revenues.

Finally, I would note that a cap on the Federal budget means that we are unable to make smart choices about our future investments. As an example, the Bureau of Prisons inmate population is expected to grow to roughly 250,000 Federal inmates by 2018, an increase of more than 31,000 prisoners, or 15 percent, over the next 8 years. A growing inmate population coupled with a spending cap for Department of Justice activities will mean further severe cuts to other important functions of the Department of Justice—Federal, State, and local public safety efforts will be cut in order to pay the required costs of housing prisoners.

Yesterday 97 Senators voted in favor of the Military Construction and Veterans Affairs appropriations bill. The Senate is perfectly capable of producing and passing fiscally responsible appropriations bills that meet the Nation's needs and that have strong, bipartisan support. The real answer to our fiscal crisis has not changed since this debate began. We must cut spending in a responsible fashion. We must reform entitlement programs to ensure that they survive for future generations. And we must reform our Tax Code to allow for sufficient revenues to meet the needs of an aging population and the challenges of a global economy.

Cut, cap, and balance does none of these things, and I urge my colleagues to reject this misguided measure.

The PRESIDING OFFICER. The majority leader.

Mr. REID. While the distinguished chairman of the Appropriations Committee was talking, I had a visit with some of the pages to ask them did they realize who was speaking. They all knew who he was. They knew he was a heroic man winning the Medal of Honor. They knew he had been elected to the Senate nine different times in addition to service in the House of Representatives. So it is great that our pages are so versed on what happens around here. We depend on them very much, and I am grateful they understand what a great man the chairman of the Appropriations Committee is.

FBI DIRECTOR EXTENSION ACT,
2011

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to consideration of Calendar No. 76, S. 1103, the bill to extend the term of the incumbent Director of the FBI; that the committee substitute amendment

be considered; that a Coburn amendment which is at the desk be agreed to; the committee substitute amendment, as amended, be agreed to; the bill, as amended, be read a third time, and the Senate proceed to vote on passage of the bill, as amended; the motions to reconsider be laid upon the table with no intervening action or debate; and any statements related to the bill be printed in the RECORD at the appropriate place as if read; further, that if Robert S. Mueller, III, is nominated to be Director of the Federal Bureau of Investigation, the nomination be placed directly on the Executive Calendar; that at a time to be determined by the majority leader, in consultation with the Republican leader, the Senate proceed to executive session to consider the nomination; that there will be 2 hours for debate equally divided in the usual form; that upon the use or yielding back of time, the Senate proceed to vote without intervening action or debate on the nomination; the motion to reconsider be considered made and laid upon the table with no intervening action or debate; that no further motions be in order to the nomination; that any statements related to the nomination be printed in the RECORD; that the President be immediately notified of the Senate's action, and the Senate resume legislative session.

The PRESIDING OFFICER (Mr. FRANKEN). Is there objection? Without objection, it is so ordered.

The Senate proceeded to consider the bill (S. 1103) to extend the term of the incumbent Director of the Federal Bureau of Investigation, which had been reported from the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

S. 1103

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

SECTION 1. FINDINGS.

Congress finds that—

(1) on May 12, 2011, the President requested that Congress extend the term of Robert S. Mueller III as Director of the Federal Bureau of Investigation by 2 years, citing the critical need for continuity and stability at the Federal Bureau of Investigation in the face of ongoing threats to the United States and leadership transitions at the Federal agencies charged with protecting national security;

(2) in light of the May 1, 2011, successful operation against Osama bin Laden, the continuing threat to national security, and the approaching 10th anniversary of the attacks of September 11, 2001, the President's request for a limited, 1-time exception to the term limit of the Director of the Federal Bureau of Investigation, in these exceptional circumstances, is appropriate; and

(3) this Act is intended to provide a 1-time exception to the 10-year statutory limit on the term of the Director of the Federal Bureau of Investigation in light of the President's request and existing exceptional circumstances, and is not intended to create a precedent.

SEC. 2. EXTENSION OF THE TERM OF THE INCUMBENT DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION.

(a) IN GENERAL.—At the request of the President, the incumbent in the office of the Director of the Federal Bureau of Investigation on the

date of the enactment of this Act may continue in office until August 3, 2013, in accordance with the amendment made by subsection (b).

(b) EXTENSION OF THE TERM.—Section 1101 of the Omnibus Crime Control and Safe Streets Act of 1968 (28 U.S.C. 532 note) is amended by adding at the end the following:

“(c) With respect to the individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection, subsection (b) shall be applied—

“(1) in the first sentence, by substituting ‘12 years’ for ‘ten years’; and

“(2) in the second sentence, by substituting ‘12-year term’ for ‘ten-year term’.”.

The amendment (No. 579) was agreed to, as follows:

(Purpose: To create a new 2-year term of service for the Director of the Federal Bureau of Investigation)

On page 3, line 17, strike all through page 4, line 12, and insert the following:

SEC. 2. CREATION OF NEW TERM OF SERVICE FOR THE OFFICE OF DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION.

Section 1101 of the Omnibus Crime Control and Safe Streets Act of 1968 (28 U.S.C. 532 note) is amended by adding at the end the following:

“(c)(1) Effective on the date of enactment of this subsection, a new term of service for the office of Director of the Federal Bureau of Investigation shall be created, which shall begin on or after August 3, 2011, and continue until September 4, 2013. Notwithstanding the second sentence of subsection (b) of this section, the incumbent Director of the Federal Bureau of Investigation on the date of enactment of this subsection shall be eligible to be appointed to the new term of service provided for by this subsection, by and with the advice and consent of the Senate, and only for that new term of service. Nothing in this subsection shall prevent the President, by and with the advice of the Senate, from appointing an individual, other than the incumbent Director of the Federal Bureau of Investigation, to a 10-year term of service subject to the provisions of subsection (b) after the date of enactment of this subsection.

“(2) The individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection may not serve as Director after September 4, 2013.

“(3) With regard to the individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection, the second sentence of subsection (b) shall not apply.”.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. LEAHY. Madam President, on Monday I, again, set forth the history of our efforts to extend the term of Robert Mueller as the FBI Director in response to the President's request. I am glad that the Senate is now being permitted to proceed to pass the bill. The holds have finally been lifted.

I worked with Senator GRASSLEY to respond to the President's May 12 request, and the Judiciary Committee reported a bill to do that more than one month ago. I am pleased that a bill finally passed the Senate today. I hope the House will take up and pass the bill so that it can be signed by the President, and the Senate can confirm Di-

rector Mueller's renomination prior to August 3, 2011.

This important legislation, S. 1103, would fulfill the President's request that Congress create a one-time exception to the statutory 10-year term of the FBI Director, in order to extend the term of the incumbent FBI Director for 2 additional years. Given the continuing threat to our Nation, especially with the 10th anniversary of the September 11, 2001, attacks approaching, and the need to provide continuity and stability on the President's national security team, it is important that we respond to the President's request and enact this necessary legislation swiftly. The incumbent FBI Director's term otherwise expires on August 3, 2011.

Mr. PAUL. Madam President, I am voting no on S. 1103, a bill to create a second 2 year term for the FBI Director. I am opposed to changing the term limits on this important position, which serve as a safeguard and check against the significant power of the position. I am not opposed to Director Mueller and will not oppose his renomination, but I do oppose the idea that term limits should be changed when it is convenient. I thank him and the Bureau for their cooperation and answers to my questions over the last few weeks.

Mr. REID. I want to extend my appreciation to Senators LEAHY and GRASSLEY for together getting this matter done.

He has done a wonderful job for 10 years, and the country believes they need him for 2 more years, and he has agreed to take that, and I appreciate that very much.

The PRESIDING OFFICER. Under the previous order the foregoing actions with respect to the bill are accomplished.

The bill (S. 1103), as amended, was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is on the passage of the bill, as amended.

The bill (S. 1103), as amended, was passed, as follows:

S. 1103

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

SECTION 1. FINDINGS.

Congress finds that—

(1) on May 12, 2011, the President requested that Congress extend the term of Robert S. Mueller III as Director of the Federal Bureau of Investigation by 2 years, citing the critical need for continuity and stability at the Federal Bureau of Investigation in the face of ongoing threats to the United States and leadership transitions at the Federal agencies charged with protecting national security;

(2) in light of the May 1, 2011, successful operation against Osama bin Laden, the continuing threat to national security, and the approaching 10th anniversary of the attacks of September 11, 2001, the President's request for a limited, 1-time exception to the term limit of the Director of the Federal Bureau of Investigation, in these exceptional circumstances, is appropriate; and

(3) this Act is intended to provide a 1-time exception to the 10-year statutory limit on the term of the Director of the Federal Bureau of Investigation in light of the President's request and existing exceptional circumstances, and is not intended to create a precedent.

SEC. 2. CREATION OF NEW TERM OF SERVICE FOR THE OFFICE OF DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION.

Section 1101 of the Omnibus Crime Control and Safe Streets Act of 1968 (28 U.S.C. 532 note) is amended by adding at the end the following:

“(c)(1) Effective on the date of enactment of this subsection, a new term of service for the office of Director of the Federal Bureau of Investigation shall be created, which shall begin on or after August 3, 2011, and continue until September 4, 2013. Notwithstanding the second sentence of subsection (b) of this section, the incumbent Director of the Federal Bureau of Investigation on the date of enactment of this subsection shall be eligible to be appointed to the new term of service provided for by this subsection, by and with the advice and consent of the Senate, and only for that new term of service. Nothing in this subsection shall prevent the President, by and with the advice of the Senate, from appointing an individual, other than the incumbent Director of the Federal Bureau of Investigation, to a 10-year term of service subject to the provisions of subsection (b) after the date of enactment of this subsection.

“(2) The individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection may not serve as Director after September 4, 2013.

“(3) With regard to the individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection, the second sentence of subsection (b) shall not apply.”.

CUT, CAP, AND BALANCE ACT OF 2011—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I wish to speak on behalf of the resolution before us—the so-called cut, cap, and balance resolution—and explain briefly why it represents a better approach to resolving the financial crisis our country is faced with than the alternative, which seems to be myopically focused on raising taxes, as if our problem in this country were taxes. Our problem is spending. That is why the reference to cutting spending, capping future spending, and ensuring that we never go back to our errant ways by passing a balanced budget amendment to the Constitution, which would forever prevent us from getting into the same position we are in now where we have to keep coming back to increase the Nation's debt ceiling. That is why the emphasis on spending.

Some of our friends on the other side of the aisle, and certainly the President of the United States, say: I will not agree to anything unless you raise taxes.

Why are Republicans so opposed to the President's approach? Why are we

focused on reducing spending rather than raising taxes? Why is it important? First of all, because spending is the problem, not taxes. Spending in this country, under President Obama, has gone from the historic level of about 20 percent of our gross domestic product to now 25 percent in just 3 short years. That is a historic growth in spending. We have never been this high. Under the Obama budget, as far as the eye can see, we are going to be above the historic levels—never below, I believe, 23 percent of the gross domestic product and, as far as I can see, very close to that 25 percent. Spending is the problem.

Some will say: Well, the government has collected less income taxes in the last couple of years.

That is true, but it isn't because tax rates have changed. We have had the same tax rates for the last decade. They have been constant. The only reason there is less revenue coming into the Treasury right now—the so-called tax take of the government—is because the economy is in the tank. People are unemployed. They are not working. They are not making as much money. Businesses are not making as much money, so they are not paying as much in taxes.

So what is the answer? To raise tax rates and try to squeeze more blood out of this turnip, to try to get more out of a sick economy? No. The answer, of course, is to try to get the economy well again so people are working, they make more money, businesses make money, they all pay more in taxes, and then we will be back at the historic levels of tax-take by the Federal Government, and presumably the folks who say taxes are the problem will then be satisfied.

But how do we grow the economy? How do we get it well? We know one thing for sure not to do; that is, impose taxes on an already weak economy. The President himself, last December when we reached agreement between the Congress and the President on extending all of the current tax rates, made that exact point. He said:

To raise taxes at this time when the economy is weak would be the worst thing for economic growth and job creation.

He was right. He was right then. If anything, our economy is in worse shape now. Now we are at 9.2 percent unemployment. We continue to stagnate. If we have a sick economy, the last thing we want to do is impose more taxes on that economy.

One of our colleagues here in the Senate, our colleague from the State in which I was born, the Cornhusker State of Nebraska, BEN NELSON, said:

Raising taxes at a time when our economy remains fragile takes us in the wrong direction. If we start with plans to raise taxes, pretty soon spending cuts will fall by the wayside.

I couldn't agree with him more.

I think there is some bipartisan consensus—though certainly I recognize many Democrats would like to raise

taxes, but I think economists and most Americans appreciate that when the problem is spending, when spending has gone up so dramatically, the answer is to reduce the spending, get it back down at a minimum to where it was, and not raise taxes.

The second reason we are focused on the spending side and why we therefore support the cutting of spending, the capping of that spending, and making sure we have the constraint of a constitutional amendment to restrain us from our impulses in the future is because it never fails that tax hikes always hit more than the people at whom we are aiming. It doesn't hit just the millionaires and billionaires; it hits a lot of other people.

When the alternative minimum tax was created, the idea was to make sure that—and I could be a little wrong on the number—I think it was 125 millionaires couldn't use deductions and credits to get out of paying their taxes. We were going to create an alternative minimum tax. They would have to pay some tax even if they had lots of credits and deductions they could take. Well, 2 years ago it was going to hit 23 million Americans, and I think this year it is something like 32 million. Again, I could be a little bit wrong on the number, but let's just say between 20 million and 30 million people. So we started out with about 125, and now that tax hits well over 20 million and I think over 30 million households a year. Why wouldn't we want to do something about that? We do every year. We pass what we call a patch so that it doesn't affect those people because we never intended it to affect them in the first place. We aimed at the millionaires, and we hit over 20 million other Americans.

The same thing would happen here. How many millionaire and billionaire households are there that report income of above \$1 million? The answer is 319,000. Out of the whole United States, there are 319,000. How many people would actually pay the increased tax in the upper two brackets where these people are located? Well, that number turns out to be 3.6 million people right now. What will it be in 20 years? We will probably be up to the 20 and 30 million category again.

The point is, we aim at 300,000 people, and we end up hitting 10 times that many people—3.6 million people. That is how many people there are in the top two brackets that the President's proposals would hit.

There is another unintended consequence. It doesn't just hit the millionaires and billionaires, it hits small business owners. Small businesses create two-thirds of all of the jobs coming out of an economic downturn such as we have had, out of a recession. Small businesses usually—or at least 50 percent of small business income—let's put it that way—is reported in these top two income tax brackets. We have an individual person, and he is not a corporation, so he reports his income

taxes in one of the two top income tax brackets. What happens when we raise the tax on that 50 percent of the folks, the small business folks? Are they more likely to hire or are they more likely to just sit on their hands? Obviously, the answer is they are not going to hire more people.

Earlier this week, I quoted from several small business folks who, of course, said precisely that. The experts all agree on this issue. When we raise taxes on the top two rates, we hit a lot of small businesses.

One of the taxes the President proposed raising—as a matter of fact, his own Small Business Administration did a study and reported that tax “could ultimately force many small businesses to close.” So we aim at the millionaire and the billionaire, and we end up hitting small businesses. By the way, since this Small Business Administration report has been in the news, I have noticed the administration is not talking about this particular tax anymore. Well, that is fine, but the reality is that the others they are talking about would also hit small businesses and force many of them to close.

Who else gets hit by this tax on millionaires and billionaires? We have some experience. Back in 1990, we thought we would impose a luxury tax on millionaires and billionaires. We were going to tax things such as yachts and jewelry and luxury items, and so on. Well, that lasted a little less than 3 years when all the people who made the yachts marched on Washington and said: Hey, you just put us out of business, and we repealed that tax. I think it was over 9,000 people who were put out of business.

It is interesting that the same proposition translates to today. What was one of the provisions in the stimulus bill? Now, the stimulus bill was opposed by all but I think two Republicans, and all the Democrats supported it. Well, it was the tax treatment for corporate jets. Republicans didn't support this special tax treatment for corporate jets, but the President did. It was in his stimulus bill because it was thought it would help to create or save jobs.

Accelerated depreciation, which is the tax treatment here, was beneficial to the people who make these airplanes—more beneficial from a tax standpoint—and it might well be that jobs were either created or saved as a result of that. But that tax provision that was so important to creating or saving jobs when the stimulus bill was passed now all of a sudden is something that is evil because presumably people who fly in business jets are people to be attacked, to be demagogued.

We have heard the President of the United States talk about this. He talks about the special tax loophole for corporate jets. Well, it is his tax loophole, and he put it in there because he thought it would create or save jobs. Now, who is it going to hurt? The business guys will still fly on their cor-

porate jets; it is just that the jets will cost more money, but probably fewer people will be working, making those planes. Is that good policy or bad policy? I am all for having that debate. I am not going to defend the corporate jets; I will defend the people who make them. But let's have that debate in the context of tax reform, which we have all said we are for doing, so that if we decide it is good policy to eliminate that accelerated depreciation provision, we do that and then we apply the savings to reducing tax rates overall, which is exactly what the President said we should do.

In his State of the Union speech, he pointed out that America is not competitive with the rest of the world. We have the highest corporate tax rate in the world, and he said we have to get it down. What we ought to do is eliminate loopholes in the Tax Code and then, with the savings, reduce overall corporate rates, so instead of paying 35 percent, our corporations would pay maybe 20 or 25 percent, which is still above the world average of developed countries, but at least we would be more competitive.

So what is the right policy? Should we be demagoguing corporate jets or should we think through the policy? We might just be hurting regular Americans, and maybe we should think twice about the kind of political language we are using.

Even oil and gas—we have to tax the big oil companies. Everybody knows we put the tax on, and the next thing we know we are paying more tax when we fill up our car at the local service station. So we should think through whom we are really going to hit with these taxes on millionaires and billionaires and big corporations.

Even the death tax—the death tax is part of the taxes the President would like to have rates go up on, to go back to the 45-percent rate. That is almost half—45 percent—of the estates. Now, a lot of these estates are small businesses, farms, ranches, and a lot of times they have to sell all or part of the business or the farm or the ranch in order to pay the estate tax. So who are we really hurting when we do this?

I have a friend who had a small printing business in Phoenix. He was one of the largest charitable givers in our community, a fine, wonderful man. His name was Jerry Wisotsky. He created the business from nothing, moved out from New York City, and had over 200 employees when he died. He had Boys & Girls Clubs named after him. He and his family contributed as much money to charity in Phoenix as anybody I know. Well, they had to sell the business because the estate taxes were eating them up. The out-of-State company that bought the business didn't contribute to the local community. They didn't contribute to charity. Who got hurt when we imposed that estate tax, that death tax on Jerry's family?

So let's just stop and think. One reason we don't want to focus on taxes and

we would rather focus on spending is because a lot of times, when we focus on millionaires and billionaires, we end up hurting a lot of other people instead.

The third reason and, frankly, the most important from an economic standpoint, of course, is the fact that tax hikes kill job creation and economic growth, and I alluded to this in the second point I made. Fifty-four percent of all of our jobs are from small businesses, and when we hurt small businesses' ability to hire people, obviously we are hurting families, we are creating more unemployment, and we are preventing the economy from rebounding.

I mentioned the fact that the top two brackets of our income-tax code is where at least half of all of the small business income is reported and taxes are paid. That is one of the areas where the administration wants to increase taxes. Why would we do this when, as the Small Business Administration says, it would force many small businesses or could force many small businesses to close? It doesn't make sense. That is why we are focused on cutting spending, capping that spending over time, and ensuring those caps stay in place through a balanced budget amendment.

I think the American people have an understanding of this. There have been a lot of polls quoted lately. I just wish to refer to one, which is only a week old. It is the Rasmussen poll from last Thursday. The question was asked whether there should be a tax hike included in any legislation to raise the debt ceiling—a pretty straightforward question. Rasmussen is a very reputable pollster. This was just 1 week ago. Most voters said no. Only 34 percent thought a tax hike should be included. Fifty-five percent disagreed, said it should not. Among those affiliated with neither political party—the so-called Independents—35 percent favored it and 51 percent—a majority—opposed including a tax hike in the legislation to raise the debt ceiling.

So we are with the American people on this issue. It isn't necessary. Taxes aren't the problem. It affects a lot more people than they ever think it will. Finally, if we want to really hurt economic growth, if we want to really kill job creation, then just pile more taxes on to the economy. It doesn't make sense. That is why we are so insistent on supporting legislation that would cut spending rather than raise taxes.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. MORAN. Mr. President, I ask unanimous consent to address the Senate for up to 10 minutes.

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

Mr. MORAN. Mr. President, yesterday, I was on the Senate floor talking about this piece of legislation that is now pending before the Senate, passed

by the House of Representatives earlier this week. I am a sponsor and supporter of cut, cap, and balance and believe it is a path toward responsibility that we need to demonstrate in the Senate, in the Congress, and here in America.

It seems to me it certainly is irresponsible not to raise the debt ceiling, but it is equally or more irresponsible not to raise the debt ceiling without making adjustments in the way we do business in Washington, DC. Clearly, cutting spending is a component of that, capping spending is a portion of our national economy, returning it to the days, just a few years ago, in which we were spending “only” 18—I say “only” in quotes, perhaps—“only” 18 percent of our gross national product by the Federal Government. Unfortunately, in the last few years that 18 percent has grown to 24.2 percent.

So reducing some spending, capping that spending in the intermediate future, so it does not exceed a certain portion of the national economy, and, finally, passing a balanced budget amendment to the U.S. Constitution seems to me to be a reasonable, rational approach to solving the problems we face.

I also indicated yesterday that in my view there is a fourth component. It is cut, cap, balance, and grow. I do not want us to forget the importance of a growing economy. The last time we had our budget that was in balance, close to being in balance, was at the end of the term of President Clinton. Yes, there was some spending restraint back in those days, in those years. Republicans and Democrats could not get together and pass major pieces of legislation that increased spending, so that spending restraint was an important component.

But the other part of that is the economy was growing and people were working and, as a result, they were paying taxes. That is the more enjoyable component of our work, in addition to restraining spending, capping its percentage of the economy, and putting a balanced budget in place so we do not get back into this mess.

The other aspect of that is to make sure we make the policy decisions in our Nation’s Capital that allow a businessperson, an employer, to make the decision that now is the time to invest in plant and equipment, now is the time to add additional employees. Yet there are so many aspects of decisions that have been made in our Nation’s Capital over a long period of time that now come together and discourage an individual business owner, a potential employer from making the decision: I am going to invest in the economy.

We have all heard the numbers as to the amount of money sitting on the sidelines in the U.S. economy. In my view, the recession we are in has lingered longer than necessary because there is so much uncertainty in regard to what is going to happen next, and a large portion of that uncertainty

comes from the inability to predict what policy decisions are going to be made in the Senate, across the hall in the House, and what the Obama administration is going to propose and potentially put in place in regard to rules and regulations.

I certainly hope my colleagues in the Senate will take the proposal by the House of Representatives as serious work. I certainly agree there can be negotiations had. There has been, as I indicated yesterday, some concern about the specific language of the constitutional amendment that requires a balanced budget, and we ought not draw the line in the sand and say it has to be exactly the way it is written.

Let’s come together and work to find a reasonable, rational solution based upon the outline this legislation provides. From time to time, it has been considered a radical piece of legislation—labeled that way. Yet so many of the things we do in our everyday lives, that States across our Nation encounter and the way they conduct business are certainly capsulized in cut, cap, and balance.

I know there has been significant talk about raising taxes. I heard the Senator from Arizona speak to this before, just a few moments ago. When an individual is struggling to pay the bills, they do not often have the opportunity to ask for a pay raise. What we do at home, what we should do in our own lives, is to reduce our spending levels. Simply asking for more money to meet our current obligations is not usually an option.

That tax issue goes with my comments a moment ago about the importance of growing the economy. Too often, we look at taxes as a source of revenue. I am for raising revenue, but I am for raising revenue by a growing economy and people being at work paying those taxes, not by raising the tax rates but by improving the economy and allowing good things to happen to families, individuals, and businesses across the country. So that Tax Code is an important component of this issue of growing our economy and getting our deficit back in line, back to some level of responsible behavior here.

ONE-YEAR ANNIVERSARY OF DODD-FRANK LEGISLATION

Mr. President, the additional point I wish to make—in addition to what I have said already today but also in addition to what I said yesterday to the Senate—is that this is the 1-year anniversary of the passage of Dodd-Frank.

Huge financial regulations were put in place by legislation that, just 1 year ago today, was passed by the House and Senate and signed by President Obama. In my view, that legislation is another component of the difficulty in knowing what is coming down the road—hundreds of regulations yet to be proposed, pursued, and enacted, so many of our businesses and financial institutions do not know what to expect and, therefore, again are waiting to see what happens in the Federal Government, what

decisions are made here, in this case not by Congress now but by regulators up the street in our Nation’s Capital.

So on this anniversary of the passage of that legislation, I wish to again highlight what I think is a common-sense reform to that legislation. A part of Dodd-Frank created the Consumer Financial Protection Bureau. A number of Senators have signed a letter to President Obama trying to make clear that before a head of that Bureau is going to be confirmed by the Senate, we believe that structural reform, change in the nature of that organization, needs to occur.

Again, these seem very straightforward and common sense to me. But rather than have a single head of the Consumer Financial Protection Bureau, I would ask that—in fact, I have introduced legislation to do this, and my colleagues, in signing that letter, asked the President to help us change that individual to a board or commission similar to other government agencies charged with financial oversight, so the power does not rest in a sole individual.

Then, again, one would think Congress would never want to give up the authority to determine the appropriations for this agency. Instead, the law, as currently written, provides for a draw against the Federal Reserve as compared to where almost all agencies have to come to Congress and ask for their appropriations, which gives us, as legislators—me, as a member of the Senate Appropriations Committee, as ranking member of the Financial Services Subcommittee on Appropriations—the opportunity to review, to have input, to provide oversight. We ought to change that formula by which the money comes directly from the Federal Reserve and put it back with the responsibility of this Congress making those decisions.

Finally, we want to have banking regulators—who oversee the safety and soundness of our financial institutions today—given meaningful input into the Bureau’s operation, all designed to provide greater opportunity for us as Members of Congress, for the American people, to have input and oversight over what will be one of the largest agencies, most powerful regulators in our country’s history, and certainly having significant creation of new rules and regulations that are going to, in some fashion, affect the U.S. economy.

Many of my community banks feel so overregulated today. There is a real concern or fear about making loans today—something that is very important for an economic recovery, that aspect of growing the economy—because they do not know what the next set of regulations is going to be.

In fact, for the passage of Dodd-Frank—the legislation we are now observing the 1-year anniversary of it becoming law—the GAO, our Government Accountability Office, estimates that the budgetary costs of Dodd-Frank will

exceed \$1.25 billion. In addition to that, the Congressional Budget Office estimates that over the next 10 years, Dodd-Frank will take \$27 billion directly from the U.S. economy in new fees and assessments on lenders and other financial companies.

So as we look at the legislation that is pending before us—cut, cap, and balance—my hope is we will expand—once we pass that legislation, we will get back to aggressively pursuing a projob, progrowth agenda. Jobs certainly are important for us in generating the revenues necessary to fund the Federal Government and to reduce our national debt. But there is nothing more important to Americans, to Kansans across our State, than being able to have a secure opportunity for employment, to put food on the family table, to save for their own retirement and their children's education.

I do believe—seriously believe—that a significant message that was delivered by the American people in the election of November 2010 was the reminder to us that we have the responsibility—again, government is not a creator of jobs, but we are the creator of an environment in which the private sector can create jobs.

So let's cut, cap, balance and grow the economy and strengthen the opportunity for every American to have a valuable and viable job, with the hope of improvement in their own lives, and, most importantly, make certain we pass on to the next generation of Americans the ability to pursue that American dream.

I thank the Presiding Officer for the opportunity of addressing the Senate.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. CHAMBLISS. Mr. President, I rise to talk about the bill that is before the Senate today. But as a part of that, we are now in the midst of a true fiscal crisis in this country, and I want to address something that has been debated over the last several days, discussed over the last several days, criticized over the last several days. It has been the subject of a lot of misinformation—by colleagues on my side of the aisle particularly—about the proposal that has been submitted by the so-called Gang of 6, of which I happen to be a member. And I am someone who for the last 7 months has participated in discussions with two of my colleagues on this side of the aisle, as well as on the other side of the aisle, to try to find a bipartisan solution to being able to repay the \$14.3 trillion our Federal Government owes, and that we have all participated in creating.

The misinformation that is going around from my friends is very dis-

turbing. People are here on this floor throwing out numbers that are wrong, giving specifics on a piece of legislation that has not even been written, and yet they are talking as though they are experts on the subject of a matter that my five colleagues and I have been discussing and debating among ourselves for the last 6 months—and we have not even put the legislation out there yet. So it is pretty disturbing to me that there are some people in this body who want to see nothing done and I assume want us to continue down the road of borrowing 40 cents out of every dollar we are spending. I am not willing to do that. I think we were sent here with a commitment from our constituents to solve the serious problems this country faces. The only way we are going to solve this fiscal problem we have is to generate 60 votes in this body in support of some proposal.

I am going to talk in support of the proposal we have under consideration now because I think it is a potential solution. I am very appreciative of the authors of the cut, cap, and balance bill. I am appreciative of our leadership for at least trying to come forward with something and put it on the table to give us the opportunity to debate those ideas.

I think there have been a number of very positive proposals that have come forward and hopefully that will come forward in the next few days to allow us to debate this issue and to primarily solve the problem relative to the debt ceiling and solve the problem relative to the long-term debt we have.

I have to say, I am disturbed about some of the comments and statements—even from folks who were critical of the plan we put forward for cutting too much spending. These are the folks who have been ranting and raving about the fact we are spending too much money in this town, and now they are complaining about the fact we are cutting too much in spending.

I look forward to continuing this debate. I want to say the proposal that we put forward was intended from day one to be a framework, not the final product, but a framework, for this body as well as the House to discuss as a way forward for solving the issue of how we are going to repay this \$14.3 trillion. We never, ever intended for it to be in the mix on solving the issue of the debt ceiling that needs to be raised, according to the Department of the Treasury, by August 2.

Because we happen to have come to a conclusion of our negotiations this week, at the same time the debate on raising the debt ceiling is reaching its height, that has obviously created the impression on some folks that our proposal is intended to solve the issue of the debt ceiling. And it is not. It categorically is not. I want to make that perfectly clear.

That being said, if there is any part of our agreement, any part of our principles that can be utilized by the lead-

ership of the House and the Senate to figure out a way forward on the debt ceiling, for we have no pride of authorship. We hope leadership will take advantage of anything that can be used to try to generate the necessary support in this body as well as in the House to solve the issue of this deadline we are facing on August 2.

I rise today in full support of the cut, cap, and balance legislation. I am proud to be a cosponsor of this bill and I commend my fellow Senators in this Chamber who have taken it upon themselves to offer solutions to the large and growing problem of our debt and our deficit.

A majority of Republicans here in the Senate as well as a majority of those in the House believe that legislation that cuts government spending and makes tough enforcement mechanisms on the Federal budget is the right way to bring spending under control. I am also proud to be a cosponsor of a separate balanced budget amendment. I firmly believe all of these proposals will structure and control the Federal Government's spending, just as Americans have demanded. We are in the middle of a fiscal crisis. Last year, the government spent at a rate of 25 percent of our gross domestic product and took in revenues of about 14 percent of our gross domestic product. The result of that is that last year, for the fiscal year ending September 30, 2010, we had in excess of a \$1.5 trillion deficit. It looks as though we are headed in the same direction this year. This is totally unsustainable. Our financial markets have told us that. The folks who are in the process of putting together another sale of our bonds have told us that. We know people who are looking at buying those bonds are looking very closely at how this body acts over the next several days.

Some people have said the bond market is the most honest financial market out there, as the bond market tends to track truest to the debtor's overall fiscal standing.

The bond-rating agencies have already told us that we are approaching the edge of what the market will bear. We are close to the brink of our self-imposed debt limit of \$14.3 trillion.

We must give serious, solemn consideration to any plan that will turn us immediately away from our overspending. We need to be mindful of the consequences of a default. Forcing the administration to make spending decisions is only one problem we face.

A default and the subsequent rise in interest rates means we will find ourselves deeper in debt, and rampant inflation will prevent us from achieving fiscal solvency.

Current levels of discretionary and mandatory spending cannot be sustained. Mr. President, I say that with respect to every area of the Federal Government. We cannot allow any area of the Federal Government to go untouched. If we do, we will allow that area of government to continue to

grow out of control. We must cut Federal spending anywhere we can and in every department of the Federal Government.

We also have to reform entitlements. We have to look at the issues that are very difficult for a lot of us to deal with, and we have to make some very tough decisions.

Too frequently we have engaged in political theater instead of earnest efforts to resolve these long-term budget issues. The American people expect and deserve an honest budget debate and an honest budget process.

On Tuesday of this week, the House made an historic vote. Its Members decided that Congress can no longer feign interest in securing our financial future. They took the right step of voting to cut spending and place rigid caps on remaining expenditures with tough budget enforcement mechanisms. I commend them for their efforts.

Now is the time to join our colleagues in the House. We must look for new ways of ensuring that the Congress cannot break promises.

The best path forward toward fiscal stability will set a firm foundation, and this legislation will do exactly that.

George Washington gave clear guidance when he told the House of Representatives that no consideration "is more urgent than the regular redemption and discharge of the public debt."

We can no longer allow the American people to suffer by not providing the economic basis for recovery and growth. The equation is simple: a balanced Federal budget that is free of excessive debt leads to a healthy economy and sustainable job creation activities.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Mr. President, I rise in support of H.R. 2560, the Cut, Cap and Balance Act.

I have been watching the debate on my TV back in the office this afternoon, listening to the arguments made pro and con, and thinking to myself that back home in Georgia there are a lot of folks who live around me who are scratching their heads wondering why cut, cap, and balance is such a bad idea because they have also had to cut, cap, and balance.

The call I left before I came here to speak on the Senate floor was from a minister and his wife whom I know. They are retired. Both of their daughters are married and live away from Georgia. Both of them have been in financial difficulty, and both are on the brink of losing their homes. Through the counseling of the minister and their support, they counseled and showed them where to cap, cut, and balance so they could make their mortgage payments and not lose their homes. Americans have had to do that all over the country. The present economic situation mandates that. There are no excuses with the IRS or bill col-

lectors or people with whom you may do business. If you don't pay, there are consequences.

America as a country must ask of itself what we impose and ask of every citizen in our country. I think also there are probably a lot of members of the Georgia Legislature who are watching this debate and scratching their heads. In my State, in the last 4 years we cut \$5 billion—from a \$22 billion budget to a \$17 billion budget. Do you know why? It is because our Constitution says we have to have a balanced budget. We can't borrow to pay for everyday operations, and we must live within our means. We have had to cut, and a lot of those cuts have been painful.

Many States are coming back now. There was an article the other day about States that are coming back and showing future months of growth in revenues and in their income, and even looking to surpluses that will come in the years to come. Why? Because when they had to do it, they balanced their budgets and capped their expenditures, and they did what their Constitution requires.

This proposal tells us, first of all, to make cuts that would materialize early of about \$51 billion. It would be a down-payment on the process to continue the cutting process to reduce our deficit and our debt. It has a formula for capping expenditures in the future, going from 21.7 percent of GDP to 19.9 percent of GDP which, by the way, falls within the realm of the last 40-year average, until the last few years when we have gone from 20, 22, 24, to 24.6 percent of GDP.

It is not unreasonable to ask us to impose upon ourselves a cap consistent with the averages of our past. Remember this: As we get our arms around our spending and live within our means, business will prosper, revenues will go up to companies, taxes will go up, and that percentage of GDP will give us a broader margin. It is only when we are in a declining economy, a recessionary environment, where revenues go down, that caps are hurting a lot because we are not empowering business, profits go down, and revenues go down for the country.

On the balanced budget amendment, this provision leaves room for negotiation between the bodies as to what the caps will be in the balanced budget amendment, whether it would be a supermajority of 60 or 67 to raise taxes. It is a realistic approach to cause us to sit around the table in Congress and negotiate what is wrong for the country. If it is right for almost every State in our Union to have to balance their budgets, to cap their spending, and to limit their borrowing, it should be right for us.

This proposal is right for America. It is basically what we require of our citizens. It is now time we required it of ourselves. I am proud to join my fellow members of the Republican Conference of the Senate to vote for a new dis-

cipline for America that cuts excessive spending, caps wasteful spending, and, over time, allows us a roadmap to have a balanced budget and a GDP ratio to expenditures that is doable, workable, and historically justifiable.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, I ask unanimous consent that I be recognized for 15 minutes as in morning business.

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

PILOTS' BILL OF RIGHTS

Mr. INHOFE. Mr. President, first of all, let me make a comment on something totally unrelated to the subject of the day, which is that we have a significant bill coming up that the occupant of the chair and I have put together. It is called the pilots' bill of rights. The reason I want to say something about it is it is getting toward the end of the week. It happens a week from today—the largest gathering anywhere in the world of pilots who will get together in Oshkosh for the big event. I have been going to that for 32 consecutive years. We have probably the most significant piece of legislation we have ever introduced at Oshkosh. We are going to have literally thousands—I am talking about 200,000 pilots who are single-issue people.

I have been a pilot for 50 years. I know how these people think. The pilots' bill of rights is going to offer an opportunity to these people, who might be accused of something by the FAA, to have access to the evidence against them. It is something that everybody is for. As a matter of fact, it is something that—I haven't said yet, but I just heard that the air traffic controllers are supporting this effort. So we are going to have a lot of people. We already have 34 cosponsors.

The reason I want to say this, I know not many Members are listening, but a lot of staffers are. Pilots are single-issue people. They are going to want to know who is cosponsor of the bill. We will be talking for a period of 2 hours in two different settings. We will have literally thousands of pilots there.

I encourage very strongly people who may be listening to us right now to have their Members look at this carefully. As I say, pilots are single-issue people, and this is their issue. I did this twice—once in 1994, when we were able to use the population at Oshkosh to push over the top the first product liability bill that changed our manufacturing of aircraft from a major importer to a major exporter. That all happened at Oshkosh.

Another time it happened was with Bob Hoover, whom I think would be considered to be the best pilot in America today. He is up in years, but this guy had a problem that we helped him with, an emergency revocation. We did it in Oshkosh.

I hope we get a lot more people who are interested in general aviation, and

particularly if you are on the general aviation caucus and you are not on this bill. There are going to be an awful lot of questions.

CUT, CAP, AND BALANCE

Let me make a few comments about the Cut, Cap, and Balance Act. I can remember coming to the floor standing at this podium about 15 years ago, and this was during the Clinton administration. I came here because the Clinton budget for the entire country at that time was \$1.5 trillion. I came down and stood here and said: How is it possible to sustain a level like \$1.5 trillion? That was to run the United States for the entire year of 1996.

Now I think the outrage this year is that in President Obama's current budget, the deficit alone was \$1.65 trillion. In other words, the deficit alone, right now, is greater than what it took to run the entire country for a period of a year in 1996.

That is something we can't continue doing. I believe the spending has gone so out of line that it is not believable. It is not possible for people to think this could be happening. President Obama has managed to increase Federal spending by over 30 percent, to an average of \$3.6 trillion a year—\$3.6 trillion. I was complaining about \$1.5 trillion, and this is just 15 years later.

Is anybody listening out there? Does anybody really care? Maybe since I have 20 kids and grandkids I am a little more sensitive to the fiscal destruction of this country. This has caused our national debt to increase by 35 percent. Today, we have to borrow 40 cents for every dollar we spend. It just happened. This is something that we have to address.

I think we are so wrapped up now in saying how are we going to get this done by this deadline of August 2. I remind everybody of something that most people don't know, and it is a shock. They think this is the first time in the Obama administration that we have talked about increasing the debt limit. It is the fourth time. He keeps coming up with trillions of dollars of deficit each time—\$5 trillion in three budgets. Believe me, it is not anybody else in this Chamber. It is not in the other Chamber, the House. It is one person—the President—who has come out with his budget. He signs it and sends it to us.

Well, that is a total of \$5 trillion over the last three budgets. Some may think it is just not possible that this could be happening. This is the fourth time he wants to increase the debt limit.

This is the strategy: Go out and spend all this money like drunken sailors, and then come right up to the last minute and say the world is going to come to an end unless you increase the debt limit. You have to stop someplace, and I decided the last time he did this that I was going to stop unless we had some type of discipline.

The only discipline out there is the cut, cap, and balance budget amend-

ment. I think we need to look at this carefully because if you stop and put this down—what I normally do on something like this is say: How does this affect the average person? This increase in debt just in this period of time would be \$11,000 for every man, woman, and child—an increase from the time this President took office. That is an increase, and the total amount of debt they would owe would be \$46,000. That is the day they are born. Happy Birthday.

Well, over the past several weeks, we have talked about what to do about the debt limit. I have looked at the three major plans out there. Looking carefully, the problem I have with the plan that has come up—called the Gang of 6, or the Gang of 7 depending on which group you are looking at—is that it has some intangibles in there.

For example, the military cuts—it doesn't say where they are, but we are talking about it—almost \$1 trillion over a period of 10 years.

I am on the Armed Services Committee. I can tell you that I don't know where that will come from until they come up with more specifics—and they might do it, and it might be plausible. As it is right now, the cut, cap, and balance legislation is the only one I have seen that would really work. I haven't been involved in all these discussions. A lot of people are certainly working to try to come up with answers, the ones going to the White House every other day talking with the President. I don't happen to be one of those. My major concern right now—and I will at least mention this, because I have done several shows today to try make people understand—is, yes, the deficit and the spending, all that is terrible, but what is equally as bad—and that nobody knows about—is what is happening in terms of the regulations. We have all these programs this administration has tried to pass. I would say the main one that people are familiar with is cap and trade. Remember the old thing that has been going on for 10 years now—the cap and trade? That would cost the American people somewhere between \$300 billion and \$400 billion a year. That is a huge thing. Bringing that figure down to every taxpaying family in my State of Oklahoma, it would be a little over \$3,000 a year, and you get nothing for it.

According to the President's own Director of the Environmental Protection Agency, Lisa Jackson, when I asked her on the record if we were to pass any of these cap and trade bills, would it reduce CO₂ emissions—assuming you want to reduce CO₂ emissions—she said no, because this is only applying to the United States. Let me carry it one step farther. As we run out of ways to create energy in America, we will have a job flight from our manufacturing base, which would have to go to places such as China, India, and Mexico, where they do not have any emission restrictions. So, if anything, it would increase emissions.

I am very proud of the Senate, because now we have perhaps, at the very most, 24 votes to pass cap and trade. So what does the President do? He says: Fine, we will do it through regulations. So, through regulations, he is attempting to do that. And we will hear next week of another example. In fact, there are six major areas where regulations are costing taxpayers hundreds of billions of dollars. Another one he is going to announce next week is going to be a tightening in the standards on MACTs, and it is one that is going to cost in the neighborhood of \$90 billion each year. So in just two of these regulations you have \$400 billion a year in costs to the American people. People just aren't aware of that.

Some smart guy in my office went back and said: You know, you are not the first person to be concerned about the cost of these regulations. Politicians don't talk about it because no one understands it. But Ronald Reagan, back in 1981, said this:

Overregulation causes small and independent businessmen and women, as well as large businesses, to defer or terminate plans for expansion.

That is what he said. And then he said:

I have asked Vice President Bush to head a cabinet-level task force on regulatory relief.

That was the first Bush he was referring to there. So they realized it back then, the cost of overregulation. But it has gotten to the point now where it is every bit as important as the spending problem.

But we are talking about the spending problem right now, and there is nothing complicated about it. When you spend more than you take in, you go into debt, and we can't keep doing that forever. We keep getting these budgets from the President each year—three budgets now totaling a greater increase in debt than all Presidents since George Washington combined. Nobody seems to understand and no one seems to care that we can't keep doing that. We are going to have to do something about it for future generations. I think we are going to do it. I hope when this vote comes up—and I think it has been set for tomorrow—on the cut, cap, and balance legislation, it will be something that will be seriously considered, particularly by people who are coming up for reelection in 2012. They need to be thinking about this, because this will be a huge issue. To stand here on the floor and not vote for a balanced budget amendment—during this crisis we are facing now—is something everyone will have to answer to.

So while the caps we talk about in the cut, cap, and balance legislation would be over a period of time, it is no good unless you have some kind of enforcing mechanism. This bill we will be voting on tomorrow, I understand, does have that enforcement mechanism. It has sequestration. These are automatic cuts, so that if Congress decides it is going to spend above the caps that are

allowed, then automatic sequestration goes into effect. It works. It is enforceable.

We have watched spending go up. I am reminiscing here that this has been going on for a long time. People are saying: Well, we are not going to be able to pass a cut, cap, and balanced budget bill because they have been trying to pass a balanced budget amendment for some 40 years or so and they haven't been able to do it. I think this is a unique time that is different than the past 40 years. This is the first time I have seen where the average person knows we can't sustain this thing. We can't go from a budget running the United States of America from \$1.5 trillion and then all of a sudden it is \$3.5 trillion under just one President. You can't continue to do that.

I remember way back many years ago, when I was in the State legislature, there was a great Senator named Carl Curtis from Nebraska. Carl Curtis was quite elderly at that time, and he had been trying to do a balanced budget amendment for probably 20 years at that time. This was back in the 1970s. He came to me in the State legislature in Oklahoma and said: I have an idea. The argument they use against a balanced budget amendment is that three-fourths of the States would never ratify it. So, he said: Let's preratify a budget balancing amendment.

He was kind of a genius. I happened to be the first State legislator he approached, and he asked me to take it on as a project. So the State of Oklahoma was the first State in history to preratify a balanced budget amendment to the Constitution. It was kind of fun. Then it was so popular that others started doing it, and we got right up to the three-fourths but couldn't quite get over that. But that is something that took place many years ago.

This is something we know is not easy, it is something that is difficult to do, but we now have another chance. It is the first time we have had a chance where the majority of the people, by polling, are expressing their outrage and stating that we are going to have to do something. Even though we have raised the debt limit countless times, this is the one time it is getting all this attention, and it is getting this attention because we all know we have something that is no longer sustainable. So we have another chance at the balanced budget amendment provision in the cut, cap, and balance bill, and it would prevent the debt limit from being raised until Congress sends one of the three balanced budget amendment proposals to the States for ratification. In other words, the amendment would have to pass both Chambers by two-thirds majority before the debt limit is allowed to increase. This makes sense. It is a permanent solution to our problem.

Within 5 years of ratification, the amendment would require Congress to pass a balanced budget every year, and it would cap total spending at 18 per-

cent of GDP. Right now it is above 20 percent of GDP, so it is even lower than the caps we have had before. It would also require a two-thirds majority to raise taxes. We all know conditions could change—we could be in a war—so this does have a deficit provision which I think is very responsible. The balanced budget amendment is the only reform that will put our Nation on a true path for permanent fiscal stability. It will force comprehensive and real changes to the Federal Government and its spending priorities. If it is ratified, it would avert the risk of a debt crisis. In short, it would put our Nation on a path to limited government it has not seen in years. So I think this is the opportunity.

We have three different opportunities coming up. We have heard about the proposal by the Republican leader and by, I think, the majority leader. That might be some kind of last effort, and maybe that is what we will be considering. But the first and the best and the easiest—and the most fiscally responsible—is the cut, cap, and balance bill. So we will have that opportunity tomorrow. It is very significant we take advantage of that opportunity. I am not the pessimist most people are. I think we have a shot at this thing. If the American people are watching carefully, we could pass this thing.

Mr. President, I yield the floor, and 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. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. COATS. Mr. President, I come down here frustrated and hopeful. I want to see the glass half full even though we have been through a frustrating number of days and months dealing with our debt crisis, and here we are careening toward another crisis. Congress went through this earlier in the year. It seems as though the only way we ultimately get things done is to take it right up to the edge and then come through with an agreement. I don't think it is fair to the American people. It clearly isn't a formula for providing certainty in our economy for those who are running businesses and for households that are making tough decisions.

If there is one word that characterizes where we have been this entire year, it is "uncertainty"—uncertainty about what the future is going to look like. Are we going to default or not? Do we have enough money to pay the bills or not? What are the consequences of a potential default? When we had the continuing resolutions to provide funding for the rest of the year, we went from one extension to another extension to another. Everything is in limbo. How can you run an economy, how can a business man or woman

make a decision if they don't know what is coming down the line in terms of taxes, in terms of regulations, in terms of the economic climate, in terms of whether people will be buying, selling, or just sitting on their money?

Into the third year of a slowdown and recession, the economy is growing but not growing at a rate that is putting people back to work. We all want to get the economy moving again, and inserting certainty into the process will certainly be a positive step forward.

I think there is virtually unanimous consent that this government has grown too big, it spends too much, it doesn't have the revenues to pay for what it does, and there needs to be real reform taking place soon.

We are 12 days away from August 2, the date the Treasury Department has indicated we run out of money and don't have enough to pay our bills. Obligations that have been committed to and promised can't be paid because we won't have the funds to do so on August 2.

We have known this day was coming for a long time. We were originally told we would run out of money in March, and then for some reason it was moved to May and then to August. I don't know how they are moving money around at the Treasury to extend this particular date, but it appears we are now at the end of the road, we are at the wall, and decisions have to be made.

Are we going to take the necessary steps, make the tough decisions, and do what we need to do to control our spending, to put in place mechanisms that will ensure we don't continue to do what has been done over the past several years, and put policies in place that will stimulate our economy and get people back to work? After all, it is really all about jobs. It is all about an economy that is providing opportunities for young people coming out of college and high school, opportunities for people to buy homes and raise their families and save money and send their kids to school, to keep a good-paying job, to be able to pay the mortgage and all the bills that come to the household every month. That is really what it is all about. Unless we address these issues before us here fiscally, we are not going to get to the point where people have hope for the future.

I said I am frustrated, and I guess I just expressed some of that frustration, but I am also hopeful. I am hopeful because in times of crisis, solutions can be found. We wish we could do it in a more systematic way. We wish we had done it in the past several months, but we didn't, so here we are. And now I think the focus is clearly on getting to a solution.

We are debating a plan called cut, cap, and balance—cut because we are spending more money than we can afford to spend; cap because we want to put procedures in place not to spend more than we can afford in years to come; and balance, a balanced budget

amendment to the Constitution so that when Members come here and put their left hand on a Bible and their right hand in the air and swear to uphold and support and defend the Constitution of the United States—and that Constitution says you can't spend more than you take in, you need to balance your budget just like households and businesses all across America, and virtually all of our States have these either in statute or in amendment form, the Federal Government excepted.

I don't believe Congress has demonstrated the discipline necessary to run a fiscal house that is anywhere close to balanced. Despite all the wonderful speeches that we are going to cut this and do that and provide for this and provide for that, we have just seen an explosion of debt, an explosion of spending regardless of what the revenues coming in happen to total. A constitutional balanced budget amendment will give us the spine and backbone and the duty and responsibility to uphold the Constitution in that regard and achieve and make the tough choices, make the tough votes every year.

This happens in our State every year. We somehow survive, and in fact we are doing pretty well because our legislators have to go before the people and say: That is a good idea; but we have to balance our budget. We could raise your taxes to pay for that if you want that extra program or we can cut another program and substitute the money saved from that for this program or, we just can't go there. We don't have the money. These are the choices we have to make, and this is the responsibility we have.

I said I am hopeful. Why am I hopeful? I am a baseball fan, sports fan, basketball. I have seen so many sports situations where the announcers have said or the spectators have observed that it is hopeless, there is no way they can come back, there is no way they can pull this out, but then I have seen miraculous comebacks in the fourth quarter of basketball games, maybe the last 2 minutes, in the bottom of the ninth where you have just about written off any chance of victory at all, and all of a sudden they come from behind. Whether it is soccer, baseball, basketball, or any sport, we all have experienced situations that give us hope.

Even though the clock is ticking down, as it is on this debt limit date, and even though some are saying we are never going to get there, I am hopeful we can come forward with a sensible plan. In my opinion and in the opinion of many, the cut, cap, and balance is a plan that can get us to where we need to go. Clearly, first we need—and cut does this—to address our spending issue, and then cap so that we don't keep running into this year after year, and then balance so that we are committed to it for the long term. In order to get there, this provision before us gives us the opportunity to do just that.

The reforms that we need to address—not just cutting but addressing the out-of-control, deficit-driving entitlement programs that need to be reformed in order to save those benefits and save those programs for the future, not take them away and not watch them go into insolvency—all those need to be addressed, and I hope they will be, and this is the plan that can get us there.

We will be voting on this tomorrow morning, and I am urging my colleagues to look at this in a serious way.

There has been a lot of criticism of various plans that Republicans have put forward. Yet the President hasn't put anything forward. My colleagues across the aisle, the Democrats, haven't put a budget forward or a plan. We get criticism because they don't like this part of our plan or they don't like that part of our plan. We aren't saying our plan is perfect, but where is yours? We have nothing to measure it against. Democrats are in the majority in the Senate, but nothing has been brought forward here for us to debate or vote on. There is no way we can stand here and say, here is our plan, what do you like about it, what don't you like about it, or for you to stand here and say, here is our plan. Let's work together to meld these two things together. Maybe we can find a compromise. Nothing has been provided by the other side.

We are here with cut, cap, and balance, and people said: No, that is not the one. People have said: Gang of Six—no, that is not the one. People have said that of other provisions that have been brought forward: No, that is not the one. Well, OK, fine. You don't like that? What is the one? What is the one that gets us there?

So as we approach the very end, we have to understand that the consequences of what we do are enormous. Doing what is right for the future of America and the future of the American people, the future of generations to follow, is what ought to be driving us at this point toward reaching a rational, sensible solution to put us on the path to fiscal responsibility and get our financial house in order.

Just hours are left before we have this vote, and if this vote doesn't pass, as many are predicting it won't, and the President has said he will veto it if it does, I am still hopeful we can pull something out here in the bottom of the ninth. And if it doesn't pass, where do we go next? So we need leadership, and we need leadership from the leader of our country to guide us where we need to go if they are going to just simply reject everything we put forward.

Let's be very careful how we evaluate our vote tomorrow and the implications it has for the future of this country and the fact that the clock is ticking louder as we careen toward a serious crisis on August 2.

Mr. President, I yield the floor, and 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. LEE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. LEE. Mr. President, since I was sworn into office this January, about 6 months ago, the House and the Senate have both been understandably and properly concerned with one issue that has perhaps eclipsed every other issue that has come before us in this half-year period of time; that related to our national debt and the anticipated expiration of our debt limit which will hit in just a couple weeks. Many Americans are understandably concerned and have articulated the concern that if we pass the debt limit deadline of August 2 without raising the debt limit, there could be catastrophic financial consequences.

In light of that, I, along with a number of my Republican colleagues both in the Senate and in the House, have introduced legislation called the Cut, Cap, and Balance Act to address the debt limit, to address it head on. It says we will raise the debt limit if three conditions are met: first, that we make significant cuts to domestic discretionary spending for the fiscal year 2012 budget; second, we need statutory spending caps to put us on a smooth but steady glidepath toward balancing our budget sometime within the next decade; third, we need a balanced budget amendment passed out of Congress and submitted to the States for ratification.

We think all three of these steps are necessarily required before we take the significant additional step of raising the debt limit. Because of the fact that it took us a long time to get to this point, the point where, by the end of the year, we will have accumulated \$15 trillion in debt—about \$50,000 for every man, woman, and child in America, between \$120,000 and \$150,000 for every wage earner in America; this is a lot of money—before we extend that debt limit again by an additional \$2.4 trillion, we have to solve the problem. We have to address the problem that led to its creation in a real, lasting, binding fundamental way.

That is why the most critical part of this legislation, while each part is important, happens to be found in that which rests upon the idea of a balanced budget amendment to the Constitution. We as Members of Congress could decide right now that over the next 10 years or 15 years, it might be a good idea to cut spending by \$2 trillion, \$3 trillion, \$4 trillion, \$5 trillion, \$6 trillion, perhaps more—but if we made that promise today as a downpayment to the American people in exchange for the permission of the people to raise the debt limit, it is a promise we cannot make good on because we cannot bind a future Congress.

This Congress was sworn in in January of 2011. Elections will be held in November of 2012 and a new Congress will be sworn in based on those elections in January 2013. The same thing will happen again in January 2015 and every 2 years after that for the duration of our Republic. The decisions we make right here, right now can affect the here and now and can be binding for the here and now, but we cannot reasonably expect and we cannot ask the American people, when making a decision so long-lasting and precedent-setting as this one, to simply trust us that future Congresses will see things the same way we do.

The only way we can bind a future Congress is by amending our law of laws, that 224-year-old document painstakingly ironed out by some of the brightest men of the last several centuries in Philadelphia 224 years ago.

When we amend the Constitution, we make it possible to bind a future Congress. That is what we need to do. We have had some interesting debate and discussion surrounding this proposal. Last Friday, I listened with surprise and dismay as our President said we don't need to amend the Constitution to require a balanced budget, but we do need to balance our budget. In the opinion of the President, Congress just needs to do its job, not amend the Constitution.

I think I understand his point. I think he is suggesting that for Congress to do its job it needs to balance its budget. But I have to ask the question, how has that worked out for us? Have past Congresses balanced their budgets? Has the current Congress balanced its budget? Overwhelmingly, the answer is no. It happens every now and then. Some would describe those instances where it has balanced in the last two or three decades as an accident; others, a momentary blip; still others would suggest it was the product of accounting gimmickry rather than an actual act of budget balancing when that occurred.

Regardless, we know that balanced Federal budgets are newsworthy indeed because they are very rare. I look forward to the day when they are no longer newsworthy, when they are customary, and the only way to make them customary, based on our experience as Americans throughout most of our Nation's history, is by amending the Constitution to require it, to make this a binding and permanent law.

I was shocked and dismayed again to learn that our Senate majority leader, Senator REID from Nevada, stated just a few hours ago that he does not like this legislation. He made some very disparaging comments about it, notwithstanding the fact and completely ignoring the fact that this is not just the best legislation to address the debt limit issue, right now it is the only legislation. It is the only legislation that addresses this issue that is moving through Congress and that has been reduced to legislative language. It is cer-

tainly the only one that has been passed by one body of Congress and is now moving over to the Senate.

He is criticizing something when he himself has not offered anything. This is the only show in town. Given how close we now are to the August 2 deadline and, in part, because we punted this so long and, in part, because we have not been having the debate and discussion in Congress we should have been having for months, this is it. This is the only proposal.

If Senator REID has suggestions on how we might change this proposal, I am all ears. I would love to hear what they are. If he has his own proposal, I would love to see what that is. But simply to stand from that desk over there and disparage this legislation is inexcusable, absolutely inexcusable, given the fact that he has offered nothing.

Let me read some of his words. He said: "The American people should understand that this"—"this" meaning the Cut, Cap, and Balance Act—"is a bad piece of legislation, perhaps some of the worst legislation in the history of this country."

I don't know what he is referring to. He didn't give specifics, nor has he given any specifics on what he would like to see in its place or how it could be improved. My suggestion to our Senate majority leader is, if he has ideas, please put them on the table because, as we approach this debt limit deadline, we are running out of time. The clock has been ticking for 6 months. We have known this was going to happen. This is not news to us.

Why, then, has there been so little debate and discussion in this body? Why is it that we spent weeks and weeks and weeks, often dealing with legislation that paled in comparison to the importance of this issue. The clock kept ticking and we kept debating and discussing other legislation far less important.

This, in my opinion, was a gross dereliction of duty. But we still have a few weeks. We can still deal with it. We can still address it. I suggest strongly that we address it by starting with that legislation that has actually been proposed and that we have full debate and discussion.

But, no, we are told. Even after the House of Representatives earlier this week passed the Cut, Cap, and Balance Act, passed it with bipartisan support, by the way—no fewer than five members of the Democratic caucus in the House of Representatives voted to support this. That was passed Tuesday night. We were told later we would be having a vote on Saturday or perhaps Monday. Then, just a little while ago, we were informed by the Senate majority leader that the vote would be tomorrow, giving us little or no time for actual debate and discussion on the floor of what is still, to this moment, the only legislation moving through to address this issue.

This is not an appropriate moment for demagoguery. Demagoguery on an

issue this important can result in a lot of unnecessary pain. No one disputes that there could be significant negative economic consequences associated with not raising the debt limit. I do not dispute that, not for a moment. That is exactly why I put my neck on the line in order to file this legislation because nothing else was moving forward. I didn't want to do it, but when I was sworn in as a Senator just a few months ago, I understood it was my obligation to do what I could to make things better, to make our constitutional system work. So I filed it.

It is an insult, not only to me and to my colleagues but to all Americans when addressing an issue this important, to have so little debate and discussion over this issue. I find it appalling. I find it reprehensible. I demand an explanation, and I demand an alternative solution, if the Senate majority leader is going to pick this apart and say he will not do it. Moreover, I will remind the Senate majority leader that just a few short years ago, in 2006, when we had a different President, belonging to a different party, and this body was in control of another party, if my memory serves me correctly not only did then-Senator Barack Obama vote against raising the debt limit, calling the need to do so the product of a failure of leadership that he was not willing to condone and perpetuate, but every single one of his Democratic colleagues joined him in that vote. Not one of them voted to raise the debt limit.

Here we are again approaching the debt limit. Here we are again with only Republicans stepping to the plate and offering a solution. Only this time the solution is a permanent one. Unfortunately, in 2006 and prior and in subsequent debt limit extension votes, there was no serious debate attached to it as to a permanent solution.

We have to amend the governing document, the law of laws, the only kind of law that can bind future Congresses in order to solve this problem. We have to do it now. This is part of what it means to be an American.

We, as Americans, crave liberty and we eschew tyranny to any degree. Every single time we authorize deficit spending we fuel the unfettered expansion of the Federal Government and all its power. We commit ourselves and our posterity to a future that will include working more and more hours and days and weeks and even months just to pay their Federal tax bills every single year. That is time they will not get back. That is time we will not get back. That erodes our individual liberty.

It also erodes our liberty when the same regulatory structure that exists today grows bigger and bigger every year because we are borrowing now more than \$1.5 trillion every single year—not because of some aberrational condition, some unusual development that requires an unusual expenditure of borrowed money, but just to cover our

basic day-to-day operations. This is what fuels the perpetual expansion of government, and when government expands perpetually, our individual liberty is diminished, unfortunately, and to a corresponding degree. This is unacceptable.

But there is a way home. The way home is found in limiting the role of government. We can limit the role of government most effectively at this point in time, I believe, by limiting the pool of money to which Congress has access. The only way to do that is through a constitutional amendment.

I wish to close by addressing one final argument that sometimes has been used in response to and against the Cut, Cap, and Balance Act. Many of its detractors are making the claim that I find extraordinary, a claim that says: Why are you even supporting this because it can't pass. It is a little bit akin to saying: Why do we even play the Super Bowl when it is expected that one team is going to beat the other team. We have to play. But this one is not a game. This one is for real.

When we vote after debating and discussing, Members of this body can and will be held accountable to our constituents. So it will be up to me and each of my colleagues in this body to decide how to vote on this issue. For those who make the unfortunate decision to vote against this, notwithstanding the fact that 75 percent of the American people strongly support the idea of a balanced budget amendment; notwithstanding the fact that 66 percent of Americans—both of these figures according to a CNN poll today—support the principles underlying cut, cap, and balance; notwithstanding the fact that this is the only permanent way of solving our debt problem, if Members of Congress and Members of this body choose to vote against this legislation, they will do so, I believe, at their own peril. They will have to face their constituents and explain why a handful of them were unwilling to raise the debt limit, unwilling to address this problem, unwilling to fix the perpetual deficit spending habit of Congress simply because they did not want a balanced budget amendment to the Constitution. I think that is a tall order. I think that is difficult to explain. I think those who try to make that explanation to their constituents will do so at their own political peril. But, more importantly, the vote they cast will be at the peril of the people of the United States of America, of their liberty, of their economic stability and of their ability to prosper now and in the future.

We can turn this ship around, but in order to do it we need robust debate and discussion, and our constituents deserve more. The American people deserve more than to have the kind of sleight-of-hand scheduling and the kind of dismissive, cavalier attitude toward what is being characterized correctly by many as the fight of an entire generation.

We need to pass the Cut, Cap, and Balance Act. It is not only the best solution, it is the only solution. The time is running out, and I urge each of my colleagues to support this.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. I thank the Senator from Utah. I am just a bit taken aback by the majority leader's decision to alter the course that I thought we were on that would allow for debate and work on a bill to deal with the budget, the debt ceiling, and our budget deficit tomorrow. In some of his comments he made today after he changed his mind yesterday, he said:

I'm committed to allowing a fair and full debate on this bill. I want the proponents and opponents to have time to air their views.

And so forth. Then he says:

I think this piece of legislation is about as weak and senseless as anything that has ever come before the Senate. I am not going to waste the Senate's time day after day on this piece of legislation which I think is an anathema to what our country is about.

And he goes on to say:

The American people should understand this is a bad piece of legislation, perhaps the worst legislation in the history of this country.

That is what the majority leader said just a few hours ago. Well, let me ask Senator LEE—he is newly elected from the State of Utah. He has traveled all over the State.

Did the Senator share with his people at various times in his efforts that he thought a constitutional amendment, like so many States have to contain spending, is good and sound policy? Did they hold that against the Senator or does he think his election was an affirmation of the cry of the American people that we take some action that would actually constrain spending?

Mr. LEE. On countless occasions throughout the State of Utah, I have articulated the fact that I believe we have no business raising the debt limit without first adopting permanent structural change in the form of a constitutional balanced budget amendment. The people of Utah elected me in part based on that promise. Elections have consequences, and in my case this was one of them.

Mr. SESSIONS. I am flabbergasted by the majority leader's comments. He said:

I think this piece of legislation is about as weak and senseless as anything that has ever come up on the Senate floor.

Well, wouldn't the Senator say that compared to all the other legislation we are talking about passing—and some of it has some teeth to it, I acknowledge—but compared to all of that, a constitutional amendment that requires us to live within our means is certainly not a weak piece of legislation.

Mr. LEE. I would hardly call it weak. Quite to the contrary. Calls for legisla-

tion such as this date back a couple of hundred years. Thomas Jefferson was arguably the first one to suggest this kind of proposal. He called for it again and again, and those calls have continued throughout most of our history, but they have accelerated in recent decades. They have accelerated because this body has refused to balance its budget, and it has abused its borrowing power to the point we are spending more than \$1.5 trillion a year more than we bring in. It is bankrupting our country. We are burying our children under a mountain of debt. We are killing jobs, we are spending money we don't have, and that is wrong.

I would hardly call legislation designed to deal with that in a permanent binding way senseless, and I am insulted that the majority leader would suggest that this is somehow senseless just because he doesn't like it because it will make him less powerful.

Mr. SESSIONS. Well, I think that is getting to the nub of the matter. I think it is a sense in which—now for a constitutional amendment to pass, it has to have a two-thirds vote in the Congress, both Houses, and three-fourths of the States. Once passed, no majority leader could come in next year and say: Well, I know I have been in favor of balanced budgets, but I don't want to do it this year. I have more spending I want to occur.

It would, indeed, curb the power of the majority leader and actually some newly constituted Senate to spend more money than the government takes in, would it not?

Mr. LEE. Yes, it would. The whole purpose of the balanced budget amendment is to restrict our power and give that power back to the people where it belongs. The power has been abused here. It has been abused over a prolonged period of time, and it has been abused to a severe degree. This is why the election of 2010 brought about some significant outcomes.

Mr. SESSIONS. I couldn't agree more. I think the American people rightly have concluded that our Congress of the United States that borrows 40 percent of the amount of money it spends—because it is spending more money than it takes in—is acting irresponsibly.

As I have noted earlier, somebody said: Oh, you know, the tea party is angry. Well, why shouldn't they be angry? We have completely mismanaged the American people's business. We are elected to be responsible leaders. Nobody, I believe, would come to the floor of this Senate—I would like to see if it happens—and defend what we are doing, borrowing 40 cents of every dollar we spend no matter what it is on. And the President proposed his budget for next year that would include a 10-percent increase for education, 10-percent increase for energy, 10-percent increase for the State Department, and we are spending money that we don't have.

So I think a constitutional amendment would require a major participation by the American people and all the States of America would discuss it. If the American people decide they believe Congress needs to be restrained and pass that constitutional amendment, what is wrong with that? Isn't that a legitimate way for the American people to have their voices expressed according to the Constitution?

Mr. LEE. There is nothing wrong with it, and quite to the contrary. This is exactly the kind of activity that our Constitution contemplates, authorizes, and with good reason. I should note here it is significant that in this body each State is represented equally. A relatively small State such as mine, the State of Utah, has the same number of Senators as a large, heavily populated State such as California or such as New York because we represent the States. We represent the States as States.

One of our jobs is to make sure that their sovereign interests are vindicated in this body. To suggest that we should not balance our budget, to suggest that we should not propose a balanced budget to be considered by the States—keeping in mind that it is the States ultimately that ratify it if three-fourths of them choose to do so—is insulting to the very States we represent. It somehow suggests our States can't handle it when the States overwhelmingly, almost every one of them, balance their budgets every year.

Mr. SESSIONS. Well, I agree with that, and it is just odd to me—and contrary to the heritage of the Senate—for the majority leader to assume as much power as is being assumed now. I am ranking member on the Budget Committee, and essentially the Democratic leadership told the Budget Committee not to even mark up a budget this year even though the statutes of the United States in the United States Code require Congress to have a budget.

I know the Senator is a skilled lawyer. His father was Solicitor General of the United States. It is probably the most prestigious position a lawyer can have in America, in my opinion. To be able to stand before the U.S. Supreme Court and to represent the U.S. Government in court is an honor that is very high. So he is a student of the law, and I know he is familiar with the statutes of the United States that require a budget. It doesn't say you go to jail if you don't, I will admit, but it says we should have a budget.

Does the Senator think the people in Utah—and I think the people in Alabama—would think we should have a budget because it is the right thing to do, No. 1, and, No. 2, we should do it because it is the law?

Mr. LEE. It is the law, and notwithstanding the fact that we don't have a court order enjoining us to do that, we still have taken an oath to uphold the Constitution. I think that means especially on an issue so fundamental, so important, so sweeping as the budg-

eting process, we should be complying with that law or at least making an effort to do so.

What I see here is not only a lack of effort to comply with that law but a deliberate, conscious effort made with malice aforethought to avoid the law. That is damaging. That is wrong.

Mr. SESSIONS. The House of Representatives passed this bill. They passed it by more than a few votes to spare and sent it here. I believe if the American people knew what was in it, they would favor it. The people in my State would favor it. I think the American people would favor it. How does the Senator think the good people in the House, the good people of America, who overwhelmingly favor a restraint in spending and balancing our budget, would feel about the leader curtailing our debate on this important subject and saying:

I think this piece of legislation is about as weak and senseless as anything that has ever come on this Senate floor. I'm not going to waste the Senate's time.

Mr. LEE. I think the American people would be profoundly disappointed by that statement. More importantly, they would be profoundly disgusted by the fact that it wasn't enough for the Senate majority leader simply to say: I disagree with it or to point out areas in which he might disagree with it or might want to improve upon it. He went so far as to say it is not even worth our time to debate and discuss this. That smacks of tyranny. Americans don't respond well to tyranny, and this is unacceptable.

Mr. SESSIONS. I have to say I think we are having a problem in the Senate. I consider the majority leader a friend. I know it is a very difficult job. I have said that many times. I wouldn't want it. Trent Lott said it is like herding cats or it is like pushing a wheelbarrow with frogs; you put one in and two jump out. It is a tough job, but he asked for it.

The Senate is a great institution. I don't know what Robert Byrd, the late Senator from West Virginia, would say if he were here. I think I know. I think he would be very uneasy about the process we have gone through this year when, through the power of the Chair, the majority leader has blocked legislation after legislation, has blocked us moving forward with a budget, refusing to allow the committees to move forward, and refused to allow the budget even to come up last year.

We are now I think 812 days without a budget in the Senate, running the largest deficits the Nation has ever run, and those deficits are not transient. They are not going to turn around when the economy picks up a little bit. It is a systemic, deep, structural problem, and we are endangering our future. We are being blocked from even being able to discuss it while people meet in secret over at the White House with the Vice President, with the President, and a few others meet with a group of Senators. Nobody elect-

ed them, but they are good people. If they want to meet, that is fine. We need to be seeing legislation, actual bills we can take to committee and score and see how much they cost.

Being the student of American law and the Constitution as the Senator from Utah is, and being knowledgeable about common people, does the Senator think the American people think there is something wrong with this process, where we have gone all year long and not done anything of significance to deal with the most significant issue facing our Nation maybe in the next decade, and that is the size of our debt?

Mr. LEE. Absolutely. Absolutely. Look, the American people understand that power is most dangerous in government when it is consolidated into the hands of a few people. It becomes even more dangerous when that power is wielded under cover of darkness.

The great thing about sunlight is it illuminates and it disinfects. We need that illumination and that disinfectant during that process, because it is corrupt. A process that allows something of such profound importance to be decided by a handful of people, who tell their colleagues: You plebeians don't worry about it; this is for us high-minded people; we will decide; you will follow; and we will do it in such a way that you won't have time to read it, to review it, to debate it, to discuss it; this is corrupt, and it has to end.

Mr. SESSIONS. Mr. President, I think what the Senator has said is sadly too truthful. I do believe this is a corruption of the process. I believe it has been happening over a period of time since I have been here. I have seen it happen more and more. Both parties have done a lot of this, but I do believe it has reached a new height this year.

I think Senator REID believes in the Senate. I think he respects the Senate. I do. But I think he is under constant pressure, and they have decided that—some of his Members, I guess, didn't want to stay here this weekend. They wanted to go home. They had a speech they wanted to give or a party they wanted to attend or a fundraising event they wanted to go to, so they don't want to stay here this weekend. Just yesterday, I think it was, Senator REID was complaining about the House going home this weekend, and promising we would stay here and we would work. Now, all of a sudden, anybody who stays here and wants to vote on a bill that passed by a substantial majority in the House of Representatives, he says is acting—he says the bill is anathema to the Senate, and senseless, and not worth our time to talk about. How does he get to decide this?

Mr. LEE. He gets to decide it only if we allow him to decide it. We outnumber him, and if we vote contrary to his will, we can overrule him. If enough Members of this body are willing to stand up for truth and justice and the American way, debate and discussion

and the rule of law, this thing he is trying to do to us won't happen. We can have actual debate and discussion.

We have responded. We have responded politely and well to his directive that we would stay here this weekend. We had made plans. We have canceled plans in our home States. All of a sudden, his high and mighty speech earlier this week telling us we had to stay here is no longer important when he disagrees with some legislation we put forward. He would rather shut down debate and discussion. He would rather end the process that is absolutely necessary to avert this crisis that is quickly coming than he would have to confront the facts, offer up his own solution and respond to the valid points that have been made in this debate and in this discussion.

Mr. SESSIONS. It is an important issue, I think. I really do. I wish to make this point: There is only one bill that has passed and been advocated, that is actually on the floor of the Senate, that raises the debt ceiling and changes our debt course in America, and that is the bill the Senator from Utah has brought up—the cut, cap, and balance bill—the bill he has been so articulately describing and advocating. That is the only bill.

They say this is senseless. Well, do you have anything that raises the debt ceiling and does something about the debt of America? Does anybody else in the Senate? Or, if they bring it up, will they be blocked from bringing it up? I don't see it. The only legislation is this legislation. It is not senseless. It is very significant.

When I came to the Senate the first year in 1997, we voted on an amendment to balance the budget, a constitutional amendment. We thought the votes were there to pass it, taking all the people who voted for it and when they said they were going to vote, there were enough votes to pass it, it appeared, and at the last moment several Senators changed their vote and it only got 66 votes. Had it had 67, it would have gone to the States. I am convinced that balanced budget amendment would have passed. Had it passed, we wouldn't be in the financial crisis we are in today. Now that is a fact, I believe.

I don't think this is a senseless process. I believe people—if they don't agree with this legislation, if they don't agree with it, let's hear why. But to come down and trash it—trash the Members of the House who voted for it, trash the American people—

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

Mr. SESSIONS. I thank the Chair and ask unanimous consent to have 1 additional minute.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SESSIONS. To inquire, was there a time limit on this?

The PRESIDING OFFICER. There was a time limit earlier, and it was 5

p.m. to 8 p.m. equally divided, and now a Member of the other side is here. All the remaining time has expired for the minority.

Mr. SESSIONS. I thank the Presiding Officer for his courtesy. I would say, forgive me if I am a little bit offended. I don't think it is wrong to be offended when the majority leader walks in here and says a piece of legislation that is critical, I believe, to the future of America is senseless, not worth discussing. He changes his mind entirely and is going to file a motion. I guess he figures he will have the majority Members of his party who will stick with him and kill off the legislation tomorrow morning. I think it is a very valid piece of legislation, an important piece of legislation, and the only piece of legislation in the Senate that would raise the debt ceiling. I think it is worthy of respect, it is worthy of full debate, and ought not to be demeaned in the way it has.

I respect my friend, the majority leader. I am sure it is a frustrating job and every now and then you kind of say things maybe you wish you hadn't, but I don't think this is a senseless piece of legislation. I think it is important and worthy of the greatest consideration in the Senate.

I thank Senator LEE for his efforts to promote it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. AKAKA. Mr. President, I rise tonight to discuss the so-called cap, cut, and balance legislation that has come to us from the House of Representatives.

Congress is a coequal branch of the Federal Government. I have always believed it is a forum for informed, bipartisan debate of public policies that we all agree should help us achieve greater equality, opportunity, and treatment under the law, while nurturing and caring for our young and vulnerable, producing well-paying jobs, and investing in the future. That is why I have established good working relationships with my colleagues in both the Senate and the House and on both sides of the aisle. Unfortunately, this legislation abandons each of these principles.

The challenge facing Congress today is urgent. The stakes are extremely high. Congress must raise the debt ceiling to fulfill our commitments and take meaningful steps to reduce our deficits and debt. However, the policies needed to achieve these goals cannot be negotiated at the expense of the safety net that our seniors, children, working-class, long-term unemployed, and minority communities depend upon, nor should they come at the cost of good government.

The House legislation falls far short of what is needed. It makes no pretense to partisanship. On the contrary, it is a model of extreme bipartisanship. Moreover, it threatens to turn a recession into a depression. It will cut, cap, and kill Medicare, and it will leave millions

of the Nation's sick, disabled, poor, long-term unemployed, and elderly to bear an unreasonable share of burden of deficit and debt reduction. These are our citizens who are already struggling. Meanwhile, the "cut, cap, and kill" bill would protect and defend the tax havens and shelters of the wealthiest.

The balanced budget amendment portion of this legislation would do even more long-term harm. It would make future periods of economic weakness worse and restrict our ability to respond. Even though we all know it is not a part of the regular Federal budget, it would use Social Security revenues and spending as part of the formula to determine whether the Federal budget is in balance and, if not, Social Security would be subjected to the same cuts as other Federal spending. We cannot forget that an important reason Americans expect us to fix our debt and deficit is to preserve and protect their Social Security and Medicare benefits.

I will continue to work to preserve our Nation's social safety net and seek a balance between raising revenues and cutting spending in which all Americans contribute to the solution.

That said, I will oppose the House bill because it will not do any of that. This legislation was quickly and poorly considered. It leaves the vulnerable exposed to harm and seeks to weaken Congress's power to govern. I cannot support it.

Thank you, Mr. President. I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. UDALL of Colorado. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are on the motion to proceed to H.R. 2560, with time allotted to the majority.

Mr. UDALL of Colorado. Mr. President, I wished to come to the floor this evening to join a number of my colleagues from both sides of the aisle who are concerned about the Federal budget and our ever-increasing deficits and debt.

But today I am also speaking on behalf of the 4.5 million Coloradans who are worried we will not have the discipline to do anything about it. They know our great Nation will not win the global economic race unless we take some responsible action on the floor of the Senate and soon.

I have to say, I do not think the debate we have been having offers them a whole lot of solace. I say that because instead of getting to work on the bipartisan Gang of 6 deficit reduction plan, which draws from the President's bipartisan fiscal commission, headed by—I have to say this—two true American patriots, former Senator Alan

Simpson and North Carolinian Erskine Bowles, instead of getting onto that plan and the substantive proposal it makes, we are debating what looks to be a bumper sticker campaign gimmick called cut, cap, and balance. I have a hard time even saying it.

But I have to say, I have spent a good deal of time analyzing budget tools. After all, I was one of the first—and one of currently only a few—Democratic Senators who signed on to a balanced budget amendment to our Constitution this Congress.

I have also been fighting for many years for other smart budgeting tools, including pay-as-you-go budgeting, a line-item veto, and a ban on earmarks, which would help reduce waste and rein in Federal spending.

But let me be clear that cut, cap, and balance is not about balancing the Federal budget because when we read the bill, it becomes clear it is simply about ideology. While the name of the bill seems reasonable enough—it is conveniently designed literally to fit on a bumper sticker—the language of the bill does not represent a balanced approach to deficit and debt reduction, and for that reason alone I cannot support it.

As I said, I have supported the idea of a balanced budget amendment, even though a number—maybe I should say most—of our caucus has opposed the idea. However, the balanced budget amendment contained in cut, cap, and balance is not about balance. It is about locking in—if we look at it—special interest tax breaks for corporations and the wealthy, which would then force Draconian program cuts that would harm our Nation's middle class, not to mention the most vulnerable in our communities all across our country.

I have to say, this is not a balanced way to pursue deficit reduction. It makes a balanced budget nearly impossible to achieve when we get into the guts of this idea because it ties literally one hand behind our back by preventing the Congress from closing wasteful special interest tax breaks.

In addition, the bill in front of us holds the increase in the debt limit hostage. The debt limit needs to be raised by August 2 to avoid a first ever government default on our debt obligations. Cut, cap, and balance dictates that the debt limit cannot be increased until Congress approves a constitutional balanced budget amendment.

Even if one is the most optimistic person in the world, a scenario for passage, ratification, and implementation of a balanced budget amendment shows it is unlikely to take effect for at least 10 years—10 years—not 10 days, 10 years.

I have always maintained that a balanced budget amendment to the Constitution—which, again, I wish to mention I support—should be a backstop put in place only after we have made the tough decisions about reducing our spiraling deficits in the here and now.

If we were to tie our Nation's obligations to pay its bills to the passage of a one-sided and partisan balanced budget amendment, that would be bad enough as it is. But cut, cap, and balance would also lead to severe—severe—cuts in Social Security and Medicare, and it would actually lock in billions of dollars in tax breaks currently in our Tax Code which benefit the wealthiest citizens as well as Big Oil and corporations that have spent decades shipping jobs overseas.

This is such an egregious proposal that I have a sneaking suspicion it was not actually designed to pass the Senate. I believe it was designed to be a campaign gimmick because it certainly does nothing to address the problems we face right here and now, which is the looming default of our government, the U.S. Government.

Let me be clear—and I think the public has begun to understand this—raising our debt limit is not about future spending or paying for more government; it is about paying our previous bills. Business leaders, economists, rating agencies, and especially Treasury Secretary Geithner have told us our credit rating, were we to default, would take years to rebuild and that our country would never be the same if we were to default on our debt.

You know this, Mr. President. You are a businessman. We cannot ask for a do-over, a mulligan, if we default on our debt. We cannot say: Oh, we were just kidding. This is truly the real deal.

I wish to share some ways we would be directly affected by a government default. Paychecks for soldiers in Afghanistan and Iraq and at bases around the world conceivably would not go out. FAA towers could shut down. Border crossings could close. Operations at the FBI and the CIA would be put at risk. Safety inspections of the food we eat and the cargo that enters our ports could halt.

The resulting spike in interest rates would ironically make our debt even harder to tackle because each 1-percent rise in interest rates alone would result in \$130 billion in increased interest payments on our national debt each year.

Perhaps most important, hard-working American families would also feel the crunch. A spike in interest rates would effectively force a tax on all Americans and American businesses due to increased consumer costs. As important, failure to raise the debt limit would lock up credit markets because the United States would no longer be seen as a reliable credit risk.

Coincidentally, yesterday, an important consumer protection law, which Senator LUGAR and I introduced and passed—and the Presiding Officer helped us with on the floor last year—went into effect. It provides Americans with free access to their credit scores, which is so important to understanding their own credit risk.

FICO—this is some good news in a day that has a few dark clouds hanging

over it—FICO has estimated as many as 500 million credit scores will be given to Americans for free each year because of this important bipartisan law.

In working on this legislation, I learned a lot about credit scores: what they mean, how they are calculated, and how critical they are to economic success. But—and I am tying this back to our discussion today—it got me wondering, what would America's credit score look like if we defaulted on our debt? Nearly two-thirds of a credit score is based on an individual's total debt and payment history.

So here is how I think our great Nation would score if we do not raise the debt limit by August 2. We all know our debt is spiraling out of control. That is demerit No. 1. But if we now also are unwilling to pay our debts—demerit No. 2—we will be left with the credit score of a deadbeat.

I do not think that is the way we see ourselves or want to see ourselves in the 21st century's global economic race. We want to be at the head of the pack. We want to win that race. But to see ourselves as a deadbeat, that is not what America represents to me. It certainly is not the way Coloradans see us.

The people see this very clearly. They are ahead of us. They understand the risks we face. I wish to share a couple letters that Coloradans got into my hands just this last week.

Sarah Jane wrote me last week, and she was to the point. She said:

Dear Senator, I am furious about the games being played with the debt ceiling. This is really abusive to this country.

Another Coloradan, Nicholas, sent me an e-mail that said:

Dear Senator Udall, Republicans are calling for big cuts to vital programs and refusing to increase revenue. This is lunacy. As a native Coloradan, I and most others here work for a living. We don't own yachts, planes, or mansions. The thought of Republicans gutting the social safety net in order to prevent millionaires and billionaires from paying a little extra tax makes me wonder what we really value in this country.

I could not agree more. We have some tough choices to make, but some Members of Congress are so lost in their ideological rhetoric that finding an agreement on our deficits and debt seems out of reach. It feels to me—I truly do not want to say this, but it feels to me as if some of our colleagues would be perfectly fine with shutting down the Federal Government out of the belief it has grown too large. They believe a catastrophic shock to the system is the only remedy.

But I have to say, our fiscal imbalances are not caused by the things they keep saying they want to cut. Foreign aid, Federal salaries, and other programs are a tiny percentage of overall spending. In fact, Appropriations Chairman INOUE, the dean of the Senate, the President pro tempore of the Senate, noted last week that “in constant dollars, adjusted for population growth, non-defense discretionary

spending is at the same level in Fiscal Year 2011 as it was in Fiscal Year 2001, when the Federal Government ran a \$128 billion surplus.”

The fact is, our fiscal imbalances are caused by three historical irregularities: record low revenues, an increasingly aging population, and heightened security needs in the wake of September 11. They each demand thoughtful and balanced solutions, and only a bipartisan deal will get us those balanced solutions.

I have to say, no matter how much bloated rhetoric we hear, there is one simple fact; that is, we are all in this together. But it seems to me often—and unfortunately—we are in the same canoe paddling furiously upstream away from the waterfall behind us off our stern, but half our crew has thrown their paddles overboard in protest.

I do not get it. I do not understand it. What is so agonizing is that we have a bipartisan solution right in front of us. As I mentioned at the beginning of my remarks, I was thrilled to see the Gang of 6 this week report a responsible, balanced, and very bipartisan agreement. I do not agree with every aspect of it. I do believe, however, that the plan would responsibly reduce our debt and protect our middle class, while also allowing our economy—not only allowing but incenting our economy to grow.

This plan has already received bipartisan support—not just here but across the country. It is my feeling rather than arguing we ought to be acting on those recommendations. Many of us just want to get to work. It is hot here. We have taken our jackets off and can roll up our sleeves. I know there are Members on both sides of the aisle who share that sentiment even if others here are demanding they remain quiet about it.

There is no question that the fiscal challenges in front of us demand a bipartisan solution, but the clock is running, the sand is rapidly running out of the hour glass, and we have to get to work on making the necessary changes to get our fiscal house and its foundation in order.

Frankly, some issues should rise above partisanship, politics and campaigns—our country's economic and national security. By the way, the two are linked. Secretary Gates and Admiral Mullen—the Presiding Officer and I serve on the Armed Services Committee—made it very clear that they see one of our biggest threats as the country's fiscal situation. A broke country is going to be a weak country. So our economy and national security fall in the category that ought to be above politics and partisanship.

Cut, cap, and balance is wrong for our country. It represents more divisiveness, way too much gamesmanship, and more politics. Let's listen to our constituents. I shared letters from two of them from my State of Colorado who are pleading with us to get to work and focus our attention on the sensible, bipartisan Gang of 6 plan.

Let's combine it with a debt limit increase to ward off default and work together and pass it into our laws before our national credit rating is downgraded and it damages our chances of winning the global economic race.

That is what Coloradans are expecting of me, and that is what I expect of the 100 of us who are so fortunate enough to serve in the Senate. I am not being dramatic. I am not a particularly dramatic individual. But I have to tell the Presiding Officer and my colleagues that I think nothing less than the fate of the U.S. economy hangs in the balance.

I am willing to stay here day and night, weekends, holidays, to help put a long-term balanced and bipartisan plan in motion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

TRIBUTE TO BRUCE SUNDLUN

Mr. WHITEHOUSE. Mr. President, I wish to say a few words about the debt ceiling that is rapidly approaching. But on this particular day, I cannot come to the floor and speak about anything without just making one, I guess I would say, note of personal privilege; that is, that today is a particularly sad day in my home State of Rhode Island because one of the great Rhode Islanders has passed away.

Former Gov. Bruce Sundlun, whom I worked for for many years and formed a very devoted affection for has died peacefully at home with his family after one of the most accomplished and eventful lives in Rhode Island history.

I know my senior Senator, JACK REED, and I will be back on the floor at a later time to give Gov. Bruce Sundlun his proper due and recognition. But for all he has meant to me, for all he has meant to our State of Rhode Island, for all he has meant to the people whose lives have been made so much better or who have been protected from very bad outcomes by his courage and by his determination, I simply could not overlook that at this point. So more will follow on my dear friend, Bruce Sundlun.

So to the matter at hand. Less than 2 weeks from now, our Nation is going to hit its statutory borrowing limit, and it may begin, for the first time in its history, defaulting on its obligations.

Unless we act very soon, the Treasury of the United States of America, long the issuer of the safest and the most conservative securities in the world, will simply run out of money. Social Security checks, as the President has already said, would be at risk. Millions of American families would suddenly lose their household income. The Treasury would have to suddenly stop paying more than 4 out of every 10 Federal dollars, choking off all the economic activity supported by those funds.

Private sector projects across the country that depend on Federal dollars or Federal permits or Federal regu-

latory approval, all would grind to a halt—a catastrophic triple whammy on our economic activity.

In addition, an increase in interest rates would likely freeze investments and cause the financial markets to plummet. So reaching the decent limit will not just put us back into recession, it would risk economic calamity. With the stakes so high and with time so short, it is unfortunate that the House Republicans who created this completely unnecessary crisis have sent us this so-called cut, cap, and balance bill.

This bill, which cuts no tax loopholes, not one, and puts no cap on corporations offshoring jobs or earnings and dodging U.S. taxes, would do one thing: It would kill Medicare. Consistent with the Republican 2012 budget, this bill puts the costs of deficit reduction right down on those who can least afford it: senior citizens, the disabled, and our children.

The cut, cap, and kill Medicare plan the House Republicans have proposed would begin with steep cuts to Federal programs in 2011, while we are still in this recession, slashing domestic spending by over \$111 billion, and eliminating 700,000 jobs from our economy when we need them the most.

It would also require immediate cuts to social safety net programs likely reducing—or eliminating even—student loans, Pell grants, school lunches, Medicaid, and food stamps, some of the most important programs to families who are struggling to get back on their feet during this prolonged period of high unemployment. This is simply unacceptable.

The second part of the cut, cap, and kill Medicare bill would limit Federal spending beyond 2012 to levels significantly lower than during the Reagan Presidency. In fact, our Nation has not seen spending at those low levels since 1966. Mr. President, 1966 was a time when only 9.2 percent of the population was retired and drawing benefits, compared with 12.9 percent today.

So the effects of those spending levels would be even harsher. The cap on Medicare and Social Security makes no adjustment for the \$2.5 trillion of Social Security reserves that Americans have paid into that system, that the government then went and borrowed. It makes no adjustment for that being their money or for the aging population that we are experiencing.

So with a fixed cap, and baby boomers retiring in greater numbers, the Republican plan forces devastating cuts to Social Security and Medicare benefits. There is simply no other way. It would address our deficit in the worst way possible, by taking an axe to the retirement programs on which tens of millions of retired Americans rely and which most every working person in America looks forward to.

For ordinary Americans, this approach is wrong. Frankly, it is unthinkable, although it is the goal of a few determined extremists who are

driving things within the House Republican Party.

Finally, the cut, cap, and kill Medicare bill would hold the debt limit hostage to an extremist constitutional amendment that has been widely criticized, even by many responsible voices on the right. If this dangerous constitutional amendment were to pass, the Congress of the United States would be unable to respond to an economic or national security emergency without steep supermajority votes, giving even more leverage to small extremist factions in Congress, as if it is not clear that is already not too much of a problem.

As dangerous, this constitutional amendment—this is hard to believe—this constitutional amendment would make it easier to cut Medicare and Social Security benefits than to take away tax subsidies from Big Oil, from offshoring corporations, and from billionaires. It would make it easier, as a matter of law, to cut Social Security and Medicare benefits than it would be to go after these special interest corporate tax loopholes and the gimmicks that allow billionaires to pay lower tax rates than truck drivers in this country.

It builds a constitutional preference for corporate and special interest loopholes into our Constitution, a Constitution renowned around the world for its commitment to equality. Into this great document that has shown the light of equality around the world, we would build a preference for corporate special interests over working people and the retirements they count on.

Constitutional amendments traditionally move this country forward. This would be a colossal step back. In summary, adding all those different features of the cut, cap and kill Medicare bill together, the Republicans in the House would require such severe spending cuts that the only way to achieve them—the only way to achieve them—would be to, in fact, get rid of Medicare as we know it and slash Social Security benefits for seniors.

It would hurt those who depend on government the most, while giving special protection to special interests and corporations with tax loopholes and subsidies that permit them to pay lower tax rates than middle-class families—in some cases, with some of our most profitable corporations—no taxes at all. That is what gets protected.

House Republicans know their cut, cap and kill Medicare plan has zero chance of passing the Senate. It is not going to happen—not now, not ever. It has already drawn a veto threat from President Obama. Nevertheless, as this deadline looms closer and closer, with those terrible consequences portending, the House Republican extremists have forced this piece of political theater while ignoring serious and constructive proposals for deficit reduction such as Budget Committee chairman KENT CONRAD's plan, which would reduce

deficits by \$4 trillion, more than the House's budget plan. We actually do better at solving the deficit than they do. But we do it with every dollar in spending cuts matched by a dollar in new revenue from closing tax loopholes and tax gimmicks. This plan would stabilize the budget and would reassure the financial markets, and would do so without cutting Social Security and Medicare benefits on which our seniors rely and which all working Americans are counting on. It is one of the basic freedoms we have as Americans—to know that that is waiting for us.

I was proud to introduce a resolution earlier this month which would express the sense of the Senate that "any agreement to reduce the budget deficit should not include cuts to Social Security benefits or Medicare benefits." I am grateful to Senators BLUMENTHAL, SHERROD BROWN, MERKLEY, FRANKEN, BOXER, and GILLIBRAND who have joined with me on the resolution, and I invite all of my colleagues to do the same.

The Conrad budget proves that we need not attack Medicare and Social Security to deal with our deficit. His budget is living proof that there is no reason to attack Medicare and Social Security to get through our deficit situation. That attack on Medicare and Social Security is a willful and unnecessary act by the Republicans.

Well, Rhode Islanders, in increasing numbers, have been writing to me urging me to continue fighting to preserve these retirement programs, to preserve this infrastructure of American freedom. Time is running short, and Americans are counting on their elected representatives to do the right thing. It is time to do the right thing.

Let me close by reading a piece from an editorial in *The Economist* magazine. *The Economist* is a very conservative publication, and it is very much in favor of free markets. I would say, by and large, it is a Republican journal. Here is what *The Economist* said about the situation we are in now:

The sticking point is not on the spending side. It is because the vast majority of Republicans, driven on by the wilder eyed members of their party and the cacophony of conservative media, are clinging to the position that not a single cent of deficit reduction must come from a higher tax take. This is economically illiterate and disgracefully cynical . . . even Ronald Reagan raised taxes when he needed to do so. And the closer you look, the more unprincipled the Republicans look. Earlier this year, House Republicans produced a report noting that an 85 percent to 15 percent split between spending cuts and tax rises was the average for successful fiscal consolidations, according to historical evidence. The White House is offering an 83 percent to 17 percent split (hardly a huge distance) and a promise that none of the revenue increase will come from higher marginal rates, only from eliminating loopholes. If the Republicans were real tax reformers, they would seize this offer. Both parties have in recent months been guilty of fiscal recklessness. Right now, though, the blame falls clearly on the Republicans. Independent voters should take note.

So it is not just Democratic Senators coming to the floor to point out that

the crisis we are at is an unnecessary one. It is a manufactured crisis, a crisis driven by extremism, and it is a crisis that threatens the survival of Medicare and Social Security—two cornerstone programs in the economic security and in the freedom of ordinary Americans.

I yield the floor.

MORNING BUSINESS

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

TRIBUTE TO ELAINE HAYS

Mr. MCCONNELL. Mr. President, I rise today to honor Mrs. Elaine Hays, whose story has been chosen to be recorded as part of the London, KY "Living Treasures" project.

Born in Elkhorn City, KY, on March 19, 1924, Mrs. Hays has lived in and been a part of the Kentucky community her entire life, and has called London home since 1949. She is the granddaughter of Austrian and German immigrants, and even has one ancestor who was on the McCoy side of the famous Hatfield-McCoy feud. Growing up in the Floyd County community of Betsy Layne, Mrs. Hays saw firsthand the development of the coal mining industry, as well as the devastating effects of the Great Depression.

After receiving her degree in home economics from Western Kentucky University, Mrs. Hays, sister to three war veterans, opened and subsequently ran a cannery at the Belfry High School in Betsy Layne where she was already working as a home economics teacher. Mrs. Hays wanted to help both the Nation and the families of Betsy Layne during the war by preserving food.

Mrs. Hays married her husband Earl in 1947 and taught alongside him at Belfry High until 1949. After an extensive interview process, The Hayses were hired by Sue Bennett College as teachers and program developers. Mr. Hays was to set up and run the college's farm which supplied food for the college dining hall, while Mrs. Hays was to develop a home economics program. In later years, Mrs. Hays became a "first lady" of sorts when Earl was chosen to become president of the college, a position he filled from 1958 to 1985. In between teaching and raising her two sons, Jim and Lon, Mrs. Hays still found the time to entertain students and other guests of the college. The eventual closure of Sue Bennett College was a somber day for Mrs. Hays, and her family alike, but its influence on their lives has been unforgettable.

Mrs. Hays retired in 1998 after working in the education field for 55 years.

After Earl's death in 1999, her retirement has been made happier by her three grandchildren.

Kentucky is lucky to have women such as Mrs. Elaine Hays who put aside their own needs in order to better serve their family and their community. It is an honor to record Mrs. Hays' story, for it is a story of an outstanding Kentuckian.

The Laurel County-area newspaper the Sentinel Echo recently published an article detailing the life, accomplishments, and contributions of Mrs. Hays' life and career. I ask unanimous consent that the full article be printed in the RECORD.

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

[From the Sentinel Echo, June 22, 2011]

LONDON'S LIVING TREASURES: PART 4

The last installment of the London Treasures project is the story of Mrs. Elaine Hays, who shares rich memories of her mountain heritage and her life as the president's wife at Sue Bennett College. Mrs. Hays is a very faceted, elegant woman who has spent her life learning and teaching others.

"I am Elaine Hays, oldest child and only daughter of Lou and Elizabeth Weber Roberts. My three brothers and I spent our childhood in the coal mining areas of Pike and Floyd counties. We all have a strong sense of home, our origins and a strong loyalty to family.

I was born on March 19, 1924, in Elkhorn City, Ky., on an island in the middle the Russell Fork of the Big Sandy River. My grandmother Ida Eiler Weber, an Austrian emigrant, ran a hotel there for tourists and mining officials. She came to New York City and met Thomas Edward Weber, whom she later married. Tom was from Magdeburg, Germany. As he read, wrote and spoke several languages, he was hired by large coal companies to meet the boats at Ellis Island and hire immigrants to work in the coal-fields of Ohio, Virginia, West Virginia and, Kentucky. He became a mining superintendent and many of the miners followed him from one place to the next; Elkhorn City being the last. Mamaw, as we called my grandmother, was a wonderful cook and loved to dance, especially polkas and waltzes. My grandfather traveled a lot and was an avid reader. He kept us supplied with books and piano rolls for the player piano. My mother sang beautifully and sang for audiences at the local movie theatre while they were changing the old movie reels.

My parents married in Elkhorn City in 1923. My father, Lou, was the son of Ricely and Caroline Ratliff Roberts. His mother died after the birth of her eleventh child, a sad fate of many mountain women. Grandfather Ricely was primarily a logger. He and his older sons would clear "new ground" and raft the logs down the Big Sandy River to Catlettsburg or Ashland. When I was 8 years old, I rode horseback with him to visit his family. He lived in a big, two-story log house. My father's great-grandmother was Cherokee and his grandmother was Maryetta McCoy Roberts, of the infamous Hatfield-McCoy feud.

My dad had a great respect for women and believed they should be well-educated and work for equal wages. My mother owned a grocery store and eventually get into the restaurant business and he supported her in those efforts.

The first 10 years of my life there was always one, sometimes two, of Dad's sisters

living with us and going to high school. In the mountains during the 30s, high schools were only in county seat towns or larger towns. Children living up creeks and hollows had to live away from home to go to high school.

We moved from Elkhorn City to Hellier, a dusty little mining village. We played in polluted creeks, catching minnows and crawdads. We roamed the nearby hills. We also picked up every disease, including diphtheria. In Hellier, we saw miners go to work before daylight and return after dark, always with carbide lamps on their caps. I was impressed with the big commissary owned by the coal company where miner's families purchased food, clothing and household goods. My mother told me we couldn't afford to trade at the company store.

We moved to Betsy Layne in Floyd County when I was in seventh grade. Betsy Layne was a nice community with two hollows where there was a big mine and where the miners lived. It was owned by the Pittsburgh Coal Company. One excellent thing that mining companies did was to support the school programs. At Betsy Layne, the emphasis was music. We had music every day through the eighth grade. The high school had band, orchestra, girl's glee club, men's glee club and various trios and quartets. Athletes all participated in the glee club.

Many evenings, our band director gathered the neighborhood band members and came to our home. We played our instruments and sang. Mother provided refreshments. Betsy Lane had been our favorite place to live. I was greatly influenced by my family's love of music and their heritage. When I was a teenager, my grandmother moved to Brooklyn and I visited her there in the summers in the 1930s. She took me to Radio City, Statue of Liberty, Battery Park Aquarium, Metropolitan Museum of Art and History and to many ethnic restaurants.

My most formative years were in Betsy Layne. It was during the Depression and there was so much unemployment. My dad always had a job, but the whole family had to work to make ends meet. We didn't have a car, but travel was convenient as there were four passenger trains a day that stopped at Betsy Lane. My brothers and dad raised a big garden and mother canned and preserved food. I helped string beans and thread them on a string and hung them to dry for "shuckie" beans. We hung them to dry rather than drying them flat. We had a cow and the boys cared for her and did the milking. I learned early how to churn and make butter and cottage cheese. Mother shared the milk from the cow with less fortunate neighbors. Mother was a great cook, but didn't cook as most mountain women did. She used cookbooks and measured ingredients. She taught me basic cooking terms and at 12 years old, I could cook a simple summer meal that would probably be green cooked with new potatoes on top, slaw and cornbread. We seldom fried anything. Mother broiled meat, except chicken, which she fried. In November and December, the making of fruitcakes was a family project. My brothers cracked and shelled pecans and Mother and I cut up candied fruits. I have continued the fruit cake tradition and have sent them to my brothers for Christmas for over 50 years—Mother's recipe, of course. She had the newest kitchen tools just as my grandmother did always and served food attractively and used parsley to garnish it. It was my job to set the table and make it look pretty and I still enjoy doing that. My mother was a great influence in choosing my college major of home economics. In 1982, I wrote a cookbook called "Along the Way" that had recipes from three generations of my family and those from many friends as

well. The book has travelled through several generations since that time.

My brothers had lot of chores and all of us developed a strong work ethic in those years. The boys would dig ginseng and sell it for spending money. Though we all worked, we had good play times and there was always a baseball game going on. I played on the teams with the boys and we all played tennis on clay courts on the high school playground that was just across the street from our home.

Dad helped us daily with our studies, checked our homework and taught us what we didn't understand. It was very important to him that his children did well in school and he encouraged the neighborhood kids to attend school, too. In fact, he bought baseball equipment and kept it with him at the C&O depot where he worked. After school, the neighborhood boys would go to the depot and get the bats and gloves and play ball. During World War II, he received many letters from those boys telling him they were glad he had encouraged them to stay in school. Dad realized his dream of having college-educated children. I went to Western Kentucky University and majored in Home Economics. Gerald graduated from Annapolis Naval Academy and became a commander. Lon Edward graduated from Pikeville college, University of Virginia, and University of Louisville Medical School and practiced medicine. Gene had three years of college and became a county commissioner in Titusville Florida. My three brothers served in World War II, Vietnam and the Korean War."

In the summer of 1940, I had just graduated from high school and Earl Hays, the man who later became my husband, just out of Berea College, came to Betsy Layne to teach agriculture. I would see him often when I was home on vacation from Western. The war years came along and he enlisted in the Army. In the meantime, I graduated from Western in 1943 and went to Belfry, Pike County, to teach home economics.

Belfry High School was fairly large and I taught 120 freshman girls. In the summer of 1944, I went to University of Kentucky to learn how to operate a community cannery. I didn't stay in Belfry, but went to Betsy Layne to teach home economics. The ag teacher and I set up and operated a community cannery. It was part of the national war effort to help families preserve their own food.

Earl came back from the Army to Betsy Layne in 1945. We dated a year and a half and were married December, 1947. Earl and I were very compatible and had the same values. He was one of the kindest and most thoughtful men that I have ever known. Our wedding was a community affair. Our students decorated the small church with fresh greenery and candles. Our friends gave the reception and Mother baked a gorgeous wedding cake.

We taught at Betsy Lane High School until 1949. It is interesting how we came to London and Sue Bennett College. Our Methodist minister was at the annual Methodist Conference and met Oscie Sanders, president of Sue Bennett. She said, "Bob, I'm looking for an agriculture and home economics teacher and preferably a married couple." He said, "I know just the couple." After much communication and several interviews, we were employed to come here. Earl was to supervise the college farm which supplied food for the college dining hall and I was to set up a home economics program.

Earl was born and raised in McKee, Ky., but his mother's family was from London. His grandfather, Creed Russell, had a general store about where Porters store is now and his grandmother, Ellen Hale Russell, named the post office at Lida and was postmistress there for many years.

In the early 1950s, we began attending University of Kentucky on Saturdays and summers. Earl's emphasis of study was horticulture and mine was child care and family living. We received our master's degrees in 1953.

Earl supervised the farm but gradually it and the dairy was discontinued. He became dean of students, taught basic horticulture classes and did public relations. I taught orientation, folk dancing, and later home economics courses. My favorite two courses were Marriage and Family and Appalachian Sociology—which I developed. These courses were the result of my taking graduate courses from UK in Appalachian history and culture. I continued taking classes in guidance and counseling and became certified in that field.

Our son, Jim, was born in 1954, and in 1957, our son Lon was born. Both of them later attended Sue Bennett College. Their background at Sue Bennett College served them well. Jim became a biologist, and Lon, a psychiatrist.

Earl became president in 1958 after President Oscie Sanders retired. Upon his retirement in 1985, he had served in that capacity longer than any other Kentucky junior college president. A new president's home was built in 1960, and we moved on campus.

Unknowingly, when Earl became president, I became an unofficial hostess. I enjoyed having students and visitors in our home. Some of our happiest Thanksgiving dinners were when foreign students were with us. We and our sons met and enjoyed many interesting people.

In 1977, I left Sue Bennett as a teacher and became the first guidance counselor for adult students at Laurel County State Vo-Tech. I enjoyed working with adult vocational students. It was as if I had made the full cycle in vocational education.

Earl retired in 1985 and we moved to our retirement home just off campus. The campus was a great place to raise our sons. They enjoyed the students and college activities and I appreciate the great influence Sue Bennett College had on our family.

After working in the education field for 55 years, I retired in 1998. My retirement years have been made happier with my three grandchildren. My oldest grandchild, Lon Stuart, and his wife Alina are both attorneys. Carolyn graduated from Centre College this year and he sister, Kathryn, will be a sophomore at Centre this fall. London has been a great place for my to continue living after my retirement and Earl's death in 1999.

Any time I'm in town, I see and chat with many former students. The greatest joy from teaching is seeing former students succeed. I always feel surrounded by friends.

I am still a part of a group of friends that we met the summer we came to London. Though the group has expanded and decreased through the 62 years, the original ones still have dinner together monthly. That's friendship.

I think one of the saddest days for my family and Laurel County was the closing of Sue Bennett College. Earl and I and my sons feel privileged to have been a part of the college, which played a huge role in the development of our entire region.

It has been a joy to have been acquainted with people who have worked hard to improve our area. The beautification efforts on Main Street and those who are working for historic preservation are just the latest examples. I truly love the people of London-Laurel County and have enjoyed making this our home since 1949.

WALL STREET REFORM AND CONSUMER PROTECTION ACT

Mr. LEVIN. Mr. President, we mark today the first anniversary of the Dodd-Frank Wall Street Reform and Consumer Protection Act. This law was Congress's earnest attempt to answer a vital question: How do we avoid a repeat of the financial catastrophe from which we are still struggling to recover?

I would like to describe the findings of our Permanent Subcommittee on Investigations report on the origins of the financial crisis, and how those findings informed my thinking and that of some of our colleagues about how to address Wall Street reform and design effective legislation. Then I would like to talk about a specific provision in the Dodd-Frank Act that my colleague, JEFF MERKLEY, and I—as well as Senator REED and others—fought hard to include in Dodd-Frank, and why I believe that provision has the potential to remedy key failings of our financial system that helped contribute to the financial crisis. And then a few minutes on how, at the law's 1 year anniversary, we are fighting a second battle, just as important as the first, on how to implement Dodd-Frank.

Many of my colleagues, and particularly Republican colleagues subscribe to the view that banks and the market know best. It is the same view espoused by those who told us in the 1990s that we should deregulate finance, give free rein to so-called financial innovation, and place our trust in the belief that the market was "self-correcting." It was a big mistake, and it led us to the brink of economic disaster, when only a massive taxpayer bailout of large banks prevented a second Great Depression. I can't imagine how one could look at those events and come to the conclusion that we need relaxed regulations.

Our subcommittee reviewed literally tens of millions of documents, interviewed hundreds of witnesses, and held four lengthy hearings. We found that the financial crisis was the result of unchecked greed and conflict of interest up and down the line. Financial institutions that were too big to be allowed to fail engaged in reckless risk-taking in pursuit of massive, but short-term, profits. Government regulators and credit rating agencies, who were supposed to be the cops and independent referees to keep those reckless impulses in check, instead allowed or even encouraged them, in part because of their own conflicts of interest, which gave them incentive to go along.

Our investigation started upstream, with mortgage lending. We looked specifically at Washington Mutual Bank, which was the Nation's largest thrift when it began a campaign of aggressive subprime mortgage lending, even though the bank's top executives recognized there was an unsustainable bubble in housing prices. We found massive evidence of fraud in WaMu's lending, fraud that people inside and

outside the bank recognized. But bank executives ignored the red flags, allowing WaMu to make its fraudulent and high-risk loans, package those loans, flooding the financial system with toxic mortgages, and led their bank to the largest bank failure in our history.

WaMu's primary regulator, the Office of Thrift Supervision, utterly failed to stop WaMu's reckless lending, despite identifying and logging nearly 500 serious deficiencies at the bank that they were supposed to regulate over 5 years, doing nothing about it. The OTS director—perhaps out of deference to the fact that fees from WaMu were the biggest single source of OTS's budget—referred to WaMu as a "constituent," which surely would come as a surprise to his agency's real constituents, the American people, who counted on OTS to walk a beat—and not to toe the WaMu line.

WaMu and other banks were aided and abetted in their pollution of the financial system with toxic securities by credit rating agencies that failed to accurately and objectively assess risks. Our investigation examined ratings failures at Moody's and Standard & Poor's. The testimony of employees of the two firms, corroborated by internal documents, show that the rating agencies were more focused on growing market share for themselves and increasing revenues than in improving rating accuracy. In other words, their ratings failed in part because they relied for their revenue on the same banks whose products they were supposed to impartially assess, a conflict of interest that led to AAA ratings being given to shoddy securities.

Wall Street firms facilitated this whole chain of shoddy securities. They were hungry for mortgages, even poor quality mortgages, to package and sell, taking in large fees to underwrite these toxic financial assets. Some reaped huge returns by trading those assets for their own profit. The subcommittee found that some investment banks, such as Goldman Sachs, were engaged in conflicts of interest. Goldman misled its clients. It packaged mortgage-backed securities in an attempt to rid their own inventory of assets the firm's employees called "junk," "crap" and worse. Goldman Sachs bet secretly against their own products, bet that they were failed, and not only sold these products to unsuspecting clients, but misrepresented their own interest in the transaction.

The four hearings we held in the spring of last year laid out this evidence in damning detail. Those hearings took place as the Senate was considering the legislation whose 1 year anniversary we are marking today.

We saw the impact of our hearings on the law. For instance, Dodd-Frank did away with the Office of Thrift Supervision, which failed so completely in the years leading up to the crisis. Dodd-Frank included important reforms in how credit rating agencies operate and attempted to resolve some of

the conflicts of interest that tainted their work by taking steps to keep financial firms from shopping for high ratings.

Dodd-Frank tackled abusive mortgage lending in many ways. We banned the “liar loans” that WaMu and others issued so recklessly to borrowers who provided little or no documentation of their ability to pay. We required banks to keep some of the mortgage-backed securities they issue on their books rather than making bad loans and selling 100 percent of them and the risk they carried. We prohibited banks from paying their employees more when they persuade home buyers to take out high-risk loans. We established a consumer protection agency with authority to police abusive lending.

Throughout the debate, I focused in particular on an issue I see as the connecting thread that ran through our hearings and our report: rampant, unchecked conflict of interest. The subcommittee’s work showed how time and again, institutions within the financial and regulatory system chose their own short-term interests over the interests of their clients.

We found a particularly vivid example in a \$2 billion deal called Hudson Mezzanine issued by Goldman Sachs. Hudson was a collateralized debt obligation—that’s a security that references or is backed by a pool of loans and other assets, in this case mortgage loans. In marketing Hudson to its clients, Goldman told clients that its interests were “aligned” with the buyers of the CDO, and that the CDO’s assets had been “sourced from the Street,” in other words outside of Goldman. In fact, most of the assets backing Hudson were from Goldman’s own inventory, assets the bank knew were risky and wanted to unload. And far from being “aligned” with its clients, Goldman’s position was opposed to its own clients, because it held the entire short side of the CDO, making a \$2 billion bet that Hudson would plunge in value. When it did, Goldman effectively took \$2 billion out of its clients’ pockets and made a handsome profit. And injecting those junk securities into the financial system did real damage to that system.

The question of accountability is important here. I have said before, it is up to the appropriate authorities, and not to us in the Senate, to decide whether those responsible for transactions such as Hudson should be punished. But what I can say is I think it is vitally important that those authorities address and resolve that question. That is why our subcommittee forwarded our report to law enforcement authorities. They have the job of providing the Nation with the accountability that so far has been lacking.

The congressional role is legislative. The amendment that Senator MERKLEY and I offered on the Senate floor, known as Merkley-Levin, codified the so-called Volcker rule, former Fed Chairman Paul Volcker’s recommendation that we rein in proprietary trad-

ing by banks. Firms such as Lehman Brothers and Bear Stearns collapsed in part because their pursuit of short-term profit led them to risky trades that blew up in their faces. Merkley-Levin says that if you are a commercial bank protected by taxpayer-funded Federal deposit insurance, you can’t engage in high-risk proprietary trading. Even if you are not a traditional bank, but because of your size, your collapse would damage the stability of the U.S. financial system. You are now required to adhere to certain capital requirements and other limitations.

Merkley-Levin also breaks new ground in the area of conflict of interest. It explicitly bans the kinds of conflict of interest we saw so vividly in Goldman’s Hudson transaction. It prohibits firms from assembling an asset-backed security and selling it to clients while betting against that same security, acting not as a market-maker, but as an investor for its own profit. You are either for your client or you are for yourself.

We had to fight hard for Merkley-Levin’s passage. When the Senate passed its version of Dodd-Frank, Republicans engaged in complicated maneuvers on the floor to block the Senate from even considering our amendment. But we succeeded in getting it included in the bill produced by the House-Senate conference committee, and despite intense lobbying by banks against Merkley-Levin, it is now law.

But the battle is far from over. Since passage, regulatory agencies have been working to turn the provisions of Dodd-Frank into detailed regulations and have been subjected to the same barrage of bank lobbying that accompanied our debate in Congress. Banks have spent more than \$50 million so far this year lobbying to weaken Dodd-Frank.

Consumers and the American economy won an important victory one year ago today. But that victory will not be secure until Dodd-Frank has teeth—tough rules backed by conscientious enforcement. Some are pulling every trick in the book to slow these regulations and weaken their impact. But the success we had in passing Dodd-Frank shows that the powerful interests don’t always win.

Supporters of reform made their voices heard a year ago, and today, they are working to ensure that Dodd-Frank is implemented forcefully. They are telling regulators—many of whom once subscribed to the notion that banks know best—that the American people will not allow a return to policies that so recently did so much harm. Just like we need a cop on the street to enforce the traffic laws, we need a cop on the beat on Wall Street. Anything less threatens a repeat of disaster.

Anything less will also damage confidence in our financial system, and we will not have a market that holds the confidence of investors and potential investors. That should be everybody’s goal. The free market is incredibly im-

portant. We all depend on it for economic growth. But that market must be honest. That is in the interest of everyone. Whether you have invested in the market or thinking about investing in the market, that is in the interest of the American people. We are not talking about weakening the market—we are talking about strengthening it. And that is just what the Dodd-Frank Act can accomplish, if we implement it as Congress intended.

TRIBUTE TO HOSPITAL CORPSMAN SECOND CLASS JACOB EMMOTT

Mr. REED. Mr. President, today I pay tribute to an exceptional U.S. Sailor, HM2 Jacob Emmott, known as “Doc Emmott” to the marines with whom he serves. “Doc” was awarded the Silver Star medal on July 14, 2011, for his extraordinary bravery and service.

Petty Officer Emmott, a resident of Wakefield, RI, served as a platoon corpsman with Company C, 1st Battalion, 2nd Marines in Helmand Province, Afghanistan. On April 20, 2010, Petty Officer Emmott was on patrol with his fellow marines when they began receiving heavy fire from multiple enemy positions. One of the marines sustained multiple gunshot wounds and, with complete disregard for his own personal safety, Petty Officer Emmott rushed through enemy fire to aid the fallen marine. While tending to yet another fallen comrade, Petty Officer Emmott sustained a gunshot wound directly to his face, rendering him unconscious. After Petty Officer Emmott regained consciousness, he refused morphine in order to supervise the care of the other wounded marines. His courage and dedication to duty rallied the spirits of his squad mates as they were evacuated from the battlefield.

The Silver Star Medal is the third-highest military decoration that can be awarded to a member of the U.S. Armed Forces for valor while engaged in an action against an enemy. Petty Officer Emmott is clearly deserving of the Silver Star medal for his actions to aid his fellow marines at his own personal risk.

I join all Rhode Islanders in expressing deep appreciation and gratitude for Petty Officer Emmott’s extraordinary commitment and service to our Nation. We also thank his family for their support and sacrifice. Congratulations and best wishes.

Mr. WHITEHOUSE. Mr. President, I rise today to commend Navy HM2 Jake Emmott of Wakefield, Rhode Island for his exceptional service to our country, which earned him one of our Nation’s highest military awards for gallantry during combat. Last week, I had the honor of joining Jake and his family as he was presented with the Silver Star Medal for heroic acts that went above and beyond the call of duty.

On April 20, 2010, Mr. Emmott was serving as platoon corpsman with Company C, 1st Battalion, 2nd Marines in

Helmand Province, Afghanistan. That day, Mr. Emmott's squad was on combat patrol when it came under intense enemy fire. Upon seeing a marine in his squad fall from multiple gunshot wounds, he rushed through the fire-fight to provide first aid.

Mr. Emmott and other squad members proceeded to transport the injured marine to the casualty collection point, when a second marine was shot in the thigh. Mr. Emmott ignored the chaos around him and worked calmly to aid the second casualty. After stabilizing the second marine, Mr. Emmott was struck directly in the face by a bullet, which pierced his sinus cavity and just narrowly missed his carotid artery. The blow knocked him unconscious. His squad leader, who saw him get shot, thought he was dead.

When Mr. Emmott regained consciousness, he refused morphine in order to supervise the treatment of the injured marines. Despite difficulty speaking and choking on his own blood, he provided precise instructions to another combat lifesaver on how to administer aid to the injured. Then, despite excruciating pain, he managed to stagger to the medical evacuation helicopter, so that the other injured marines could be carried on stretchers.

Today I would like to offer my humble thanks to Mr. Emmott for his selfless service, leadership, and courage. We all admire his strength and willingness to put others before himself, especially as he faced his own life-threatening injuries. He is truly an inspiration and role model for all Americans. At the young age of 22, he has already accomplished feats of excellence that few could do in a lifetime. I commend Mr. Emmott for his unwavering commitment to his comrades and to his country.

STENNIS LEADERSHIP PROGRAM

Mr. KOHL. Mr. President, some 9 years ago, the John C. Stennis Center for Public Service Leadership began a program for summer interns working in congressional offices. This 6-week program is designed to enhance their internship experience by giving them an inside view of how Congress really works. Each week, the interns meet with senior congressional staff and other experts to discuss issues ranging from the legislative process, to the influence of the media and lobbyists on Congress, to careers on Capitol Hill, and more.

Interns are selected for this program based on their college record, community service experience, and interest in a career in public service. This year, 25 outstanding interns, most of them juniors and seniors in college who are working for Democrats and Republicans in both the House and Senate have taken part.

I congratulate the interns for their involvement in this valuable program and I thank the Stennis Center and the senior Stennis fellows for providing

such a meaningful experience for these interns and for encouraging them to consider a future career in public service.

I ask unanimous consent that a list of 2011 Stennis congressional interns and the offices in which they work be printed in the RECORD.

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

Matthew Becker, attending the University of Mary, interning in the office of Senator John Hoeven

William Bergstrom, attending Harvard College, interning in the office of Senator John Hoeven

Kathleen Bouzis, attending the University of Wyoming, interning in the office of Senator Mike Enzi

Tyler Brandt, attending the University of Wisconsin-Madison, interning in the Senate Special Committee on Aging

Andrew Bunker, attending Wake Forest University, interning in the Office of The Speaker

Jessica Casperson, attending the University of Wisconsin-Oshkosh, interning in the office of Senator Herb Kohl

Kaitlin Chandler, attending Boston University, interning in the office of Senate Democratic Steering and Outreach Committee

Andrew Clauw, attending the University of Michigan, interning in the office of Representative Hansen Clarke

Todd Garland, attending Louisville Law School, interning in the office of Representative Geoff Davis

Sarah Gokey, attending Smith College, interning in the office of Senator Kent Conrad

Emily Holman, attending Miami University, interning in the office of Representative Tammy Baldwin

Mark Kauzlarich, attending the University of Wisconsin-Madison, interning in the office of Senator Herb Kohl

Aubrey Lauersdorf, attending the University of Wisconsin-Madison, interning in the office of Representative Tammy Baldwin

Alan Ledford, attending the University of Virginia, interning in the office of Senator Orrin Hatch

Anna McCracken, attending Elon University, interning in the office of Senator Jon Tester

Nicholas Muncy, attending the U.S. Air Force Academy, interning in the office of Senator Mike Enzi

Lilly Nottingham, attending Harvard University, interning in the office of Representative Mike Coffman

Andrew Podrygula, attending Middlebury College, interning in the office of Senator Kent Conrad

Hannah Postel, attending Middlebury College, interning in the House Committee on Foreign Affairs

Emily Risch, attending Minnesota State University Moorhead, interning in the office of Senator Kent Conrad

Jeff Swartz, attending The George Washington University, interning in the House Committee on the Budget

Allison Tilt, attending Georgetown University School of Foreign Service, interning in the office of Senator Jon Tester

Kim Touch, attending Northern Virginia Community College, interning in the office of Representative Don Young

Deana Veal, attending the University of Georgia, interning in the office of Senator Saxby Chambliss

Dan Wolgamott, attending St. John's University, interning in the office of Representative Tim Walz

NASA RECOGNITION

Mr. BROWN of Ohio. Mr. President, earlier today, in the early morning hours before sunrise, humankind once again touched the Earth after exploring the universe. On the day when 42 years earlier, Ohio's Neil Armstrong became the first human to walk on the Moon, I rise to honor the men and women of the National Aeronautics and Space Administration's, NASA, Space Shuttle Program on reaching the historic milestone of the 135th and final flight of the Space Transportation System, STS. I especially honor the men and women of NASA Glenn in Cleveland, OH, for their achievements with the Space Shuttle Program, thereby advancing the human exploration of space, driving scientific advances and technology development, and enriching the lives of all people throughout the United States and the world and inspiring our next generation of explorers.

The first firing of a hydrogen/oxygen rocket engine occurred in 1953 at the NASA Lewis Flight Propulsion Laboratory, now known as NASA Glenn Research Center. Early design work and testing of turbopumps, seals and bearings, main combustion chamber injectors, baffles, heat transfer testing, development of the electroforming process, and testing of nozzle shapes and lengths was all performed by NASA engineers in Cleveland, OH. These research and development activities led to the current design of the Space Shuttle Main Engine. Three space shuttle main engines combined delivers more than 37 million horsepower, the same amount of energy as 13 Hoover Dams.

NASA Glenn is also a leader in fuel cell research and development. Scientists performed vital research to improve the performance and efficiency of the fuel cells to generate electricity for the space shuttle. Today, that work continues as NASA Glenn is a leader in alternative energy, from fuel cells to wind turbines to batteries that are now changing the way Americans live and work.

In the 1970s and 1980s, NASA Lewis ran aerodynamic wind tunnel tests on scale models of the solid rocket boosters, orbiter and external tank, and complete scale models to gather data for the new Space Transportation System. Some of the models even had gaseous hydrogen-oxygen rockets and solid propellant booster rockets, which were fired in the wind tunnel to test their behavior during ascent. These activities helped NASA to catalogue important flight characteristics of the Space Shuttle for launch and landing.

NASA Glenn not only fostered the Shuttle program's achievements, but it also comforted its setbacks. After two unfortunate accidents—the *Challenger*, STS-51L, on January 28, 1986, and the *Columbia*, STS-107, on February 1, 2003—Glenn engineers performed many shuttle safety improvements and aided the return to flight.

And as the Space Shuttle Program progressed through breakthroughs and heartbreaks, numerous microgravity experiments have been designed, built, and operated by NASA Glenn and conducted on-orbit on the space shuttle. The results of NASA Glenn experiments have been used to improve fire safety, emissions reduction, energy efficiency, healthcare, and electronics.

On the ground Ohio's NASA engineers explored the universe with Ohio astronauts on-orbit. Nineteen astronauts from Ohio flew on the space shuttle, some multiple times. Former astronaut-turned-U.S. Senator John Glenn flew on STS-95, and STS-70, the "All-Ohio Crew," flew in 1995 with four Ohio natives on the crew, and the fifth crewmember was made an honorary Ohioan.

As we congratulate NASA on the Shuttle Program and honor all those involved in its success, the true measure of the importance of the STS Program will be where NASA goes next.

I have had the privilege to meet many of the scientists, engineers, and workers at NASA Glenn. They are dedicated and compassionate, guided by the scientific patriotism that displays a nation's pursuit in understanding the world in which we all live.

The space shuttle has enabled the United States to continue its leadership in space, science, and technology. I am proud of NASA Glenn's role in the design and testing of the space shuttle, and especially of its leadership in numerous scientific experiments that have been conducted on the space shuttle.

I am confident that both NASA and the United States will refocus to continue to push the boundaries of science—fueling technology advancements and inspiring our children to become the next generation of scientists, engineers, and explorers. NASA Glenn and Ohio will continue to play a major role in that effort.

Our Nation is defined by the spirit of discovery, pushing westward on land, navigating the oceans, and sending humankind into what was once a mere vision seen only through Galileo's eye. We are a nation of explorers. And we all have a responsibility to safeguard that defining American spirit and to inspire a new generation of American explorers.

ADDITIONAL STATEMENTS

RECOGNIZING WAY WAY STORE

• Ms. SNOWE. Mr. President, it is always devastating when a business that has been part of the fabric of a local community closes, whether it is the drycleaner, the candy shop, or the grocery store. That was the case with the Way Way Store in Saco, ME, which closed its doors 8 years ago after nearly 80 years in business. However, due to the entrepreneurial spirit of a local couple, the Way Way Store has re-

cently reopened, reinstating the original store's dedication to offering personal service and affordable products. Today I commend the Way Way Store for its grand reopening and discuss its remarkable history.

The Way Way Store was originally opened in the southern Maine town of Saco in the late 1920s by the Cousens family. Eugene Cousens constructed the store from handmade concrete blocks, an effort that resulted in the building being placed on the National Register of Historic Places. Today, the building's exterior retains its original red-and-white color scheme, and the original cash register still sits atop the counter. Through the 1940s, the Way Way Store was essentially a rest stop for travelers as it offered gasoline, clothing, outhouses, and food. Over time, the Way Way Store began to focus on selling candy and other foods and quickly became a popular local establishment.

Like many other established small businesses, the Way Way Store places a strong emphasis on family. The Cousens family owned the Way Way Store from the time that it opened until Peggy Tyrell and Catherine Cousens decided to close the store in 2003. Eight years later, Peter Scontras, a retired historian and schoolteacher, and his wife Bridget reopened the store last month to much acclaim, thus restoring a local landmark. They remain determined to honor the legacy that the Cousens left behind while adapting to ensure the store's success.

The Way Way Store has been something of an institution in Saco, and the reopening has provoked a strong positive response in the town. People who frequented the Way Way Store before it closed in 2003 are coming back to take in the atmosphere that harkens back to the mid-20th century and to enjoy the wide range of sweets that the store offers. By offering a multitude of traditional favorites like penny-candy and employing original ideas like a takeout ice cream window, the Scontras family has proved to be shrewd business owners, and the new Way Way Store has endeared itself to yet another generation of Mainers.

As many specialty shops fall to the wayside due to competition from larger chains, it is inspiring to see a small business rediscover success and continue its contribution to the local economy. People in the Saco area have expressed their gratitude to Mr. and Mrs. Scontras for reinvigorating a true gem in York County. I join them in thanking the Scontras family for the risk they have taken in opening a small business in this tumultuous economy and commend them on their hard work and dedication to their customers and to the Way Way Store's grand tradition.●

ISABEL, SOUTH DAKOTA

• Mr. THUNE. Mr. President, today I recognize Isabel, SD. The town of Isa-

bel will commemorate the 100th anniversary of its founding this year.

Isabel was founded in 1911 and named after the daughter of a railroad agent. Located in Dewey County, it was a booming community in the early years when the town served as the last western stop on the Milwaukee railroad. Isabel became a home for settlers looking for a place to successfully raise livestock and farm. Today, the community of Isabel continues to carry on their strong agricultural heritage and grow their local businesses.

Isabel has been a successful and thriving community for the past 100 years, and I am confident that it will continue to serve as an example of South Dakota values and traditions. I would like to offer my congratulations to the citizens of Isabel on this landmark occasion and wish them continued prosperity in the years to come.●

MELLETTE COUNTY, SOUTH DAKOTA

• Mr. THUNE. Mr. President, today I recognize Mellette County in South Dakota. Mellette County will commemorate the 100th anniversary of its founding this year.

Mellette County was organized in 1911 and named after Arthur C. Mellette, the first Governor of the State of South Dakota. The county seat, White River, is home to the annual Frontier Days celebration and rodeo. In celebration of the centennial, the communities of Norris, White River, and Wood will be hosting many events to mark this important milestone.

Mellette County has been a successful and thriving example of South Dakota values and traditions for the past 100 years, and I am confident that it will continue that tradition. I would like to offer my congratulations to the citizens of Mellette County on this landmark occasion and wish them continued prosperity in the years to come.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Pate, 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.)

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 2553. An act to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend the airport improvement program, and for other purposes.

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-2595. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Carboxymethyl guar gum sodium salt and Carboxymethyl-hydroxypropyl guar; Exemption from the Requirement of a Tolerance" (FRL No. 8880-5) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2596. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of General Walter L. Sharp, United States Army, and his advancement to the grade of general on the retired list; to the Committee on Armed Services.

EC-2597. A communication from the Regulatory Specialist, Office of the Comptroller of the Currency, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Retail Foreign Exchange Transactions" (RIN1557-AD42) received in the Office of the President of the Senate on July 18, 2011; to the Committee on Banking, Housing, and Urban Affairs.

EC-2598. A communication from the Assistant General Counsel, General Law, Ethics, and Regulation, Department of the Treasury, transmitting, pursuant to law, (6) reports relative to vacancies within the Department, received in the Office of the President of the Senate on July 20, 2011; to the Committee on Banking, Housing, and Urban Affairs.

EC-2599. A communication from the President and Chief Executive Officer, Federal Home Loan Bank of Pittsburgh, transmitting, pursuant to law, the Bank's 2010 Statement on System of Internal Controls, audited financial statements, and Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards; to the Committee on Banking, Housing, and Urban Affairs.

EC-2600. A communication from the Chairman of the Office of Proceedings, Surface Transportation Board, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulations Governing Fees for Services" (RIN2140-AB06) received in the Office of the President of the Senate on July 19, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2601. A communication from the Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Required Warnings for Cigarette Packages and Advertisements" (RIN0910-AG41) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Commerce, Science, and Transportation.

EC-2602. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the

report of a rule entitled "Approval and Promulgation of State Implementation Plan Revisions; Infrastructure Requirements for the 1997 8-hour Ozone National Ambient Air Quality Standard; Montana" (FRL No. 9440-6) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Environment and Public Works.

EC-2603. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Texas; Revisions to Permits by Rule and Regulations for Control of Air Pollution by Permits for New Construction or Modification" (FRL No. 9442-7) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Environment and Public Works.

EC-2604. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Disapproval and Promulgation of State Implementation Plan Revisions; Infrastructure Requirements for the 1997 8-hour Ozone National Ambient Air Quality Standard; Wyoming" (FRL No. 9441-5) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Environment and Public Works.

EC-2605. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Implementation Plan Revisions; Infrastructure Requirements for the 1997 8-hour Ozone National Ambient Air Quality Standards; Revisions to ARSD Chapter 74:36:09 (PSD); South Dakota" (FRL No. 9441-6) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Environment and Public Works.

EC-2606. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Implementation Plan Revisions; Infrastructure Requirements for the 1997 8-hour Ozone National Ambient Air Quality Standard; Colorado" (FRL No. 9442-1) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Environment and Public Works.

EC-2607. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Implementation Plan Revisions; Infrastructure Requirements for the 1997 8-hour Ozone National Ambient Air Quality Standard; Utah" (FRL No. 9442-2) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Environment and Public Works.

EC-2608. 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 "Applicable Federal Rates—August 2011" (Rev. Rul. 2011-16) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Finance.

EC-2609. 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 "Determining the Amount of Taxes Paid for Purposes of the Foreign Tax Credit" (RIN1545-BK40) received in the Office of the President of the Senate

on July 20, 2011; to the Committee on Finance.

EC-2610. 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 export license for the export of defense articles, including, technical data, and defense services related to the sale of M60E4/MK 43 general purpose machine guns, accessories training and spare parts to the Colombian National Police in the amount of \$1,000,000 or more; to the Committee on Foreign Relations.

EC-2611. 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 Singapore for the manufacture of accessory products, fabricated/machined components and assemblies for various U.S.-origin aircraft, vessels and military vehicles in the amount of \$50,000,000 or more; to the Committee on Foreign Relations.

EC-2612. 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 the United Kingdom for the manufacture of Joint Services General Purpose Masks (M50 and M51) in the amount of \$50,000,000 or more; to the Committee on Foreign Relations.

EC-2613. A communication from the Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Labeling and Effectiveness Testing; Sunscreen Drug Products for Over-the-Counter Human Use" (Docket No. FDA-1978-N-0018) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Health, Education, Labor, and Pensions.

EC-2614. A communication from the Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Tobacco Products, Exemptions from Substantial Equivalence Requirements" (Docket No. FDA-2010-N-0646) received in the Office of the President of the Senate on July 20, 2011; to the Committee on Health, Education, Labor, and Pensions.

EC-2615. A communication from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Requirements for Fee Disclosure to Plan Fiduciaries and Participants—Applicability Dates" (RIN1210-AB08) received in the Office of the President of the Senate on July 19, 2011; to the Committee on Health, Education, Labor, and Pensions.

EC-2616. A communication from the Assistant Deputy Secretary for Innovation and Improvement, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Promise Neighborhoods Program" (RIN1855-ZA07) received in the Office of the President of the Senate on July 19, 2011; to the Committee on Health, Education, Labor, and Pensions.

EC-2617. A communication from the Director, Retirement Services, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Customs and Border Protection Officer Retirement"

(RIN3206-AL69) received in the Office of the President of the Senate on July 19, 2011; to the Committee on Homeland Security and Governmental Affairs.

EC-2618. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the Federal Deposit Insurance Corporation's 2011 Annual Performance Plan; to the Committee on Homeland Security and Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1228. A bill to prohibit trafficking in counterfeit military goods or services.

S. 1231. A bill to reauthorize the Second Chance Act of 2007.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of nominations were submitted:

By Mr. LEAHY for the Committee on the Judiciary.

Christopher Droney, of Connecticut, to be United States Circuit Judge for the Second Circuit.

Cathy Bissoon, of Pennsylvania, to be United States District Judge for the Western District of Pennsylvania.

Mark Raymond Hornak, of Pennsylvania, to be United States District Judge for the Western District of Pennsylvania.

Robert David Mariani, of Pennsylvania, to be United States District Judge for the Middle District of Pennsylvania.

Robert N. Scola, Jr., of Florida, to be United States District Judge for the Southern District of Florida.

Clayton D. Johnson, of Oklahoma, to be United States Marshal for the Northern District of Oklahoma for the term of four years.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

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. BARRASSO (for himself, Mr. ALEXANDER, Mr. KYL, Mr. WICKER, Mr. ROBERTS, Mr. INHOFE, Mrs. HUTCHISON, Mr. CORNYN, and Mr. GRASSLEY):

S. 1395. A bill to ensure that all Americans have access to waivers from the Patient Protection and Affordable Care Act; to the Committee on Finance.

By Mr. MENENDEZ:

S. 1396. A bill to amend title 31 of the United States Code to require that Federal children's programs be separately displayed and analyzed in the President's budget; to the Committee on the Budget.

By Mr. CARPER (for himself, Ms. SNOWE, Mr. MENENDEZ, Ms. COLLINS, Mr. COONS, Mr. WHITEHOUSE, Mr. BROWN of Ohio, Mr. REED, Mr. LAUTENBERG, and Mr. CARDIN):

S. 1397. A bill to amend the Internal Revenue Code of 1986 to provide for an investment tax credit related to the production of electricity from offshore wind; to the Committee on Finance.

By Mr. CASEY:

S. 1398. A bill to amend title 5, United States Code, to limit the number of local wage areas allowable within a General Schedule pay locality; to the Committee on Homeland Security and Governmental Affairs.

By Mr. FRANKEN (for himself, Mr. DURBIN, Mrs. GILLIBRAND, and Ms. KLOBUCHAR):

S. 1399. A bill to protect children affected by immigration enforcement actions, and for other purposes; to the Committee on the Judiciary.

By Ms. LANDRIEU (for herself, Mr. SHELBY, Mr. VITTER, Mr. NELSON of Florida, Mr. RUBIO, Mr. SESSIONS, Mr. COCHRAN, Mr. WICKER, and Mrs. HUTCHISON):

S. 1400. A bill to restore the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of Gulf Coast States, to create jobs and revive the economic health of communities adversely affected by the explosion on, and sinking of, the mobile offshore drilling unit Deepwater Horizon, and for other purposes; to the Committee on Environment and Public Works.

By Ms. CANTWELL (for herself, Ms. MURKOWSKI, Mrs. BOXER, Mr. BEGICH, Mrs. MURRAY, Mr. MERKLEY, Mr. WYDEN, and Mrs. FEINSTEIN):

S. 1401. A bill to conserve wild Pacific salmon, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BROWN of Massachusetts:

S. 1402. A bill to amend the Marine Mammal Protection Act of 1972 to increase the maximum penalty for violating that Act; to the Committee on Commerce, Science, and Transportation.

By Mr. HARKIN (for himself, Mr. DURBIN, Mr. BLUMENTHAL, Mr. LAUTENBERG, Mrs. MURRAY, Mr. WHITEHOUSE, Mr. LEAHY, Mr. BENNET, Mr. FRANKEN, Ms. MIKULSKI, Mr. REED, Mrs. SHAHEEN, Mr. JOHNSON of South Dakota, and Mr. BEGICH):

S. 1403. A bill to amend part B of the Individuals with Disabilities Education Act to provide full Federal funding of such part; to the Committee on Finance.

By Mr. CARDIN (for himself and Mr. ENZI):

S. 1404. A bill to amend the Internal Revenue Code of 1986 to increase participation in medical flexible spending arrangements; to the Committee on Finance.

By Mrs. FEINSTEIN:

S. 1405. A bill for the relief of Guy Privat Tape and Lou Nazie Raymonde Toto; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. MCCONNELL (for himself and Mr. REID):

S. Res. 234. A resolution relative to the death of William F. Hildenbrand, former Secretary of the Senate; considered and agreed to.

By Ms. MIKULSKI (for herself, Mr. SANDERS, and Ms. SNOWE):

S. Res. 235. A resolution designating 2011 as "The Year of the Family Caregiver"; considered and agreed to.

By Mr. RUBIO (for himself and Mr. NELSON of Florida):

S. Res. 236. A resolution designating September 2011 as National Spinal Cord Injury Awareness Month; considered and agreed to.

ADDITIONAL COSPONSORS

S. 78

At the request of Mrs. FEINSTEIN, her name was added as a cosponsor of S. 78, a bill to amend the Safe Drinking Water Act to protect the health of pregnant women, fetuses, infants, and children by requiring a health advisory and drinking water standard for perchlorate.

S. 119

At the request of Mr. VITTER, the name of the Senator from Oklahoma (Mr. INHOFE) 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. 299

At the request of Mr. PAUL, the name of the Senator from Kansas (Mr. MORAN) was added as a cosponsor of S. 299, a bill to amend chapter 8 of title 5, United States Code, to provide that major rules of the executive branch shall have no force or effect unless a joint resolution of approval is enacted into law.

S. 401

At the request of Mr. LEAHY, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 401, a bill to help Federal prosecutors and investigators combat public corruption by strengthening and clarifying the law.

S. 539

At the request of Mr. WHITEHOUSE, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 539, a bill to amend the Public Health Services Act and the Social Security Act to extend health information technology assistance eligibility to behavioral health, mental health, and substance abuse professionals and facilities, and for other purposes.

S. 707

At the request of Mr. DURBIN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 707, a bill to amend the Animal Welfare Act to provide further protection for puppies.

S. 752

At the request of Mrs. FEINSTEIN, the name of the Senator from Louisiana (Mr. VITTER) 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. 771

At the request of Mrs. FEINSTEIN, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 771, a bill to amend the Indian Gaming Regulatory Act to modify a provision relating to gaming on land acquired after October 17, 1988.

S. 807

At the request of Mr. ENZI, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S.

807, a bill to authorize the Department of Labor's voluntary protection program and to expand the program to include more small businesses.

S. 975

At the request of Mr. TESTER, the name of the Senator from Hawaii (Mr. INOUE) 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. 1013

At the request of Mr. HATCH, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1013, a bill to renew the authority of the Secretary of Health and Human Services to approve demonstration projects designed to test innovative strategies in State child welfare programs.

S. 1048

At the request of Mr. MENENDEZ, the names of the Senator from Kentucky (Mr. MCCONNELL) and the Senator from North Dakota (Mr. HOEVEN) were added as cosponsors of S. 1048, a bill to expand sanctions imposed with respect to the Islamic Republic of Iran, North Korea, and Syria, and for other purposes.

S. 1120

At the request of Mr. CARDIN, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of S. 1120, a bill to encourage greater use of propane as a transportation fuel, to create jobs, and for other purposes.

S. 1176

At the request of Ms. LANDRIEU, the name of the Senator from New Hampshire (Mrs. SHAHEEN) 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. 1188

At the request of Mr. BROWN of Ohio, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1188, a bill to require the purchase of domestically made flags of the United States of America for use by the Federal Government.

S. 1228

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 1228, a bill to prohibit trafficking in counterfeit military goods or services.

At the request of Mr. WHITEHOUSE, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1228, *supra*.

S. 1280

At the request of Mr. ISAKSON, the names of the Senator from Colorado (Mr. UDALL), the Senator from Rhode Island (Mr. WHITEHOUSE) and the Senator from New Jersey (Mr. MENENDEZ)

were added as cosponsors of S. 1280, a bill to amend the Peace Corps Act to require sexual assault risk-reduction and response training, and the development of sexual assault protocol and guidelines, the establishment of victims advocates, the establishment of a Sexual Assault Advisory Council, and for other purposes.

S. 1308

At the request of Mr. HATCH, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1308, a bill to amend title 18, United States Code, with respect to child pornography and child exploitation offenses.

S. 1368

At the request of Mr. ROBERTS, the names of the Senator from Hawaii (Mr. INOUE) and the Senator from Massachusetts (Mr. BROWN) were added as cosponsors of S. 1368, a bill to amend the Patient Protection and Affordable Care Act to repeal distributions for medicine qualified only if for prescribed drug or insulin.

S. 1378

At the request of Mr. NELSON of Nebraska, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 1378, a bill to ensure that Social Security and Tier 1 Railroad Retirement benefits are properly taken into account for purposes of determining eligibility for Medicaid and for the refundable credit for coverage under a qualified health plan.

S. 1392

At the request of Ms. COLLINS, the names of the Senator from Missouri (Mr. BLUNT), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Tennessee (Mr. CORKER), the Senator from Georgia (Mr. ISAKSON), the Senator from Alabama (Mr. SHELBY), the Senator from Louisiana (Mr. VITTER) and the Senator from Virginia (Mr. WEBB) were added as cosponsors of S. 1392, a bill to provide additional time for the Administrator of the Environmental Protection Agency to issue achievable standards for industrial, commercial, and institutional boilers, process heaters, and incinerators, and for other purposes.

S.J. RES. 17

At the request of Mr. MCCONNELL, the name of the Senator from Texas (Mr. CORNYN) 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. 228

At the request of Mr. LAUTENBERG, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of S. Res. 228, a resolution expressing the sense of the Senate regarding coming together as a Nation and ceasing all work or other activity for a moment of remembrance beginning at 1:00 PM Eastern Daylight Time on September 11, 2011, in honor of the 10th anniversary of the terrorist attacks committed against the United States on September 11, 2001.

AMENDMENT NO. 476

At the request of Mrs. FEINSTEIN, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of amendment No. 476 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. BARRASSO (for himself, Mr. ALEXANDER, Mr. KYL, Mr. WICKER, Mr. ROBERTS, Mr. INHOFE, Mrs. HUTCHISON, Mr. CORNYN, and Mr. GRASSLEY):

S. 1395. A bill to ensure that all Americans have access to waivers from the Patient Protection and Affordable Care Act; to the Committee on Finance.

Mr. BARRASSO. Mr. President, I come to the floor, as I have just about every week since the health care law has been passed, with a doctor's second opinion about the health care law. I have great concerns about the law that was forced through this Senate.

I come to the floor because it seems that the more Americans find out and learn about this health care law, the less they like it. A majority of Americans now in national polls say they want out. They absolutely want out.

Since October of 2010, the administration has granted waivers—waivers—to unions, businesses, insurers, and actually to whole States because they cannot afford the health care law's burdensome mandates.

The Secretary of Health and Human Services continues to release more waivers and did so again last Friday. They have now granted a total of 1,471 annual benefit limit waivers, and this has covered 3.2 million Americans.

That is why I come to the floor to introduce a bill that will allow every American—every American—to apply for a waiver from the President's health care law.

Under my bill, any American can submit a waiver application seeking relief from any or all of the health care law's mandates. All those Americans will have to do is simply show what unions and corporations have shown in order to get their waivers—nothing more, nothing less.

Waivers will be granted to individuals who show that the health care law is either increasing their insurance premiums or decreasing their access to benefits. That is all they have to show.

So far, this administration has ignored most Americans demand for a way out of the health care law, and Americans are looking for a way out of it. Instead, this administration has granted half the waivers—half the waivers—to people who get their health coverage through unions. Although those people represent a very small percentage of the workers in America, they got half of all the waivers. It is neither fair nor is it reasonable.

These are the same unions—the same unions—that lobbied for and supported the health care law. But now that they have actually read it and found out what is in it, even though it has been passed—too late now; we thought too late—but they have been getting waivers so they do not have to live under the mandates of the health care law.

We are talking about unions such as the Service Employees International Union. This is what they said about the health care law. These are people who lobbied for the health care law. Now they have found out what is in it, and they say to live under it would be financially impossible. A union that lobbied for the health care law now says it would be financially impossible to live under it.

It does not just apply to that union; it applies to Americans all across this great land. So I do not think any Americans should have to bear financially impossible costs because of the law.

The financially impossible mandates and elements of this bill have absolutely become more obvious to more Americans as they have taken the time to look at the rules and the regulations. That is why, frankly, this steady drip of waivers coming out of Health and Human Services—giving waivers to many of their friends—has become such an embarrassment for this administration and why they actually recently abruptly changed the rules.

In June, the Centers for Medicare and Medicaid Services announced that all employees and organizations that cannot afford the law's crushing mandates—and there are many—must jump through a new set of hoops. It used to be that they would get a 1-year waiver. Now all employers and organizations, even those that have already gotten a waiver, must apply for long-term waivers by September of this year. The long-term waivers will last all the way until 2014.

Instead of ending the waiver process, the administration should extend the waiver process to include all Americans. That is what my bill does. If not, families, companies, and organizations of all sizes will soon be hit with these crushing mandates.

Under the administration's current plan, employers will be forced to provide \$750,000 worth of coverage to every employee this year. By next September, that number balloons to \$2 million. Beyond that, there is no limit—it continues to go higher and higher. So if you are an employer and you cannot afford \$2 million in coverage next year, well, you better apply for your waiver now, that long-term waiver, before September of this year; otherwise, you are going to be stuck with costs that only get higher and higher. This, to me, is what the administration wants to do because they do not want to put out waivers in 2012, an election year, which is going to cause additional attention to how unpopular this health care law continues to be.

Let's talk about some Americans who get together—people in any community, in my State, in your State, Mr. President—and want to start a new business. They are thinking about starting a new business after September, thinking about, Do we do it this summer? Do we wait until the fall? If these people want to start a new business and hire people and they want to start that business after September, they are going to be faced with two difficult choices: They can offer high-cost, government-approved health insurance—that is what the health care law says—making it very expensive for them to try to open a new business, to try to hire workers, to put America back to work—we are at a time when there is 9.2 percent unemployment in this country—or these people trying to start a new business can refuse to offer coverage at all because they can't afford the health care law's sky-high mandates.

So the incentives in the health care law will encourage businesses to do what? Well, to drop insurance coverage if they are providing it right now. Under the law, businesses are permitted to drop out of paying for employer-provided coverage as long as they pay a fine. The fine is going to be \$2,000 per employee. The fine is far smaller than the exploding costs imposed by the health care law. So I think this explains why McKinsey & Company recently reported that up to 50 percent of employers are expected to stop offering employer-provided health care coverage.

The employees who are dumped—what happens to them? Well, they will be forced to get their insurance through a government exchange, an exchange run by Washington, which is heavily subsidized by the American taxpayers. They are going to be dumped into the exchange. The annual cost of subsidizing these ballooning numbers of insurance policies, by my calculation, is about \$900 billion. Well, that is nine times higher than what the White House has claimed. In short, the taxpayers of this country will be stuck with a bill of nearly \$1 trillion every year.

Well, I am going to continue to come to the floor week after week, continue to fight to repeal and replace this health care law with patient-centered care—patient-centered care—that lowers costs for all Americans and improves their care. So I will continue with the second opinions because until we are able to repeal and replace the health care law, I am going to move forward with what is now the Waive Act. This bill offers all Americans the freedom to choose—the freedom that has been taken away from them by the President's health care law. It gives them the right to seek and be granted a waiver out of the President's health care law. It is time to transfer power from Washington back to the American people. This will ensure they can get the care they need from the doctor they want at a price they can afford.

By Mr. FRANKEN (for himself, Mr. DURBIN, Mrs. GILLIBRAND, and Ms. KLOBUCHAR):

S. 1399. A bill to protect children affected by immigration enforcement actions, and for other purposes; to the Committee on the Judiciary.

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

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

S. 1399

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 “Humane Enforcement and Legal Protections for Separated Children Act” or the “HELP Separated Children Act”.

SEC. 2. DEFINITIONS.

In this Act:

(1) APPREHENSION.—The term “apprehension” means the detention, arrest, or custody by officials of the Department or cooperating entities.

(2) CHILD.—Except as otherwise specifically provided, the term “child” has the meaning given to the term in section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1)).

(3) CHILD WELFARE AGENCY.—The term “child welfare agency” means the State or local agency responsible for child welfare services under subtitles B and E of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(4) COOPERATING ENTITY.—The term “cooperating entity” means a State or local entity acting under agreement with the Secretary.

(5) DEPARTMENT.—The term “Department” means the Department of Homeland Security.

(6) DETENTION FACILITY.—The term “detention facility” means a Federal, State, or local government facility, or a privately owned and operated facility, that is used to hold individuals suspected or found to be in violation of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(7) IMMIGRATION ENFORCEMENT ACTION.—The term “immigration enforcement action” means the apprehension of, detention of, or request for or issuance of a detainer for, 1 or more individuals for suspected or confirmed violations of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) by the Secretary or a cooperating entity.

(8) LOCAL EDUCATIONAL AGENCY.—The term “local educational agency” has the meaning given to the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(9) NGO.—The term “NGO” means a non-governmental organization that provides social services or humanitarian assistance to the immigrant community.

(10) SECRETARY.—Except as otherwise specifically provided, the term “Secretary” means the Secretary of the Department.

SEC. 3. APPREHENSION PROCEDURES FOR IMMIGRATION ENFORCEMENT-RELATED ACTIVITIES.

(a) NOTIFICATION.—

(1) ADVANCE NOTIFICATION.—Subject to paragraph (2), when conducting any immigration enforcement action, the Secretary and cooperating entities shall notify the Governor of the State, the local child welfare agency, and relevant State and local law enforcement before commencing the action, or, if advance notification is not possible, immediately after commencing such action, of—

(A) the approximate number of individuals to be targeted in the immigration enforcement action; and

(B) the primary language or languages believed to be spoken by individuals at the targeted site.

(2) HOURS OF NOTIFICATION.—To the extent possible, the advance notification required by paragraph (1) should occur during business hours and allow the notified entities sufficient time to identify resources to conduct the interviews described in subsection (b)(1).

(3) OTHER NOTIFICATION.—When conducting any immigration action, the Secretary and cooperating entities shall notify the relevant local educational agency and local NGOs of the information described in paragraph (1) immediately after commencing the action.

(b) APPREHENSION PROCEDURES.—In any immigration enforcement action, the Secretary and cooperating entities shall—

(1) as soon as possible and not later than 6 hours after an immigration enforcement action, provide licensed social workers or case managers employed or contracted by the child welfare agency or local NGOs with confidential access to screen and interview individuals apprehended in such immigration enforcement action to assist the Secretary or cooperating entity in determining if such individuals are parents, legal guardians, or primary caregivers of a child in the United States;

(2) as soon as possible and not later than 8 hours after an immigration enforcement action, provide any apprehended individual believed to be a parent, legal guardian, or primary caregiver of a child in the United States with—

(A) free, confidential telephone calls, including calls to child welfare agencies, attorneys, and legal services providers, to arrange for the care of children or wards, unless the Secretary has reasonable grounds to believe that providing confidential phone calls to the individual would endanger public safety or national security; and

(B) contact information for—

(i) child welfare agencies in all 50 States, the District of Columbia, all United States territories, counties, and local jurisdictions; and

(ii) attorneys and legal service providers capable of providing free legal advice or free legal representation regarding child welfare, child custody determinations, and immigration matters;

(3) ensure that personnel of the Department and cooperating entities do not—

(A) interview individuals in the immediate presence of children; or

(B) compel or request children to translate for interviews of other individuals who are encountered as part of an immigration enforcement action; and

(4) ensure that any parent, legal guardian, or primary caregiver of a child in the United States—

(A) receives due consideration of the best interests of his or her children or wards in any decision or action relating to his or her detention, release, or transfer between detention facilities; and

(B) is not transferred from his or her initial detention facility or to the custody of the Secretary until the individual—

(i) has made arrangements for the care of his or her children or wards; or

(ii) if such arrangements are impossible, is informed of the care arrangements made for the children and of a means to maintain communication with the children.

(c) NONDISCLOSURE AND RETENTION OF INFORMATION ABOUT APPREHENDED INDIVIDUALS AND THEIR CHILDREN.—

(1) IN GENERAL.—Information collected by child welfare agencies and NGOs in the

course of the screenings and interviews described in subsection (b)(1) may not be disclosed to Federal, State, or local government entities or to any person, except pursuant to written authorization from the individual or his or her legal counsel.

(2) CHILD WELFARE AGENCY OR NGO RECOMMENDATION.—Notwithstanding paragraph (1), a child welfare agency or NGO may—

(A) submit a recommendation to the Secretary or a cooperating entity regarding whether an apprehended individual is a parent, legal guardian, or primary caregiver who is eligible for the protections provided under this Act; and

(B) disclose information that is necessary to protect the safety of the child, to allow for the application of subsection (b)(4)(A), or to prevent reasonably certain death or substantial bodily harm.

SEC. 4. ACCESS TO CHILDREN, LOCAL AND STATE COURTS, CHILD WELFARE AGENCIES, AND CONSULAR OFFICIALS.

(a) IN GENERAL.—The Secretary shall ensure that all detention facilities operated by or under agreement with the Department implement procedures to ensure that the best interest of the child, including a preference for family unity wherever appropriate, is considered in any decision and action relating to the custody of children whose parent, legal guardian, or primary caregiver is detained as the result of an immigration enforcement action.

(b) ACCESS TO CHILDREN, STATE AND LOCAL COURTS, CHILD WELFARE AGENCIES, AND CONSULAR OFFICIALS.—At all detention facilities operated by, or under agreement with, the Department, the Secretary shall—

(1) prominently post in a manner accessible to detainees and visitors and include in detainee handbooks information on the protections of this Act as well as information on potential eligibility for parole or release;

(2) ensure that individuals who are detained by reason of their immigration status may receive the screenings and interviews described in section 3(b)(1) not later than 6 hours after their arrival at the detention facility;

(3) ensure that individuals who are detained by reason of their immigration status and are believed to be parents, legal guardians, or primary caregivers of children in the United States are—

(A) permitted daily phone calls and regular contact visits with their children or wards;

(B) able to participate fully, and to the extent possible in-person, in all family court proceedings and any other proceeding impacting upon custody of their children or wards;

(C) able to fully comply with all family court or child welfare agency orders impacting upon custody of their children or wards;

(D) provided with contact information for family courts in all 50 States, the District of Columbia, all United States territories, counties, and local jurisdictions;

(E) granted free and confidential telephone calls to child welfare agencies and family courts as often as is necessary to ensure that the best interest of the child, including a preference for family unity whenever appropriate, can be considered;

(F) granted free and confidential telephone calls and confidential in-person visits with attorneys, legal representatives, and consular officials;

(G) provided United States passport applications for the purpose of obtaining travel documents for their children or wards;

(H) granted adequate time before removal to obtain passports and other necessary travel documents on behalf of their children or wards if such children or wards will accompany them on their return to their country

of origin or join them in their country of origin; and

(I) provided with the access necessary to obtain birth records or other documents required to obtain passports for their children or wards; and

(4) facilitate the ability of detained parents, legal guardians, and primary caregivers to share information regarding travel arrangements with their children or wards, child welfare agencies, or other caregivers well in advance of the detained individual's departure from the United States.

SEC. 5. MEMORANDA OF UNDERSTANDING.

The Secretary shall develop and implement memoranda of understanding or protocols with child welfare agencies and NGOs regarding the best ways to cooperate and facilitate ongoing communication between all relevant entities in cases involving a child whose parent, legal guardian, or primary caregiver has been apprehended or detained in an immigration enforcement action to protect the best interests of the child, including a preference for family unity whenever appropriate.

SEC. 6. MANDATORY TRAINING.

The Secretary, in consultation with the Secretary of Health and Human Services and independent child welfare experts, shall require and provide in-person training on the protections required under sections 3 and 4 to all personnel of the Department and of States and local entities acting under agreement with the Department who regularly come into contact with children or parents in the course of conducting immigration enforcement actions.

SEC. 7. RULEMAKING.

Not later than 120 days after the date of the enactment of this Act, the Secretary shall promulgate regulations to implement this Act.

SEC. 8. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 9. REPORT ON PROTECTIONS FOR CHILDREN IMPACTED BY IMMIGRATION ENFORCEMENT ACTIVITIES.

(a) REQUIREMENT FOR REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit to Congress a report that describes the impact of immigration enforcement activities on children, including children who are citizens of the United States.

(b) CONTENT.—The report submitted under subsection (a) shall include for the previous 1-year period an assessment of—

(1) the number of individuals removed from the United States who are the parent of a child who is a citizen of the United States;

(2) the number of occasions in which both parents or the primary caretaker of such a child was removed from the United States;

(3) the number of children who are citizens of the United States who leave the United States with parents who are removed;

(4) the number of such children who remained in the United States after the removal of a parent;

(5) the age of each such child at the time a parent is removed; and

(6) the number of instances in which such a child whose parent is apprehended, detained, or removed is referred to the local child welfare agency by officers or employees of the Department.

By Mr. HARKIN (for himself, Mr. DURBIN, Mr. BLUMENTHAL, Mr.

LAUTENBERG, Mrs. MURRAY, Mr. WHITEHOUSE, Mr. LEAHY, Mr. BENNET, Mr. FRANKEN, Ms. MIKULSKI, Mr. REED, Mrs. SHAHEEN, Mr. JOHNSON of South Dakota, and Mr. BEGICH):

S. 1403. A bill to amend part B of the Individuals with Disabilities Education Act to provide full Federal funding of such part; to the Committee on Finance.

Mr. HARKIN. Mr. President, throughout my career in public service I have focused on ensuring that each and every child with a disability has a right to a good education. To this end, I have fought tirelessly to safeguard the rights of children with disabilities under the Individuals with Disabilities Education Act, IDEA, the landmark legislation that has been improving the educational outcomes of millions of students across the nation since 1975 through the principles of inclusion and equality. When Congress passed IDEA with strong bipartisan support, we understood that our commitment to provide high-quality educational opportunities and serve the needs of students with disabilities in our classrooms entailed excess costs compared to other students, which would have a significant financial impact on States and school districts. As a result, Congress committed to cover up to 40 percent of the excess cost of educating students with disabilities; however, we have failed to deliver on that promise and the law has been greatly underfunded. This is why I am pleased to introduce the IDEA Full Funding Act, with my colleagues RICHARD DURBIN, FRANK LAUTENBERG, RICHARD BLUMENTHAL, PATTY MURRAY, SHELDON WHITEHOUSE, PATRICK LEAHY, MICHAEL BENNET, AL FRANKEN, BARBARA MIKULSKI, JACK REED, JEANNE SHAHEEN, TIM JOHNSON, and MARK BEGICH, which will meet the full Federal commitment at no additional cost to taxpayers. Given the current financial difficulties that many State and local governments are facing, this legislation is more essential than ever for ensuring that students with disabilities get the high-quality education and services they need to fulfill their potential.

Since the enactment of IDEA, students with disabilities across the United States have made tremendous progress. Today, over 6.6 million students receive special education services designed to meet their individual needs. Mr. President, 95 percent of students with disabilities attend a neighborhood school, and almost ¾ of those spend at least 80 percent of their day in the regular school environment. Nearly 350,000 infants and toddlers receive early intervention services. Almost 6 out of 10 students with disabilities graduate high school with a regular diploma—twice the percentage of 25 years ago. Moreover, approximately half of students with disabilities enroll in postsecondary education. We must do our best to continue this progress and make good on a 36-year-old prom-

ise because we still have a long way to go: students with disabilities who graduate from high school have an employment rate that is less than half the employment rate of the general population.

Today, the Federal Government provides about 16 percent of special education costs or less than half of the committed level of 40 percent. In the current fiscal year, this means that Federal funds are almost \$24 billion short, which forces States and school districts to make up the Federal shortfall at a time when they are cash strapped. The IDEA Full Funding Act will fully fund the Federal commitment to IDEA by gradually increasing the Federal Government's share of the excess costs of educating students with disabilities to its committed level over 10 years. Specifically, this legislation will increase the Federal dollars appropriated from \$11.5 billion in fiscal year 2011 to \$35.3 billion in fiscal year 2021.

By making good on our 36-year-old promise, which has a history of bipartisan support, we will supply schools with the necessary funding to enhance the quality and range of services available to students with disabilities. The funding increase will help to raise salaries for teachers and related services personnel, thereby allowing districts to enhance recruitment and retention possibilities, and will support school districts in increasing graduation rates and postsecondary enrollment rates of students with disabilities.

In these difficult times, it is essential for Congress to provide these revenues without increasing the deficit. The IDEA Full Funding Act is fully paid for by doubling the tax on cigarettes and small cigars and setting equivalent increases to other tobacco products. In addition to the benefit of offsetting the cost of fully funding IDEA, these tax provisions will help an estimated 1 million Americans reduce their tobacco use or quit altogether and prevent an estimated 2.2 million children from taking up smoking in the first place. The stakes are incredibly high: smoking kills more people than alcohol, AIDS, car accidents, illegal drugs, murders, and suicides combined, with thousands more dying from spit tobacco use. Every day at least 1,000 children become new regular, daily smokers in the U.S. and of those, almost a third will ultimately die from it. Furthermore, every year Americans incur the cost of \$96 billion in public and private health care expenditures caused by smoking, including an estimated \$54.6 billion in Federal Medicare and Medicaid Federal expenditures. Overall, this legislation, which I hope will enjoy bipartisan support, will impact children's lives in important ways, both by improving the educational outcomes of students with disabilities and by improving their health through smoking prevention.

By Mr. CARDIN (for himself and Mr. ENZI):

S. 1404. A bill to amend the Internal Revenue Code of 1986 to increase participation in medical flexible spending arrangements; to the Committee on Finance.

Mr. CARDIN. Mr. President, I rise today to introduce the Medical FSA Improvement Act of 2011. I am joined in this effort by Senator ENZI and I thank him for his support. Our bill would allow employees who have medical FSAs to cash out unused amounts, effectively repealing the current "use-it-or-lose-it" policy.

Our legislation would modernize and encourage participation in FSAs, which are a helpful tool for health care consumers who face significant cost sharing burdens. It would remove the penalty on employees who act prudently throughout the year and save their FSA dollars.

Flexible spending arrangements are an important benefit for many of my constituents in Maryland, Federal, State, and private sector employees, that allows them to set aside a portion of their income tax-free to pay for out-of-pocket medical expenses, such as copayments for doctor visits and prescription drugs, medical supplies, and equipment.

Nationwide, about 35 million Americans have FSAs, and the median salary of FSA participants is \$55,000. It is estimated that one-third of Federal employees contribute to an FSA. Currently in Maryland, there are over 50,000 Federal employees who benefit from FSAs. These plans are efficient, the administrative costs are between two and three percent of claims, far lower than other health insurance administrative costs, and over 90 percent of claims can be substantiated electronically, meaning that paperwork for participants is minimized.

More than 85 percent of America's large employers offer FSAs, but only about 20 percent of eligible employees enroll. According to several surveys of eligible participants, the primary reason for declining to enroll or for underfunding accounts is concern about the "use-it-or-lose-it" rule, which requires participants to spend their entire contribution before the end of the plan year or risk forfeiting the unused funds back to their employer. This "use-it-or-lose-it" rule was initially enacted to prevent participants from putting excessive amounts in their FSA, and it served to regulate what used to be an uncapped benefit. With the enactment of the Affordable Care Act in 2010, annual contributions to FSAs will be capped at \$2,500 beginning in 2013, which makes the "use-it-or-lose-it" rule unnecessary.

It is unreasonable to expect FSA participants, especially those with chronic conditions, to be able to accurately forecast their out-of-pocket medical expenses a year in advance, and it is unfair to penalize them at the end of the plan year if their estimates are incorrect by making them forfeit any unspent amounts. Ending the "use-it-

or-lose-it" rule and allowing for this cash-out option is a wise and sensible improvement to FSAs that will encourage more efficient participation in medical flexible spending accounts.

It is time to modernize FSAs to eliminate this burdensome "use-it-or-lose-it" rule. It is both fair and sound health policy to allow FSA participants to cash-out remaining funds at the end of the plan year rather than forfeiting the balance to their employer. The amounts cashed out would be taxable for the year of the cash-out. Moreover, just as it is at the discretion of employers to establish FSAs for their employees, it would be the employer's option to offer the cash-out feature. But I believe many employers will offer this option, as they too will save money through increased employer payroll tax savings.

Data provided by WageWorks shows that the average unused balance in the end of the year in an FSA is about \$100, and each year a total of nearly \$400 million remains in FSA accounts. The static analysis, before considering the effects of greater participation in FSAs, would indicate that allowing a cash-out of these funds and taxing these unused amounts would increase federal revenues by about \$70 million a year, holding everything else constant.

Our legislation is supported by the Employers' Council on Flexible Compensation, representing more than 100 member companies, including employers, accounting and consulting firms, third party administrators, and actuarial companies. I am also pleased to announce the support of the National Treasury Employees Union, which represents more than 150,000 Federal employees in 31 agencies.

I commend Representatives CHARLES BOUSTANY and JOHN LARSON for having introduced a bipartisan companion bill in the House of Representatives, and urge my colleagues to support this common-sense measure.

By Mrs. FEINSTEIN:

S. 1405. A bill for the relief of Guy Privat Tape and Lou Nazie Raymonde Toto; to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, today I am introducing a private relief bill on behalf of Guy Privat Tape and Lou Nazie Raymonde Toto. Mr. Tape and Ms. Toto are citizens of the Ivory Coast, but have been living in the San Francisco area of California for approximately 17 years.

The story of Mr. Tape and Ms. Toto is compelling and I believe they merit Congress' special consideration for such an extraordinary form of relief as a private bill.

Mr. Tape and Ms. Toto were subjected to numerous atrocities in the early 1990's in the Ivory Coast. After participating in a demonstration against the ruling party, they were jailed and tortured by their own government. Ms. Toto was brutally raped by her captors and several years later learned that she had contracted HIV.

Despite the hardships that they suffered, Mr. Tape and Ms. Toto were able to make a better life for themselves in the United States. Mr. Tape arrived in the U.S in 1993 on a B1/B2 non-immigrant visa. Ms. Toto entered without inspection in 1995 from Spain. Despite being diagnosed with HIV, Ms. Toto gave birth to two healthy children, Melody, age 13, and Emmanuel, age 8.

Since arriving in the United States, this family has dedicated themselves to community involvement and a strong work ethic. They are active members of Easter Hill United Methodist Church.

Mr. Tape is employed as a security guard and unfortunately, in 2002, he was diagnosed with prostate cancer. While his doctor states that the cancer is currently in remission, he will continue to require life-long surveillance to monitor for recurrence of the disease.

In addition to raising her two children, Ms. Toto obtained a certificate to be a nurse's aide and currently works as a Resident Care Specialist at a nursing home in San Pablo, California. Ms. Toto continues to receive medical treatment for HIV. According to her doctor, without access to adequate health care and laboratory monitoring, she is at risk of developing life-threatening illnesses.

Mr. Tape and Ms. Toto applied for asylum when they arrived in the U.S., but after many years of litigation, the claim was ultimately denied by the 9th Circuit Court of Appeals.

Although the regime which subjected Mr. Tape and Ms. Toto to imprisonment and torture is no longer in power, Mr. Tape has been afraid to return to the Ivory Coast due to his prior association with former President Laurent Gbagbo. As a result, Mr. Tape strongly believes that his family will be targeted if they return to the Ivory Coast.

One of the most compelling reasons for permitting the family to remain in the United States is the impact their deportation would have on their two U.S. citizen children. For Melody and Emmanuel, the United States is the only country they have ever known. Mr. Tape believes that if the family returns to the Ivory Coast, these two young children will be forced to enter the army.

This bill is the only hope for this family to remain in the United States. To send them back to the Ivory Coast, where they may face persecution and inadequate medical treatment for their illnesses would be devastating to the family. I have received approximately 30 letters from the church community in support of this family.

I ask my colleagues to support this private bill.

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

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

S. 1405

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

SECTION 1. PERMANENT RESIDENT STATUS FOR GUY PRIVAT TAPE AND LOU NAZIE RAYMONDE TOTO.

(a) IN GENERAL.—Notwithstanding subsections (a) and (b) of section 201 of the Immigration and Nationality Act (8 U.S.C. 1151), Guy Privat Tape and Lou Nazie Raymonde Toto shall each be eligible for the issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of such Act (8 U.S.C. 1154) or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Guy Privat Tape or Lou Nazie Raymonde Toto enters the United States before the filing deadline specified in subsection (c), Guy Privat Tape or Lou Nazie Raymonde Toto, as appropriate, shall be considered to have entered and remained lawfully in the United States and shall be eligible for adjustment of status under section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) as of the date of the enactment of this Act.

(c) APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for the issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees not later than 2 years after the date of the enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBERS.—Upon granting an immigrant visa or permanent residence to Guy Privat Tape and Lou Nazie Raymonde Toto, the Secretary of State shall instruct the proper officer to reduce by 2, during the current or subsequent fiscal year, the total number of immigrant visas that are made available to natives of the country of birth of Guy Privat Tape and Lou Nazie Raymonde Toto under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)) or, if applicable, the total number of immigrant visas that are made available to natives of the country of birth of Guy Privat Tape and Lou Nazie Raymonde Toto under section 202(e) of such Act (8 U.S.C. 1152(e)).

(e) PAYGO.—The budgetary effects of this Act, 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 Act, 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.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 234—RELATIVE TO THE DEATH OF WILLIAM F. HILDENBRAND, FORMER SECRETARY OF THE SENATE

Mr. MCCONNELL (for himself and Mr. REID of Nevada) submitted the following resolution; which was considered and agreed to:

S. RES. 234

Whereas William F. Hildenbrand began his service to the United States Senate in 1961 as an assistant to Senator J. Caleb Boggs;

Whereas William F. Hildenbrand served as Administrative Assistant to Senator Hugh Scott from 1969 until 1974;

Whereas William F. Hildenbrand served as Secretary for the Minority of the Senate from 1974 until 1981;

Whereas William F. Hildenbrand served as Secretary of the Senate from 1981 until 1985;

Whereas William F. Hildenbrand served as an employee of the Senate of the United States and ably and faithfully upheld the high standards and traditions of the staff of the Senate from 1961 until 1985;

Whereas William F. Hildenbrand discharged the difficult duties and responsibilities of a wide variety of important and demanding positions in public life with honesty, integrity, loyalty and humility; and

Whereas William F. Hildenbrand's clear understanding and appreciation of the challenges facing the Nation has left his mark on those many areas of public life: Now, therefore, be it

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of William F. Hildenbrand.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of William F. Hildenbrand.

SENATE RESOLUTION 235—DESIGNATING 2011 AS “THE YEAR OF THE FAMILY CAREGIVER”

Ms. MIKULSKI (for herself, Mr. SANDERS, and Ms. SNOWE) submitted the following resolution; which was considered and agreed to:

S. RES. 235

Whereas there are more than 65,000,000 people in the United States serving as family caregivers for a family member or friend with a disability, chronic illness, or the frailties associated with old age;

Whereas family caregivers in the United States are family, friends, partners, and neighbors who choose to provide care out of feelings of love or a sense of duty;

Whereas family caregivers deal with significant medical and psycho-social issues that require complex care management and coordination with numerous medical providers;

Whereas family caregivers provide 80 percent of all long-term care services in the United States;

Whereas despite the physical, psychological, and financial hardship that caregivers endure, these individuals provide high-quality services that bring countless benefits to their care recipients and to society; and

Whereas the people of the United States should acknowledge the vital role of family caregivers, enable such caregivers to live healthier, less stressful lives, and enhance the ability of family caregivers to improve the health and well-being of those that they care for: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the year 2011 as the 11-year anniversary of the National Family Caregiver Support Program;

(2) applauds the Administration on Aging and national and community based organizations that support family caregivers;

(3) applauds the family, friends, partners, and neighbors who provide long-term care services; and

(4) designates 2011 as “The Year of the Family Caregiver”.

SENATE RESOLUTION 236—DESIGNATING SEPTEMBER 2011 AS NATIONAL SPINAL CORD INJURY AWARENESS MONTH

Mr. RUBIO (for himself and Mr. NELSON of Florida) submitted the following resolution; which was considered and agreed to:

S. RES. 236

Whereas the estimated 1,275,000 people in the United States who live with a spinal cord injury cost society billions of dollars in health care costs and lost wages;

Whereas an estimated 100,000 of those individuals living with a spinal cord injury are veterans who suffered the spinal cord injury while serving as members of the United States Armed Forces;

Whereas accidents are the leading cause of spinal cord injuries;

Whereas motor vehicle crashes are the second leading cause of spinal cord and traumatic brain injuries;

Whereas 70 percent of all spinal cord injuries that occur in children under the age of 18 are a result of motor vehicle accidents;

Whereas every 48 seconds a person will become paralyzed, underscoring the urgent need to develop new neuroprotection, pharmacological, and regeneration treatments to reduce, prevent, and reverse paralysis; and

Whereas increased education and investment in research are key factors in improving outcomes for victims of spinal cord injuries, improving the quality of life of victims, and ultimately curing paralysis: Now, therefore, be it

Resolved, That the Senate—

(1) designates September 2011 as Spinal Cord Injury Awareness Month;

(2) supports the goals and ideals of Spinal Cord Injury Awareness Month;

(3) continues to support research to find better treatments, therapies, and a cure for paralysis;

(4) supports clinical trials for new therapies that offer promise and hope to those persons living with paralysis; and

(5) commends the dedication of local, regional, and national organizations, researchers, doctors, volunteers, and people across the United States that are working to improve the quality of life of persons living with paralysis and their families.

AMENDMENTS SUBMITTED AND PROPOSED

SA 579. Mr. REID (for Mr. COBURN) proposed an amendment to the bill S. 1103, to extend the term of the incumbent Director of the Federal Bureau of Investigation.

SA 580. Mr. WHITEHOUSE (for Mrs. MURRAY) proposed an amendment to the bill H.R. 1383, to temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning pursued by individuals enrolled in the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs before the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010, and for other purposes.

TEXT OF AMENDMENTS

SA 579. Mr. REID (for Mr. COBURN) proposed an amendment to the bill S. 1103, to extend the term of the incumbent Director of the Federal Bureau of Investigation; as follows:

On page 3, line 17, strike all through page 4, line 12, and insert the following:

SEC. 2. CREATION OF NEW TERM OF SERVICE FOR THE OFFICE OF DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION.

Section 1101 of the Omnibus Crime Control and Safe Streets Act of 1968 (28 U.S.C. 532 note) is amended by adding at the end the following:

“(c)(1) Effective on the date of enactment of this subsection, a new term of service for the office of Director of the Federal Bureau of Investigation shall be created, which shall begin on or after August 3, 2011, and continue until September 4, 2013. Notwithstanding the second sentence of subsection (b) of this section, the incumbent Director of the Federal Bureau of Investigation on the date of enactment of this subsection shall be eligible to be appointed to the new term of service provided for by this subsection, by and with the advice and consent of the Senate, and only for that new term of service. Nothing in this subsection shall prevent the President, by and with the advice of the Senate, from appointing an individual, other than the incumbent Director of the Federal Bureau of Investigation, to a 10-year term of service subject to the provisions of subsection (b) after the date of enactment of this subsection.

“(2) The individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection may not serve as Director after September 4, 2013.

“(3) With regard to the individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection, the second sentence of subsection (b) shall not apply.”.

SA 580. Mr. WHITEHOUSE (for Mrs. MURRAY) proposed an amendment to the bill H.R. 1383, to temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning pursued by individuals enrolled in the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs before the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010, and for other purposes; as follows:

On page 3, strike lines 10 and 11 and insert the following:

Code, who, since January 4, 2011, has been enrolled in the same non-public institution of higher learning in a State in

Beginning on page 4, strike line 12 and all that follows through page 5, line 3, and insert the following:

(a) EXTENSION.—Section 3729(b)(2)(B) of title 38, United States Code, is amended—

(1) in clause (i)—

(A) by striking “January 1, 2004” and inserting “October 1, 2011”; and

(B) by striking “3.00” both places it appears and inserting “3.30”;

(2) in clause (ii)—

(A) by striking “January 1, 2004, and before October 1, 2011” and inserting “October 1, 2011, and before October 1, 2012”; and

(B) by striking “3.30” both places it appears and inserting “2.80”; and

(3) in clause (iii), by striking “October 1, 2011” and inserting “October 1, 2012”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the later of October 1, 2011, or the date of the enactment of this Act.

NOTICE OF HEARING

COMMITTEE ON HEALTH, EDUCATION, LABOR,
AND PENSIONS

Mr. HARKIN. Mr. President, I wish to announce that the Committee on Health, Education, Labor, and Pensions will meet in open session on Thursday, July 28, 2011, at 9:45 a.m. in SD-430 to conduct a hearing entitled "FDA User Fees: Advancing Public Health."

For further information regarding this meeting, please contact Elizabeth Jungman of the committee staff on (202) 224-7675.

COMMITTEE ON ENERGY AND NATURAL
RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Senate Committee on Energy and Natural Resources. The hearing will be held on Thursday, July 28, 2011, at 10 a.m., in room SD-366 of the Dirksen Senate Office Building.

The purpose of this hearing is to consider the nominations of Charles McConnell, to be an Assistant Secretary of Energy (Fossil Energy) and Rebecca Wodder, to be Assistant Secretary for Fish and Wildlife.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, 304 Dirksen Senate Office Building, Washington, DC 20510-6150, or by email to allison_seyferth@energy.senate.gov.

For further information, please contact Sam Fowler at (202) 224-7571 or Allison Seyferth at (202) 224-4905.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND
FORESTRY

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on July 21, 2011, at 10 a.m. in room SD-G50 of the Dirksen Senate Office Building.

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

COMMITTEE ON ARMED SERVICES

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on July 21, 2011, at 9:30 a.m.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN
AFFAIRS

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on July 21, 2011, at 10 a.m. to conduct a committee hearing entitled "Enhanced

Oversight After the Financial Crisis: The Wall Street Reform Act at One Year."

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

COMMITTEE ON ENERGY AND NATURAL
RESOURCES

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on July 21, 2011, at 10 a.m., in room SD-366 of the Dirksen Senate Office Building.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC
WORKS

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on July 21, 2011, at 10 a.m., in Dirksen 406 to conduct a hearing entitled, "Legislative Issues for Transportation Reauthorization."

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

COMMITTEE ON FOREIGN RELATIONS

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on July 21, 2011, at 10:30 a.m.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR,
AND PENSIONS

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate, to conduct a hearing entitled "Improving For-Profit Higher Education: A Roundtable Discussion of Policy Solutions" on July 21, 2011, at 2 p.m. in room SH-216 of the Hart Senate Office Building.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate, on July 21, 2011, at 2:15 p.m. in Room 628 of the Dirksen Senate Office Building to conduct a hearing entitled "Facing Floods and Fires—Emergency Preparedness for Natural Disasters in Native Communities."

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

COMMITTEE ON THE JUDICIARY

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on July 21, 2011, at 10 a.m. in SD-226 of the Dirksen Senate Office Building, to conduct an executive business meeting.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Select

Committee on Intelligence be authorized to meet during the session of the Senate on July 21, 2011, at 2:30 p.m.

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

SUBCOMMITTEE ON SURFACE TRANSPORTATION
AND MERCHANT MARINE INFRASTRUCTURE,
SAFETY, AND SECURITY

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 21, 2011, at 2:30 p.m. in room 253 of the Russell Senate Office Building, to conduct a hearing entitled, "Making Our Roads Safer: Reauthorization of the Motor Carrier Safety Programs."

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

SPECIAL COMMITTEE ON AGING

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on July 21, 2011, at 2 p.m. in room SD-106 of the Dirksen Senate Office Building to conduct a hearing entitled "A Prescription for Savings: Reducing Drug Costs to Medicare."

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

PRIVILEGES OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that Matthew Levy, a fellow on the Budget Committee, be granted the privileges of the floor during the duration of today and tomorrow's session of the Senate.

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

Mr. HARKIN. Mr. President, I ask unanimous consent that Greg Greubel of my staff be granted the privilege of the floor for the duration of today's proceedings.

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

Mr. MORAN. Mr. President, I ask unanimous consent that Jara Settles, an intern on my staff, have floor privileges for the remainder of the day.

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

PRESERVING HIGHER TUITION
AND FEES RELATING TO THE
POST-9/11 VETERANS EDU-
CATIONAL ASSISTANCE IM-
PROVEMENTS ACT OF 2010

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Veterans Affairs' Committee be discharged from further consideration of H.R. 1383, and the Senate proceed to its consideration.

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

The clerk will report the bill by title. The bill clerk read as follows:

A bill (H.R. 1383) to temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning pursued by individuals enrolled in the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs before the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that a Murray amendment, which is at the desk, be agreed to; that the bill, as amended, be read the third time and passed; that the motions to reconsider be laid upon the table, with no intervening action or debate; and that any statements related to the bill be printed in the RECORD.

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

The amendment (No. 580) was agreed to, as follows:

On page 3, strike lines 10 and 11 and insert the following:

Code, who, since January 4, 2011, has been enrolled in the same non-public institution of higher learning in a State in

Beginning on page 4, strike line 12 and all that follows through page 5, line 3, and insert the following:

(a) EXTENSION.—Section 3729(b)(2)(B) of title 38, United States Code, is amended—

(1) in clause (i)—

(A) by striking “January 1, 2004” and inserting “October 1, 2011”; and

(B) by striking “3.00” both places it appears and inserting “3.30”;

(2) in clause (ii)—

(A) by striking “January 1, 2004, and before October 1, 2011” and inserting “October 1, 2011, and before October 1, 2012”; and

(B) by striking “3.30” both places it appears and inserting “2.80”; and

(3) in clause (iii), by striking “October 1, 2011” and inserting “October 1, 2012”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the later of October 1, 2011, or the date of the enactment of this Act.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 1383), as amended, was read the third time and passed, as follows:

H.R. 1383

Resolved, That the bill from the House of Representatives (H.R. 1383) entitled “An Act to temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning pursued by individuals enrolled in the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs before the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010, and for other purposes.”, do pass with the following amendments:

(1) On page 3, strike lines 10 and 11 and insert the following:

Code, who, since January 4, 2011, has been enrolled in the same non-public institution of higher learning in a State in

(2) Beginning on page 4, strike line 12 and all that follows through page 5, line 3, and insert the following:

(a) EXTENSION.—Section 3729(b)(2)(B) of title 38, United States Code, is amended—

(1) in clause (i)—

(A) by striking “January 1, 2004” and inserting “October 1, 2011”; and

(B) by striking “3.00” both places it appears and inserting “3.30”;

(2) in clause (ii)—

(A) by striking “January 1, 2004, and before October 1, 2011” and inserting “October 1, 2011, and before October 1, 2012”; and

(B) by striking “3.30” both places it appears and inserting “2.80”; and

(3) in clause (iii), by striking “October 1, 2011” and inserting “October 1, 2012”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the later of October 1, 2011, or the date of the enactment of this Act.

INTERNATIONAL YEAR OF COOPERATIVES

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 87, and the Senate proceed to its consideration.

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

The clerk will report.

The bill clerk read as follows:

A resolution (S. Res. 87) designating the year of 2012 as the “International Year of Cooperatives.”

There being no objection, the Senate proceeded to consider the resolution.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the preamble be agreed to; the resolution be agreed to; that the motions to reconsider be laid upon the table, with no intervening action or debate; that any statements related to the resolution be printed in the RECORD.

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

The resolution (S. Res. 87) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 87

Whereas in the United States, there are more than 29,000 cooperatives with 120,000,000 members;

Whereas cooperatives in the United States generate 2,000,000 jobs and make a substantial contribution to the economy of the United States with annual sales of \$652,000,000,000 and assets of \$3,000,000,000,000;

Whereas the cooperative business model has empowered people around the world to improve their lives through economic and social progress;

Whereas cooperatives are a major economic force in developed countries and a powerful business model in developing countries, employing approximately 100,000,000 people;

Whereas there are millions of cooperatives, which are owned and governed by more than 1,000,000,000 members, operating in every nation of the world;

Whereas the economic activity of the largest 300 cooperatives in the world is equal to that of the 10th largest national economy;

Whereas United Nations Resolution 64/136, adopted by the General Assembly on December 18, 2009, designates the year 2012 as the “International Year of Cooperatives”;

Whereas the theme of the International Year of Cooperatives is “Cooperative Enterprise Builds a Better World”;

Whereas cooperatives are the businesses of the people, and for more than a century,

have been a vital part of the world economy: Now, therefore, be it

Resolved, That the Senate—

(1) designates the year 2012 as the “International Year of Cooperatives”;

(2) congratulates cooperatives and members of cooperatives in the United States and around the world on the recognition of the United Nations of 2012 as the “International Year of Cooperatives”;

(3) recognizes the vital role cooperatives play in the economic and social well-being of the United States;

(4) urges the establishment of a National Committee for the 2012 International Year of Cooperatives to be comprised of representatives from each Federal agency, all cooperative sectors, and key stakeholders;

(5) recognizes the importance of raising the profile of cooperatives and demonstrating the manner by which cooperatives build local wealth, generate employment, and provide competition in the marketplace; and

(6) encourages highlighting the positive impact of cooperatives and developing new programs for domestic and international cooperative development.

RELATIVE TO THE DEATH OF WILLIAM F. HILDENBRAND, FORMER SECRETARY OF THE SENATE

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 234, which was introduced earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The bill clerk read as follows:

A resolution (S. Res. 234) relative to the death of William F. Hildenbrand, former Secretary of the Senate.

There being no objection, the Senate proceeded to consider the resolution.

Mr. WHITEHOUSE. Mr. President, I further ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 234) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 234

Whereas William F. Hildenbrand began his service to the United States Senate in 1961 as an assistant to Senator J. Caleb Boggs;

Whereas William F. Hildenbrand served as Administrative Assistant to Senator Hugh Scott from 1969 until 1974;

Whereas William F. Hildenbrand served as Secretary for the Minority of the Senate from 1974 until 1981;

Whereas William F. Hildenbrand served as Secretary of the Senate from 1981 until 1985;

Whereas William F. Hildenbrand served as an employee of the Senate of the United States and ably and faithfully upheld the high standards and traditions of the staff of the Senate from 1961 until 1985;

Whereas William F. Hildenbrand discharged the difficult duties and responsibilities of a wide variety of important and demanding positions in public life with honesty, integrity, loyalty and humility; and

Whereas William F. Hildenbrand's clear understanding and appreciation of the challenges facing the Nation has left his mark on those many areas of public life: Now, therefore, be it

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of William F. Hildenbrand.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of William F. Hildenbrand.

DESIGNATING 2011 AS "THE YEAR OF THE FAMILY CAREGIVER"

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 235, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The bill clerk read as follows:

A resolution (S. Res. 235) designating 2011 as "The Year of the Family Caregiver."

There being no objection, the Senate proceeded to consider the resolution.

Ms. MIKULSKI. Mr. President, I rise today in support of this resolution recognizing 2011 as the 11-year anniversary of the National Family Caregiver Support Program and declaring 2011 The Year of the Family Caregiver. This year, caregivers across the country and the Administration on Aging are celebrating family caregivers and working to improve the support family caregivers receive.

Today's resolution recognizes the 65 million Americans who serve as family caregivers for their family members, friends, and other loved ones living with a disability, chronic illness, or other condition associated with old age. Family caregivers are the backbone of our Nation's long-term care system, accounting for 80 percent of all long-term services provided in the United States. They provide high-quality services that improve the lives of the people they care for and benefit our society.

I created the National Family Caregiver Support Program in 2000 to strengthen the Older Americans Act so it may meet the day-to-day needs of our older Americans and their caregivers. The program is a partnership between States and Area Agencies on Aging. The National Family Caregiver Support Program provides counseling, training, respite care, adult daycare, and other support services to 600,000 caregivers so that families can get the resources they need to care for their loved one. The program helps American families take care of older parents while raising children of their own and pursuing a career. It also helps grandparents who are taking care of grandchildren. The National Family Caregiver Support Program helps families provide care longer and delays the need for costly nursing home care.

Family caregiving continues to place a lot of stress on families in terms of time, energy, and finances, but American families are up to this challenge. I ask my colleagues today to join me in applauding the work of family caregivers and those who support them every day.

Mr. WHITEHOUSE. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the resolution be printed in the RECORD.

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

The resolution (S. Res. 235) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 235

Whereas there are more than 65,000,000 people in the United States serving as family caregivers for a family member or friend with a disability, chronic illness, or the frailties associated with old age;

Whereas family caregivers in the United States are family, friends, partners, and neighbors who choose to provide care out of feelings of love or a sense of duty;

Whereas family caregivers deal with significant medical and psycho-social issues that require complex care management and coordination with numerous medical providers;

Whereas family caregivers provide 80 percent of all long-term care services in the United States;

Whereas despite the physical, psychological, and financial hardship that caregivers endure, these individuals provide high-quality services that bring countless benefits to their care recipients and to society; and

Whereas the people of the United States should acknowledge the vital role of family caregivers, enable such caregivers to live healthier, less stressful lives, and enhance the ability of family caregivers to improve the health and well-being of those that they care for: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the year 2011 as the 11-year anniversary of the National Family Caregiver Support Program;

(2) applauds the Administration on Aging and national and community based organizations that support family caregivers;

(3) applauds the family, friends, partners, and neighbors who provide long-term care services; and

(4) designates 2011 as "The Year of the Family Caregiver".

DESIGNATING SEPTEMBER 2011 AS "NATIONAL SPINAL CORD INJURY AWARENESS MONTH"

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 236, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The bill clerk read as follows:

A resolution (S. Res. 236) designating September 2011 as "National Spinal Cord Injury Awareness Month."

There being no objection, the Senate proceeded to consider the resolution.

Mr. WHITEHOUSE. 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. 236) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 236

Whereas the estimated 1,275,000 people in the United States who live with a spinal cord injury cost society billions of dollars in health care costs and lost wages;

Whereas an estimated 100,000 of those individuals living with a spinal cord injury are veterans who suffered the spinal cord injury while serving as members of the United States Armed Forces;

Whereas accidents are the leading cause of spinal cord injuries;

Whereas motor vehicle crashes are the second leading cause of spinal cord and traumatic brain injuries;

Whereas 70 percent of all spinal cord injuries that occur in children under the age of 18 are a result of motor vehicle accidents;

Whereas every 48 seconds a person will become paralyzed, underscoring the urgent need to develop new neuroprotection, pharmacological, and regeneration treatments to reduce, prevent, and reverse paralysis; and

Whereas increased education and investment in research are key factors in improving outcomes for victims of spinal cord injuries, improving the quality of life of victims, and ultimately curing paralysis: Now, therefore, be it

Resolved, That the Senate—

(1) designates September 2011 as Spinal Cord Injury Awareness Month;

(2) supports the goals and ideals of Spinal Cord Injury Awareness Month;

(3) continues to support research to find better treatments, therapies, and a cure for paralysis;

(4) supports clinical trials for new therapies that offer promise and hope to those persons living with paralysis; and

(5) commends the dedication of local, regional, and national organizations, researchers, doctors, volunteers, and people across the United States that are working to improve the quality of life of persons living with paralysis and their families.

MEASURE READ THE FIRST TIME—H.R. 2553

Mr. WHITEHOUSE. Mr. President, I understand that H.R. 2553 has been received from the House and is at the desk.

The PRESIDING OFFICER. The clerk will read the bill by title for the first time.

The bill clerk read as follows:

A bill (H.R. 2553) to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend the airport improvement program, and for other purposes.

Mr. WHITEHOUSE. I ask for a second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard. The bill will be read for the second time on the next legislative day.

ORDERS FOR FRIDAY, JULY 22, 2011

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9 o'clock a.m. on Friday, July 22; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate resume consideration of the motion to proceed to H.R. 2560, the Cut, Cap, and Balance Act, with the time until 10 o'clock a.m. equally divided and controlled between the two leaders or their designees; further, that at 10 o'clock a.m., the majority leader be recognized.

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

PROGRAM

Mr. WHITEHOUSE. Mr. President, I am advised to inform the Senate that tomorrow morning the majority leader will make a motion to table the motion to proceed to H.R. 2560. Therefore, Senators should expect a rollcall vote at approximately 10 o'clock a.m. To accommodate Senators on both sides, this vote will be longer than usual.

ADJOURNMENT UNTIL 9 A.M.
TOMORROW

Mr. WHITEHOUSE. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent it adjourn under the provisions of S. Res. 234, as a further mark of respect to the memory of the late William F.

Hildenbrand, former Secretary of the Senate.

There being no objection, the Senate, at 8:13 p.m., adjourned until Friday, July 22, 2011, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF HOMELAND SECURITY

ROSLYN ANN MAZER, OF MARYLAND, TO BE INSPECTOR GENERAL, DEPARTMENT OF HOMELAND SECURITY, VICE RICHARD L. SKINNER, RESIGNED.

FEDERAL TRADE COMMISSION

MAUREEN K. OHLHAUSEN, OF VIRGINIA, TO BE A FEDERAL TRADE COMMISSIONER FOR A TERM OF SEVEN YEARS FROM SEPTEMBER 26, 2011, VICE WILLIAM E. KOVACIC, TERM EXPIRING.