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Senate

The Senate met at 10 a.m. and was called to order by the Honorable RICHARD BLUMENTHAL, a Senator from the State of Connecticut.

PRAYER

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

Let us pray.

Almighty God, awe and wonder grip us when we reflect upon Your majesty. You are the source of our strength and provide our hope for years to come.

Guide our Senators today. May they seek Your marching orders and have the courage to follow the cadence of Your drumbeat. Give them the courage to act as well as to think, to do as well as to talk, and to accomplish Your will on Earth in all their work. Lead them, O God, to think with clarity, to love with honor, and to see the stamp of Your image in all Your creation.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

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

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 24, 2012.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD BLUMENTHAL, a Senator from the State of Connecticut, to perform the duties of the Chair.

DANIEL K. INOUYE,
President pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

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

MIDDLE CLASS TAX CUT ACT—MOTION TO PROCEED

Mr. REID. Mr. President, I now move to proceed to Calendar No. 467, S. 3412, which is the Middle Class Tax Cut Act of 2012.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows.

Motion to proceed to Calendar No. 467, S. 3412, a bill to amend the Internal Revenue Code of 1986 to provide tax relief to middle class families.

SCHEDULE

Mr. REID. Mr. President, the first hour this morning will be divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans the final half. The Senate will recess from 12:30 to 2:15 p.m. today for weekly caucus meetings. At 3:40 this afternoon, there will be a moment of silence in memory of Officer Jacob J. Chestnut and Detective John Gibson of the U.S. Capitol Police, who were killed 14 years ago today in the line of duty defending this Capitol, the people who worked here, and the visitors against an armed intruder.

Yesterday, I filed cloture on the motion to proceed to the Middle Class Tax Act. If no agreement is reached, that vote will be tomorrow.

MEASURE PLACED ON THE CALENDAR—S. 3420

Mr. REID. Mr. President, I understand that S. 3420 is at the desk and due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the bill by title for the second time.

The legislative clerk read as follows:

A bill (S. 3420) to permanently extend the 2001 and 2003 tax cuts, to provide for the permanent alternative minimum tax relief, and to repeal the estate and generation-skipping transfer taxes, and for other purposes.

Mr. REID. Mr. President, I object to any further proceedings with respect to this legislation at this time.

The ACTING PRESIDENT pro tempore. Objection having been heard, the measure will be placed on the calendar.

TAX PROPOSALS

Mr. REID. Mr. President, Republicans claim to share Democrats' commitment to keeping taxes low for the middle class, so it is very strange that, if that is what they believe, they have repeatedly blocked votes on our proposal to cut taxes for 98 percent of American families. Two weeks ago Republicans seemed eager to have those votes. That is what the Republican leader talked about here on the floor: They wanted to vote on our proposal to cut taxes for families making less than $250,000 a year or 98 percent of Americans, and they wanted to vote on their competing proposal, which would actually raise taxes for 25 million families while handing out more tax breaks to millionaires and billionaires. Democrats have tried to give the Republicans what they wanted. We have offered to skip their usual procedural delays and hold up-or-down majority votes on both proposals. So far they have refused, but the offer still stands. If they want to vote on theirs and vote on ours, we will do it with a simple majority. So I hope the Republicans don't insist on doing this the hard way.

Why are Republicans delaying votes they asked for in the first place? They know a majority of Senators and a majority of Americans support our plan to help middle-class families. Our plan gives 114 million taxpayers—again, 98 percent of American families—certainty that their taxes won't go up, and it reduces the deficit by almost $1 trillion by ending wasteful tax breaks for the rich.

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

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The Senate Republican proposal takes a very different approach—and that is an understatement—to extend tax breaks for the top 2 percent of Americans, but it fails to extend tax cuts to help middle-class families. Their plan would hike taxes by another $1,000 for middle-class families while handing out an extra $160,000 tax break to every millionaire. Democrats will simply never agree that we should hand out more tax breaks to the richest 2 percent of Americans while our economy is in its current situation, but that shouldn't stop us from protecting the other 98 percent of Americans—and do it today.

CYBERSECURITY

Mr. President, I have had a number of briefings lately from people in the administration held in the classified facility here in the Capitol about cybersecurity.

Over the last few days, some of my Republican colleagues have suggested that the Senate should delay action on what national security experts have called the most pressing threat facing this country. Instead of considering bipartisan cybersecurity legislation, they say we should first consider the annual Defense authorization bill. I argue that we need to move rapidly to address the gaping hole in our defenses against cyber attack.

The Director of the FBI, Robert Mueller, said that cyber threats will soon overtake terrorism as the most significant threat to our national security. And in the minds of some, it is difficult to separate cybersecurity from what people are trying to do and have tried to do every day. It is the same as terrorism, it is just a different form.

A bipartisan group of national security experts led by former Secretary of Homeland Security Michael Chertoff, a Republican, and former Director of National Intelligence Mike McConnell, who was appointed during the Republican administration, said cyber threat ''represents one of the most serious challenges to our national security since the onset of the nuclear age.''

The ranking member of the Armed Services Committee, Senator MCCAIN, said:

> We must act now and quickly develop and pass comprehensive legislation to protect our electric grid, air traffic control system, water supply, financial networks and defense systems and much more from a cyber attack.

And he is right—we need to protect our electric grid.

The Presiding Officer participated in a demonstration in our classified room of how cybersecurity would work, taking down the Presiding Officer's State in the northeast part of this country. It could be done relatively easily, and it would take weeks and weeks to get it back up. We all watched that.

What JOHN MCCAIN said is really true. We must pass comprehensive legislation to protect our electric grid, air traffic control system, water supply, financial networks, defense systems, and much more. Any one of these things would be devastating to our country if a cyber attack is successful. JOHN MCCAIN suggested this almost a year ago.

The threat has only grown worse in that time, and failing to act on cybersecurity legislation not only puts our national security at risk, it recklessly endangers members of our Armed Forces and our missions around the world. Servicemembers themselves have been repeatedly targeted by cyber attackers. In one hack last year, more than 90,000 military e-mail addresses and passwords were stolen. In another hack of the TRICARE system, 4.9 million medical records from our military were stolen. If we are serious about protecting our troops, we must protect them against cyber attacks.

But acting to secure our critical networks doesn't mean we won't do other things to help the defense, of course. There are some specific concerns about the Defense authorization bill, and I have talked about them. We can't allow the Defense bill to become an end run around the bipartisan Budget Control Act, which has been so important to this country.

If we are going to debate the Defense bill, House and Senate Republicans need to make it clear that they are willing to abide by the budget levels set by the law that they all voted for, with rare exception, and we must also ensure that the Defense bill is not used as a platform to advance irrelevant partisan agendas.

REMEMBERING AGENT GIBSON AND OFFICER CHESTNUT

Mr. REID. Mr. President, I wish to take a minute to talk about Agent Gibson and Officer Chestnut.

It was 14 years ago, and it is really hard to comprehend that it has been that long. Officer Chestnut I knew by saying hello. But we had an event in Virginia where my wife became ill. I will never forget Agent Gibson running from the Capitol Police headquarters and administering aid to my wife. That was Agent Gibson, and I remember that so clearly. He was a wonderful guy. I felt I knew him so well because of his helping my wife.

Last week, this Nation was reminded how fragile life is with what happened in Colorado and how quickly it can be taken away, at random, with senseless acts of violence.

Fourteen years ago, the Capitol community was similarly reminded that we must never take life for granted. On this day in 1998, two dedicated U.S. Capitol Police officers—Special Agent John Gibson and Officer Jacob Chestnut—gave their lives while protecting this building and the people in it. But their lives were not spent in vain. As a result of their sacrifice, we now have a Capitol that is much safer than it ever was. It was a result of their having been killed that we were able to finally get the Visitor Center done. We were able to speed that up, and we got it done. Now people who come to this Capitol are safe in the building, and their security is as good as anyplace in the world. It is a much more pleasant visit now to the Capitol. So their lives were not given in vain.

While guarding the Capitol, Agent Gibson and Officer Chestnut were shot to death by, really, a madman. With the facilities we have now, that would not have happened. While nothing can erase the pain of losing a loved one, I hope their families take some measure of comfort from knowing that Agent Gibson and Officer Chestnut are not forgotten.

As a sidenote, I take special pride in the fact that I was a Capitol policeman. I worked in this building and carried a pistol. I worked swing shift, as we called it, from about 3:00 to 11:00 when I was going to law school. So every year when we give special recognition to this occurrence having happened, I think of my days here and what a different place it was. Of course there were things we had to look out for, but, as I have said before, the most dangerous thing I had to do was direct traffic. But that isn't the way it is now for the men and women who take care of us here in the Capitol—not just the Senators, not just the staff, but all the millions of people who visit this facility every year. So I honor their service and their sacrifice. And I reflect back on the days of my youth, for someone who came from where I came, walking around this facility, mostly at nighttime, a lot of times quite lonely.

So we are grateful for the brave men and women who safeguard the people's house. They do it today. They do it every day. We take them for granted, and we shouldn't. They are really gallant in the work they do. The Capitol Police is a wonderful organization, and I am proud of them, and every Member of the Senate is proud of them. Everyone in the country should be aware of the work they do to make this building safe.

RECOGNITION OF THE MINORITY LEADER

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

REMEMBERING OFFICER JACOB CHESTNUT AND DETECTIVE JOHN GIBSON

Mr. MCCONNELL. Mr. President, I would like to start this morning by remembering another deadly shooting, one that hit very close to home for most of us.

It was 14 years ago today that Officer Jacob Chestnut and Detective John Gibson of the Capitol Police were shot dead in the line of duty right here in the Capitol by a lone gunman. Their deaths serve as yet another reminder not only of the reality of evil but of the precious gift of life. Today we honor them for their lives and the final act of heroism that ended them.

A plaque inside the Capitol commemorates their sacrifice, and the Capitol Police Headquarters now bears their names. It is appropriate we also pause in the midst of our other duties to honor these men and every member

of the Capitol Police Force who works so hard to ensure our safety.

Officer Chestnut was a 20-year veteran of the Air Force and had 18 years of service to the Capitol Police. Detective Gibson also had 18 years of Capitol Police service, and until the day he died had never drawn his weapon. Both men left behind wives, children, and friends.

Today the Senate honors both of these good men once again and all of those they left behind.

TAX PROPOSALS

Mr. President, as the Senate resumes its work this week, Americans are hungry for leadership. The national debt hovers around $16 trillion. The Federal Government is on track to spend $1 trillion more than it takes in for the fourth year in a row, and Democrats have not done so much as pass a budget in nearly 4 years.

Meanwhile, President Obama is not even talking with us about what to do about any of these things. The taxpayers are basically paying him $400,000 a year to hold campaign rallies and show up at fundraisers. His latest proposal on taxes has more to do with helping his campaign than in reviving the economy. If you want proof, just ask yourself why Democrats don't want to vote on it.

Republicans will head into tomorrow's vote guided by a simple principle: Do no harm. In our view, the best approach to taxes right now is to let every American and every American business know they will not have a higher income tax bill at the end of the year. We think everybody in America should have that certainty.

The Democrats' guiding principle, to the extent they have one, is quite different. To them the goal is not so much relief for struggling Americans or reviving the economy, it is sending a message. Their message is that some people deserve relief and some people don't, and they will decide who those people are regardless of the effect it has on the broader economy or on jobs. It is an approach that isn't based on any economic outcome but on ideology. Americans are quite tired of it because it has been a disaster for our economy.

Think about it. If Democrats cared more about helping folks and reviving the economy, then they wouldn't be calling for a tax hike. Yet throughout this entire debate Democrats have not offered a single credible argument about how their tax increase targeted at job creators will help struggling middle-class Americans. Surely, they don't think this tax increase is the fiscally responsible thing to do.

Let's assume they got this tax increase. It would only generate enough money to fund the government for 5 days. Even if they got the tax increase they want, it would only generate enough money to fund the government for 5 days.

The larger point is this: The Senate should be in the business of actually making a difference rather than just making political statements. That is why we think we should have a vote on all three proposals tomorrow: the President's proposal, the Senate Democrat proposal, and ours. Show the American people what is behind their proposals and what we all stand for. If the Democrats believe the President's rhetoric, they will vote for his proposal, and he will work to get their support.

My guess is that Democratic leaders will not allow a vote on the President's plan, and that should tell us everything we need to know about the Democratic approach to the problems we face. They are either out of ideas, not serious about solving the problems we face or both. To them this is more about messaging or passing the buck than it is about helping anybody or preventing an economic calamity at the end of this year.

The President proposed a plan he thinks will help him on the campaign trail. Democrats proposed a plan they think helps them in the Senate. What about a plan that actually helps the American people? It is all politics and positioning to our friends on the other side of the aisle at this point, and it is quite disgraceful.

The time to act on the problems we face is right now. The fiscal cliff draws closer with each passing day. I think most people think the party in power has some responsibility to do something about it.

I yield the floor.

RESERVATION OF LEADER TIME

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

ORDER OF BUSINESS

Under the previous order, the following hour will be equally divided and controlled between the two leaders and their designees, with the majority controlling the first half and the Republicans controlling the final half.

The Senator from North Dakota.

REMEMBERING OFFICER CHESTNUT AND DETECTIVE GIBSON

Mr. CONRAD. Mr. President, before I talk about the matter at hand, I would like to remember Officer Chestnut and Detective Gibson. I did not have a chance to know Detective Gibson. I did have a chance to know J.J. and he was someone who lit up a room. He had a 1,000-watt smile.

I will never forget the time I was going to a meeting at the House of Representatives. I wasn't familiar with where the room was, and J.J. took me right to it. He was a delightful man, and it was tragic that his life was taken.

I will never forget the funeral. It was one of the most remarkable outpourings I have ever seen, and so we remember with enormous respect Officer Chestnut and Detective Gibson.

THE ECONOMY

Mr. President, I have to respond to the Republican leader. What a fountain of misinformation. He repeats this canard that no budget action has been taken here for 4 years.

What about the Budget Control Act that was passed last year with more than 70 votes in the Senate? That was passed instead of a budget resolution. It was a law. Anybody who has had even a little bit of civics knows a law is stronger than a resolution.

Indeed, that law cut spending by $900 billion over 10 years and put in place this sequester we now face that cuts another $1.2 trillion over 10 years for a total spending cut of over $2 trillion. It was the biggest spending cut in the history of the United States, and the Republican leader acts as though he never heard of it; it never happened. Let's get real. We took action in the House and Senate, and it was signed into law by the President.

The last time our friends on the other side were in charge, their policies brought us to the brink of financial collapse. Have we forgotten that the economy was shrinking at a rate of 9 percent in the last quarter of the previous administration? In their last month in office we lost 800,000 jobs—in 1 month. That was their record.

This administration has turned things around. We are no longer losing jobs; we are gaining them. The economy is no longer shrinking; it is growing. Maybe it is not as strong as we would like, but it has been a remarkable turnaround after the other side and their policies led us to the brink of financial collapse.

Let's talk about the legislation before us. It assures 98 percent of the American people are not going to have a tax increase, extends expiring provisions on income taxes, and income tax relief for everyone making below $250,000 a year. It includes incentives to promote work and support families, and it provides relief from the individual alternative minimum tax for 1 year, a tax that is increasingly affecting the middle class.

Our friends on the other side say: Whoa. Wait a minute. That means those making more than $250,000 will have a top rate of 39.6 percent. That is true. What happened the last time we had a top rate of 39.6 percent? That was during the Clinton administration. What was the economic record then? It was 39 straight quarters of economic growth from 1991 until 2000. It was the longest period of uninterrupted growth in this Nation's history. There were 24 million jobs created. That is what happened the last time we had a top rate of 39.6 percent.

Why is it important we begin doing something about these growing deficits and debt? It is because we are on an unsustainable course. This is one place where the Republican leader and I would agree. We are on an unsustainable course; we have been since the previous administration.

Have they forgotten that they tripled foreign holdings of U.S. debt during that administration, and doubled the debt? We are on an unsustainable

course. We are headed for a debt that will be 200 percent of our GDP if we don't act.

This is a spending and revenue problem. This chart shows spending and revenue as a share of the economy over the last 60 years. Spending is the red line, and the green line is revenue. As we can see, we are at or near a 60-year high in spending. We are at or near a 60-year low on revenue. It is true we have a spending problem. It is also true we have a revenue problem. Revenue is at or near a 60-year low.

Our friends on the other side want to just have the historic average for revenue. The problem with that is it is not a useful benchmark. This is spending going back to 1972, 40 years. The red line shows spending. The green line is the historic average for revenue. We can see that if we just had the historic average for revenue, we never would have balanced the budget in a single year over 40 years. That is what the other side wants to do.

The fact is the five times we have balanced the budget since 1969—in 44 years—the revenue was nearly 20 percent of GDP. It was 19.7 percent in 1969, 19.9 percent in 1998, 19.8 percent in 1999, 20.6 percent in 2000, and 19.5 percent in 2001. Facts are stubborn.

Former Republican Budget Committee Chairman Judd Gregg said this about revenue:

> We also know revenues are going to have to go up, if you're going to maintain a stable economy and a productive economy, because of the simple fact that you're going to have to have this huge generation that has to be paid for.

It is the baby boom generation. That is not a forecast; that is not a projection. They have been born, they are alive today, and they are going to be eligible for Medicare and Social Security.

In 2010, we saw some wealthy people paying no Federal income tax—nothing. People with incomes of $500,000 to $1 million in 2010, 14,000 paid nothing, zero. Those earning over $1 million in 2010 who paid nothing were 4,000. Is that fair? It is outrageous that 4,000 people earning over $1 million paid absolutely nothing and 14,000 earning between $500,000 and $1 million of income paid absolutely nothing and our friends want to defend that system. Shocking.

Here is what is happening to so-called tax expenditures. We are now spending more money through the Tax Code than through all the appropriated accounts. Who are the big winners? The top 1 percent in income, on average, get a benefit of $255,000 a year by the so-called credits, deductions, exclusions, and preferences that are shot through the Tax Code. We have a little five-story building in the Cayman Islands that claims to be home to 18,000 companies. They all say they are doing business out of that little five-story building. Are they doing business out of that little building or are they doing monkey business out of that building? Eighteen thousand companies in a little five-story building in the Cayman Islands evading and avoiding the taxes due in the United States. Our friends on the other side say: No change. Shouldn't touch that. That is fair? I don't think so.

Let's get real. Let's get serious. Let's take on deficits and debt. Let's make certain everybody has a chance to contribute, including those who are at the top rungs who are now paying nothing.

I thank the Chair and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. DURBIN. Mr. President, I thank my colleague from North Dakota, Senator KENT CONRAD, who is the chairman of the Senate Budget Committee. He is retiring, unfortunately, for the Senate and for this country because he has brought to this Chamber and to the national debate on our deficits an insight and a knowledge of the subject that is unequaled. He has become a close and dear friend of mine, even closer over the last couple years, while we labored shoulder to shoulder on the Simpson-Bowles deficit commission and bipartisan efforts afterwards in the Senate to deal with the deficit.

I am disappointed and somewhat troubled by the argument made by many in this Chamber that the deficit is the most serious problem facing America and then, in the same breath, they call for extending tax cuts to the wealthiest people in this country. What we are proposing is a tax cut for those making up to $250,000 in income. That will certainly include all—all—of the middle class and working families across America. The taxes will be higher for those in the 2-percent range of the highest income categories, and I think it is fair. I think those who have done so well and have been so fortunate in this great Nation should be willing to pay their fair share of taxes.

I support the middle-class tax cut the President has proposed. We want to bring it to the floor for a vote. I support it with the notion that we still have to keep our focus on the economy and creating jobs, No. 1, and deficit reduction and debt reduction, No. 2. We can do both. We have to take care that whatever we do to the Tax Code does not jeopardize our economic recovery. We are on a positive path, with 28 straight months of job creation in the private sector, and we want to continue it. But we also need to change a reality, which is that we borrow 40 cents for every $1 we spend in Washington. That is unfortunate and unsustainable. We have to make sure working families across America who continue to fall further and further behind each year and live paycheck to paycheck will have a helping hand from our Tax Code. That is known as progressive taxation. I think it is fair.

Those of us in higher income categories should pay more. Those who are struggling paycheck to paycheck, trying to care for their children, need a helping hand in the Tax Code. That is not only just and fair, it is good for the economy. Those of lower incomes are going to spend their money and do it in a fashion that invigorates the economy with the production of more goods and services.

The Republican plan that calls for tax cuts even for the highest income categories, as Senator CONRAD just noted, means a tax break of $250,000 for millionaires across America. I am sorry. The people who are making $20,000 a week—that is what a millionaire would make over the course of a year, $20,000 a week—do not need that tax break. They haven't asked for it, they don't need it, and they should be contributing toward reducing this deficit and saving America from deeper cuts in Medicare, education, and other expenditures that are critical to so many American families.

According to a recent analysis, the Republican plan would actually end up raising taxes on working families. If we give tax breaks to those who are at the highest level of income categories and still go after deficit reduction, then the working class families actually would have to pay more.

I asked a number of my constituents to respond to this notion about cutting off the tax cuts at $250,000 in income and several of them responded. Merry from Rockford, IL, said this:

> I oppose any extension of tax cuts for the top 2 percent. I am a mother of a developmentally disabled adult. I have seen more and more budget cuts each year for 30 years for the special needs population. However, for the 30 years we have been involved with this ''trickledown theory,'' there have been no conclusive reports showing that this theory is working.

John, a veteran living in Plainfield, IL, writes:

> We fully agree with our President that the rich should pay a little more for their tax share! We (the middle class) are rapidly fading away. We have worked for most of our lives—only to witness corporations take over and fraud in our financial markets!

Jennifer from Chicago writes:

> I am appalled that Congress would consider cutting food stamps and other vital services for poor people and their families while maintaining tax breaks for those in the upper 2 percent of income. Wealthy people can afford to live on a little less. Poor children cannot afford to do without food and shelter.

When we talk about tax policy and debt reduction, let's do it sensibly. Let's help working families. Let's fix the Tax Code in a way that gives them a fighting chance. Let's ask the upper 2 percent—the top 2 percent of wage earners—to pay their fair share. It is not unreasonable. Everyone must be prepared to make some sacrifice. Let's make certain that working families are protected in this debate.

I note that Senator MURRAY was coming to the floor to speak on this tax issue, but she has been delayed, and I ask unanimous consent that she be recognized to speak after I finish my remarks.

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

Mr. DURBIN. I also ask unanimous consent that if I go over the allotted time in morning business for the majority, that I and Senator MURRAY be given an additional period of time and a like amount of time be offered to the Republican side.

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

THE DREAM ACT

Mr. DURBIN. Mr. President, 11 years ago, I introduced a bill called the DREAM Act. The DREAM Act is a piece of legislation that would give a select group of immigrant students who grew up in this country the chance to earn their citizenship if they were of good moral character and if they were prepared to serve in the military or complete at least 2 years of college.

The young people who would be eligible for the DREAM Act came to be known as the DREAMers. These are young people brought to the United States as children and infants. They grew up in this country overcoming great obstacles. They will be our future doctors, our engineers, our teachers, our lawyers, our soldiers. They will make America a better nation. They didn't make the decision originally to come to this country; it was a decision made by their parents. If their parents were breaking the law in that decision, I don't believe their children should be held responsible. That is not the American way.

As did the civil rights activists of past generations, the DREAMers are speaking out. They are telling their stories publicly, even though many of them know they risk deportation from the only country they have ever known as home. They have organized rallies and marches where they advocate for the DREAM Act, and they have declared their undocumented status. They wear T-shirts and carry signs that bear their slogan: ''Undocumented and Unafraid.''

These DREAMers have been by my side every step of the way, fighting for the DREAM Act, for 11 years, and I am proud of them.

In 2007, the first time the DREAM Act came to a vote on the floor of the Senate, there were a few DREAMers sitting right up in the gallery. We won 52 votes that day. It was a bipartisan majority. Frankly, we have always had a bipartisan majority, but we have never had the 60 votes we need to overcome the Republican filibuster against the DREAM Act.

Three years later, in December of 2010, the DREAM Act was again considered on the floor of the Senate. This time, it was different. The Senate gallery was filled to capacity with DREAMers wearing graduation gowns and caps. It was an inspiring sight. That day, 55 Senators voted for the DREAM Act. Again, we had another bipartisan majority, but, again, we fell short of the 60 votes we needed to defeat a Republican filibuster of the DREAM Act.

I made a commitment that day, after that vote was lost, to the young people who would be eligible for the DREAM Act, that I wouldn't give up, that I would keep on fighting for the DREAM Act as long as it takes to make it a law.

Since that vote in December of 2010, I have come to the floor of the Senate to tell the DREAMers' stories. I think it is the best way for people to understand the DREAM Act. Today, I wish to tell my colleagues about another DREAMer. Her name is Erika Andiola. Erika was brought to America from Mexico when she was 11 years old. She grew up in Arizona and enrolled at Arizona State University. But then Arizona passed a new law prohibiting public universities from giving financial aid or instate tuition rates to undocumented students. Hundreds of students were forced to drop out of school. Erika persevered. She graduated with honors from Arizona State with a bachelor's degree in psychology. She has been very active in advocating for immigrants and the DREAM Act. She is the founding president of the Arizona DREAM Act Coalition. Her dream is to be a school counselor.

The story I have just told of Erika Andiola is the 50th DREAMer story I have told on the Senate floor. It is an amazing group. It includes DREAMers who grew up in 17 different States, from Oregon and Washington in the Pacific Northwest—and I see my colleague Senator MURRAY on the floor—to Illinois and Michigan in the Midwest, to North Carolina and Georgia in the Southeast. These DREAMers came from all over the world to America, from 19 different countries, including Europe, Asia, Africa, South America, and Central America. Yet all of them have something in common: Their home is America. They are just asking for a chance to give back to this great country.

To mark the occasion of the 50th DREAMer story on the floor of the Senate, many of the DREAMers I featured on the floor have made a trip to Washington and have gathered in the Senate. They are here this morning, and I wish to take a few minutes to recognize them.

Let me start with the person who started the DREAM Act, Tereza Lee. Tereza was brought to the United States when she was 2 years old to the city of Chicago. She received her bachelor's and master's degrees from Manhattan Conservatory of Music, where she is currently pursuing her doctorate.

The next person I wish to refer to is Eric Balderas. Eric came to the United States from Mexico when he was 4 years old. He was valedictorian and student council president at his high school in San Antonio, TX. He is now a student at Harvard University where he is majoring in molecular and cellular biology. His dream is to become a cancer researcher.

The next is Manuel Bartsch. Manuel came to this country from Germany when he was a child. He recently graduated from Heidelberg University in Ohio with a major in political science and a minor in history. He wants to pursue a career in government and politics.

The next is Kelsey Burke. Kelsey came here from Honduras when she was 10 years old. She graduated from Florida Atlantic University with a major in public communications. She begins law school this fall, and she dreams of becoming an attorney.

The next is Julieta Garibay. She came to America when she was 11 years old. She graduated from the University of Texas with a bachelor's and master's degree in nursing. She has been a registered nurse since 2004. She dreams of serving in our military as a military nurse.

The next is Maria Gomez. Maria came to the United States from Mexico when she was 8 years old. She graduated from UCLA with a bachelor's degree in sociology and a master's degree in architecture. She dreams someday of being a licensed architect in America.

Next is Angelica Hernandez. She came here when she was 9. She graduated from Arizona State University as the outstanding senior in the Mechanical Engineering Department. Someday she wants to be a licensed engineer in the United States of America.

Next is Ola Kaso. Ola was brought to the United States from Albania at the age of 5. She is a pre-med student in the honors program at the University of Michigan. Her dream is to be a surgical oncologist.

Next is Sahid Limon. Sahid was brought to America from Bangladesh when he was 9 years old. He graduated from East Carolina University with a bachelor's degree in biology.

Next is Jhon Magdaleno. Jhon came to the United States from Venezuela when he was 9 years old. He is an honor student at Georgia Tech University, where he is a biomedical engineering major.

Next is Tolu Olubunmi. She actually was brought to America from Nigeria at the age of 14. She obtained a bachelor's degree in chemical engineering 10 years ago. She has never worked a day as a chemical engineer because she cannot be licensed. That is her dream: to be a licensed engineer.

Here is Gaby Pacheco. Gaby came to the United States from Ecuador at the age of 7. She has earned two associate's degrees in education and is now working on her bachelor's degree. She wants to teach autistic children. She has become an extraordinary leader in this movement.

Next is Pedro Pedroza. He came to the United States when he was 5 years old and grew up in Chicago. He graduated from Cornell University with a BA in Spanish literature and a minor in Latino studies. His dream is to be a teacher.

Next are two brothers who are here, Carlos and Rafael Robles. Carlos is majoring in education at Loyola University in Chicago. He dreams of being a

teacher and may get his chance at Palatine High School. Rafael is majoring in architecture at the University of Illinois in Chicago. Of course, he dreams of being a licensed architect.

Next is Novi Roy, who came to America from India as a child. Novi graduated from the University of Illinois at Urbana-Champaign with a bachelor's degree in economics and two master's degrees—one in business administration and one in human resources. His dream is to help provide affordable health care for all Americans.

Next is Felipe Sousa-Rodriguez. Felipe came to the United States from Brazil when he was 14. He recently graduated summa cum laude from St. Thomas University with a bachelor's degree in business studies and a minor in economics. His ambition is to be a teacher.

And last is Cesar Vargas, another good friend, who was brought to the United States when he was 5 years old. He recently graduated from the City University of New York School of Law with honors. He dreams of one day serving in the Judge Advocate General's Corps, of being in our military and serving the Nation he loves.

I thank all the Dreamers who are here today and have gathered with us. They have come a long way. It took an extra effort for them to come to Washington and to step forward and to allow me to share their stories again with the people who follow this debate.

Today I am launching ''American Dreamers,'' a new Web site featuring the Dreamers whose stories I have told on the floor of the Senate, including all of those who are here today. We are going to update this Web site as I tell more stories. You can find it at www.durbin.senate.gov/dreamers.

This is a hopeful time for the Dreamers. It is better than it has been in a long time because this President, his administration recently announced that we will give the Dreamers temporary legal status to be here in America. This status will allow them to live and work legally without fear of deportation. The status needs to be renewed every 2 years, but they get their chance. It gives these young immigrants an opportunity to come out of the shadows and be part of the only country they have ever called home. The Obama administration's new policy will make America a stronger and better Nation by giving these Dreamers a chance to be part of our future.

This policy has strong bipartisan support in Congress. My special thanks to Senator RICHARD LUGAR of Indiana, who joined me in cosponsoring this bill and asking for this status on immigration years ago. It took extraordinary political courage for him to do that, and I thank him once again, as I have before.

According to recent polls, the American people think the President is right in giving these Dreamers a chance to earn their way toward legal status by a margin of almost 2 to 1. A future President could come along and change this policy, so the Dreamers are still at risk, but they are prepared to step up, to follow the law, and to become part of America's future with permanent residency someday and perhaps citizenship, which is our ultimate dream.

The President's new policy is a step in the right direction, but ultimately it is Congress that must act—the House and the Senate—to pass the DREAM Act and give these young people who have gathered here today and thousands more just like them the path to citizenship in America.

I want to give special thanks to Majority Leader HARRY REID. The last time we called the DREAM Act he took a lot of grief for it. They said: Oh, it is just a political thing. But it is not. He believes in it, as so many of us do, and he was prepared to guide the Senate through a week-long debate to get to a vote. We did not have enough votes to break the Republican filibuster, but we demonstrated again bipartisan support for a sound, good idea for America's future.

I also want to give special thanks to Joe Zogby, sitting on the floor here. Joe is an attorney on my staff who for 11 years now has battled side by side with me to pass the DREAM Act. And Vaishalee Yeldani, who is on our staff as well, has been terrific in helping us prepare these floor statements and to continue this battle forward.

I said to the Dreamers the last time it was brought to the floor and we did not have the votes: I am not going to give up on you. Don't give up on me. We are going to do this. I am dedicated to them and to the fact that many of us who are the sons and daughters of immigrants—and, frankly, that includes almost all of us in this country—understand that the diversity of immigration has made America a stronger place. These DREAM students will prove once again, as generations have before, that given a chance they will make America a better country.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

Mrs. MURRAY. Mr. President, I come to the floor today to urge my colleagues to support the extension of tax cuts for 98 percent of workers and 97 percent of small business owners.

This should be a no-brainer. Democrats do not want taxes on our middle-class families to go up, and Republicans claim they want that too. They also say they want these tax cuts extended.

So this should be easy. When 100 Senators agree on a policy, we should be able to pass a bill. But, unfortunately, Republicans are not focused on the 98 percent we agree on. They are preoccupied with the 2 percent we are not. They are prepared to take our country over the edge and into the new year in an effort to prevent millionaires and billionaires from paying a penny more in taxes.

Republicans are so opposed to having the wealthy pay the very same rate they were paying during the Clinton years that if they cannot force through more tax cuts for the rich, they would prefer taxes to go up on middle-class families. They want 98 percent of workers to pay the price if millionaires are asked to pay a penny more. This is unbelievable and a deeply cynical position to take. It does not make any sense.

We have a fundamental difference of opinion between the two parties about the Bush tax cuts for the wealthiest Americans that have added trillions of dollars to the deficit and debt.

I am not asking Republicans to set aside their values. It is clear they are deeply committed to putting more money into the pockets of the wealthy. All I am saying is—all Democrats are saying is—we should not let that disagreement on tax cuts for the rich cause taxes to go up for the middle class. We can certainly have a debate about the merits of extending tax cuts for millionaires and billionaires. I am confident Republicans are ready to stand here on the floor and make their case. I am prepared to make mine. But I urge our Republican colleagues now to not play political games with the tax cuts that both sides believe should be extended. Because holding these middle class tax cuts hostage is bad policy, it is bad economics, and, frankly, it is bad politics.

Poll after poll shows the American people support ending the tax breaks for the wealthiest Americans. Republicans know they are in an unsustainable political position. They know they cannot be seen as holding middle-class tax cuts hostage for more tax cuts for the rich.

Last week we saw how they reacted when they got called on that reality: stomping their feet and shaking their fists, trying to muddy the water and change the subject. They do everything but admit it is time for compromise.

In fact, just this morning, the Republican Senator from Pennsylvania gave a speech about his plan for even deeper tax cuts for the rich—down to 28 percent for the wealthiest Americans. It is stunning. While Democrats are fighting for tax cuts for the middle class, Republicans are not only holding them hostage to continue the tax cuts for the rich, they are also scheming for ways to cut taxes for the wealthiest Americans even more. But their rhetoric is not going to fool families and small business owners in America.

I recently heard from a constituent of mine. His name is Rob Robinson. He is from Walla Walla in my home State of Washington. Rob owns a small construction company. He just finished work on the local police department. He said to me, ''I've been a small business owner for over twenty-five years and it's outrageous to me that some members of Congress would hold up middle class tax cuts for the sake of protecting the wealthy from paying their fair share.''

He went on. He said: ''The fact that they justify cutting taxes for the

wealthy by invoking the name of small businesses tells me that they are simply out of touch with the economic reality of the majority of small business owners in this country.''

I heard from another small business owner. His name is Allan Willis. He is from Kennewick, WA. Allan opened his small business, Tri-city Music, in 2008. He wrote to me saying:

> I'm like a lot of Main Street small business owners. I open the shop in the morning and close it down at night. I vacuum the carpets and clean the bathrooms. I strive to provide my customers with an incredible level of customer service after the sale. I work hard and am blessed that I make enough to pay my fair share of taxes.

Allan told me:

> When Republicans hide behind the name of small business to support their agenda for lower taxes for the rich, they don't speak for me. Let's call it what it is: political identity theft. They are stealing the name of small business as a smokescreen for tax policy that benefits millionaires.

That is a quote from Allan.

I also heard from a constituent of mine named Dallas Baker. Dallas is a Seattle firefighter. He has been on the job for 15 years. He told me he loves serving his community and making a difference. But he said—and I quote—

> My daughters and I are all making sacrifices now. We are comfortable but we are losing ground.

If taxes went up for middle-class families like his, it would only get harder.

Rob, Allan, and Dallas are among the 98 percent of workers and 97 percent of small business owners the Democrats' bill would extend our tax cuts for. Those are the people I am fighting for—them and millions across America—middle-class families who have been struggling, who have sacrificed so much, and who should not see their taxes go up.

But my Republican colleagues do not seem to be focused on people such as Rob, Allan, and Dallas. They are much more concerned about the tax cuts for the wealthiest Americans, many of whom happen to be their biggest campaign and super PAC donors. They may claim to be here talking for small business owners, but they are not speaking for the small business owners I hear from—not small business owners such as Rob and Allan or the 97 percent who Democrats are here fighting to protect tax cuts for—but fighting for people such as Joseph Craft. He is a coal industry billionaire. Mr. Craft is worth an estimated $1.4 billion, according to Forbes, and Republicans are fighting to cut his taxes. They are fighting for people like Harold Simmons. He made his billions on corporate buyouts. Harold is worth an estimated $9 billion, and Republicans are fighting to cut his taxes too. And they are fighting for people such as Harold Hamm. He is an oil and gas billionaire. He is worth an estimated $11 billion. Republicans are doing everything they can to make sure their taxes do not go up a penny.

The vote on the middle-class tax cut extension is going to be very illuminating. It is going to highlight some stark contrasts and give the American people a clear view into the priorities of our two parties.

Democrats are here focused on the middle class. We want to extend the tax cuts for 98 percent of our workers and 97 percent of small business owners, people such as Rob, Allan, and Dallas, and millions more. But if Republicans do not vote for our tax cut bill, it will demonstrate clearly they do not care about certainty, they do not care about the economy, and they certainly do not care about the middle class.

Rather, they care about extending those tax cuts for the rich above all else and to use every bit of leverage they have to do it, and they are prepared to let taxes go up on every family if they do not get their way. I hope they change their tune.

They say inaction is not an option. Well, here is their chance to act for 98 percent of workers and 97 percent of small business owners. All they have to do is stop playing games and stand with us to pass their bill this week. If they do, I would be happy to have an honest debate about extending the Bush tax cuts for the rich they are so passionate about. If they do not and taxes go up on every American because Republicans insist on protecting and extending the Bush tax cuts for these guys, then they are going to have to explain that to Rob and Allen and Dallas and millions of families and business owners just like them.

I yield the floor.

The PRESIDING OFFICER (Mr. TESTER.) The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I ask unanimous consent to enter into a colloquy with my Republican colleagues.

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

THE BUDGET

Mr. ALEXANDER. Mr. President, the Senator from Washington said Republicans often change the subject. That is exactly what we intend to do. We intend to change the subject from raising taxes to creating jobs.

In terms of taxes, according to the Congressional Budget Office report recently released—this is hard to believe. You have to go back and read it again, but 20 percent of Americans who pay individual taxes pay 94 percent of all the taxes. Twenty percent of Americans pay 94 percent of the taxes. The President and his allies are about the only ones in the country right now who are going out across the country and saying: The way to solve this 5 years of recession and the bad economy we have experienced is to raise taxes on the people who create millions of jobs. That is their argument, that the way to deal with the bad economy we are in is to raise taxes on the people who create millions of jobs.

We do not believe that. We are prepared to keep the tax rates where they are while we deal with what we need to deal with, which is the fiscal cliff that the Chairman of the Federal Reserve Board talks about, where he says, if we do not deal with it at the end of the year, we will produce, according to the Congressional Budget Office as well, a recession in the first 6 months of 2013, which means more loss of jobs.

So the subject we are here to talk about this morning is how to avoid that. The question we are going ask is, why not bring up the appropriations bills and do our job under the Constitution to limit spending and get a head start on the business of putting the fiscal problems we have behind us. Nothing could create jobs more rapidly than for us to bring Washington into some solvency, create some certainty. People have said: We are not going to invest, we are not going to hire until we can see whether Congress can act.

As far as the appropriations bills, here are the basics: We have 12 of them that we are supposed to pass every year. A bipartisan group of us went to the floor a few months ago and praised the majority leader and the Republican leader for their agreement to try to bring them to the floor and pass them. That has only happened twice in 12 years. So we worked hard to do that. Nine of the 12 appropriations bills are ready for the Senate to consider. In other words, they have been all the way through the committee process. They are ready for the Senate to consider.

Only the majority leader can bring them to the floor. Yet he said 2 weeks ago suddenly: No appropriations bills this year. That is 38 percent of the budget. That is more than $1 trillion. That is our job to do. It is the way we control spending. Yet we are not even going to deal with it. So this morning we are going to talk about the consequences of that and hope the majority leader will change his mind and bring these bills to the floor.

The House is doing its job. The House has acted on eleven of their 12 bills and the House has passed 7. While they may be at a different overall spending level than we are, we have a well-established procedure for dealing with that called the conference, which is the way we normally deal with differences between the two Houses.

So suddenly we are saying, no budget, no appropriations bills. That is why we are on the floor today. I wish to begin by asking the Senator from Georgia, who is a former leader of the Republicans in the Georgia legislature, who has been here for a number of years, and who has been one of the leaders in this body of working across party lines to try to cause the Senate to do its job, whether he can think of a good reason why we should not be dealing with appropriations bills this year.

Mr. ISAKSON. I thank Senator ALEXANDER for the recognition and for joining with Senator BLUNT in this colloquy. As I was listening to you talk, I thought back to what happened in my family Sunday night. I want to start my remarks with that.

My wife Dianne and I went to my son Kevin and his wife Katherine's house to cook out hamburgers on Sunday night. Three of my nine grandchildren were there: Elizabeth, Sarah Katherine, and William. Elizabeth had arrived late, by the way, because she had been at a birthday party, the theme of which was dressing their American Girl dolls.

When Elizabeth finally got home, she sat down by me and she said: Grandpa, I want to talk to you. She calls me ''Pops.'' I want to talk to you about my American Girl doll and some accessories that I want to buy. So she went over with me how much money it would take to buy the accessories and how much money she made for her chores. We sat down and kind of budgeted how many chores it is going to take to make the amount of money she needs to buy the American Girl doll accessories. Riding home that night I commented to my wife: You know, I just spent more time talking about budgeting and appropriating with my granddaughter than I have spent the entire year in the Senate.

This morning I was with Bud Peterson, the president of the Georgia Institute of Technology, and you can identify with this as a former president of the University of Tennessee, and Senator BLUNT, the former president of Southwest Baptist University. He was talking about how tuition has not gone up that much, but the amount of State support to subsidize tuition has gone down because the States are having to live within their means, having to have balanced budgets. They are having to cut.

I thought to myself, here we are in Washington, the leaders of the country, the people who should be setting the example. Yet my State and my granddaughter are doing a better job than we are. That is an indictment of the system.

I joined the Senator when he commended Senator REID on saying he was going to bring appropriations bills to the floor. I will come to the floor and cheer him again if he will bring them to the floor. We are running out of time, but we are also running out of the patience of the American people.

Senator ALEXANDER's remarks about jobs—appropriations are all about jobs. Right now we are operating for the third year in a row under what is known as continuing resolutions. Do you know what that means? That means we are continuing to do things just as badly as we did the year before, because we are not facing the music. We are not prioritizing our expenditures. We are talking about the appropriations of the American people and their tax dollars.

Senator MURRAY was talking about taxes as one part of the equation. It is only one part. Spending is the other part of the equation. You only address spending by taking up appropriations bills, by having debate and by moving forward.

By way of example, my State is having a referendum in 2 weeks, a referendum on a $7.4 billion increase in sales tax dedicated for 10 years to roads and improvements in infrastructure. Our State needs it. The taxpayers are going to vote on it.

President Obama announced a couple of weeks ago a prioritization of the Port of Savannah in Georgia in terms of finishing the deepening and the widening of that project so the Panamax ships can come in. But if we are not doing appropriations bills on WRDA, we are not doing appropriations bills on the Corps of Engineers, we are not doing appropriations bills on highways, those jobs are not going to come, or we are not going to have jobs and the velocity of investment we need to have.

It is a real indictment of the greatest democracy on the face of this Earth, the leader of the entire free world, that in a time when we are in difficulties, we are in a time with increased debt, we are in a time of great challenges, we are talking more with our grandchildren about spending and saving than we are talking to each other about the money of the taxpayers of the United States of America.

I commend the Senator from Tennessee and the Senator from Missouri on their dedication to this subject and the leadership they have shown on appropriations in subcommittee work, and Senator COCHRAN, all of the members of the Appropriations Committee. The bills are ready. All it takes is for someone to drop the flag and say: Bring them to the floor. I hope Senator REID will reconsider not bringing them to the floor and instead bring them to the floor. Let us talk about the American people's money. Let us talk about jobs. Let's talk about investment in the greatest country on the face of this Earth.

I yield back to the Senator from Tennessee.

Mr. ALEXANDER. I thank the Senator from Georgia for his clear statement about solving the appropriations problems, solving the fiscal problems, creating an environment in which the private sector in this country is willing to create more jobs, and how failing to do that, in the words of the Chairman of the Federal Reserve Board, would be ''destructive.'' In the estimate of the Congressional Budget Office, it would create a recession in the first 6 months of 2013.

The Senator from Missouri is the former No. 2 leader in the House of Representatives and now he is a part of the Senate Republican leadership, so he has some special knowledge about how the two Houses work together.

The majority leader gave as his reason why he could not bring up the appropriations bill, one, that it did not fit the Budget Control Act. Well, the Budget Control Act, which we passed, I voted for it, set a limit on appropriations, and the Senate is marking up its bills to that number. The House is marking up to a number a little below. The majority leader said: Well, they are at one number, the Senate is at another number, so we will not do anything.

I would ask the Senator from Missouri, I thought it was a pretty normal procedure for the House of Representatives to do what it thought it ought to do, and the Senate to do what it thought it ought to do. There is something called a conference of the Senate and the House to work out the differences.

Mr. BLUNT. That is exactly right. That is the way the process is supposed to work. I think the observation the Senator made on the Budget Control Act is that is the maximum amount of money we agree to spend. The majority leader's view is: Well, if the House decides to spend less than that, somehow we cannot move forward.

The truth is that is the excuse for this year. In the 6 years that the current majority has controlled the Senate, they have not passed a budget three times and three times have not brought a single appropriations bill to the floor. I do not exactly know what the excuse was the other times, but this year it is: Well, the House has a different number.

The House is a different institution. It is the House of Representatives. They get elected every 2 years. They bring bills to the floor. In fact, they have had a budget the last 2 years and we have not. I think the House the last year that the majority controlled, the last year NANCY PELOSI was Speaker, did not have a budget. That may be the only time ever since the budget law in 1974. But the Senate has not had a budget for 3 years.

There is that old saying: If you fail to plan, you plan to fail. Clearly the budget is a plan, and the Parliamentarian says we do not have one. The Parliamentarian says the Senate has failed to obey the law for 3 years now because we do not have a budget. We are not prepared to tell the American people what our budget is. And even in spite of not having a budget, the Senate Appropriations Committee has gone ahead and figured out a number they could use as the number to appropriate to. Those bills are ready. The only problem is, those bills are not allowed to come to the floor. A few days ago, I cannot remember what the waste of time that week was on the Senate floor, but I said, in the leadership stakeout: Why are we not doing the things we are supposed to be doing that give us a plan, that tell the American people what we are for? Then at the next moment, the next press opportunity, the majority came out and they asked the leader: Why are we not doing that? And the majority leader said: Well, because the House has a different number, so we are not going to have an appropriations process until the election is over.

It is particularly interesting to me that the majority's view is that they do not want to tell people until the election is over what they are for. The House is saying what they are for.

They have had 11 of the 12 bills ready to go to the floor, and more than half of them have been voted on. They voted on a budget. But in the Senate, we are not prepared to tell people what we are for.

Another thing, this is 38 percent of the budget. Senator ALEXANDER mentioned this earlier. What about the other 62 percent? The other 62 percent now gets spent if we do not even show up, if nobody takes any action, because we have already defined the so-called entitlement part of the budget. A lot of that is Medicare, Medicaid, and Social Security—62 percent. By the way, that was all of the money that came in.

And while we have not had a budget for 3 years, while over 6 years we have only brought appropriations bills to the floor three times, our national debt has nearly doubled. It went from $8.67 trillion when the current majority leader became the majority leader to $15.87 trillion now 6 years later. We have doubled the debt. We have failed to plan. So I guess the old adage is true: If you fail to plan, you plan to fail. Our big failure is we have allowed the debt of the country—the debt that was accumulated in over 200 years, we have now doubled in 6 years. During that 6 years, we have simply been unwilling to do our work. The American people are upset about what is happening in Washington, and they should be. I am upset about it too. We could be talking about spending on the floor of the Senate. That is the only way to ever get spending under control—the appropriations bills, the most basic work the Congress is supposed to do. By the way, we ought to get to where we are talking about more than 38 percent of the budget when we talk about the appropriations bills. We have to get that back in the right category as well.

We have to make the Senate work. The best way to do that is to do the job the Congress is supposed to do, the House and the Senate. When only the House does it, there is no chance to have that conference. That is how legislation works, back to the Senator's original point. The House passes a bill. Any of us who had the basic civic course remember how that chart looked: The House passes a bill, the Senate passes a bill, then you go to conference and talk about the differences.

But the current majority has said: Well, there are differences. We could never work that out, so we will not do our part of the legislative process. We will not have the debate in the Senate. We will not tell the American people what we are for, and we will let them go to the polling place on election day guessing what we might be for, but we are certainly not going to let them find that out by bringing legislation to the floor.

The Senate is not doing its work. This is the fundamental work that needs to be done. I mean, imagine when the Senator was the Governor of Tennessee or when he was president of the University of Tennessee, if he decided they were not going to have a budget, or this interesting argument some of our colleagues make that the Budget Control Act is the budget because it sets the top line.

That would be like when Senator ALEXANDER was Governor and had gotten his adviser and Cabinet together and said: Here is the amount of money we are going to spend. Now let's see how it works out.

That would be the budget? Of course that wouldn't be a budget. It would be a disaster. And the 6-year deficit numbers of $8.67 trillion to now, 6 years later, $15.87 trillion proves the disaster truly has happened.

I just can't imagine. How could one possibly run a State or university or a business if their budgeting process was, here is the top number we are going to spend; now let's see how it works out.

Mr. ALEXANDER. Well, I can't imagine how that would be. In fact, this is such a breathtaking assertion by the majority leader, it is hard to grasp it.

Here we are in a fiscal mess. Everybody says that. They will say it is for a different reason on that side than we do, but everybody acknowledges it. Everybody acknowledges as well that while the rest of the world is in trouble, we are just in a little less trouble and we can get out of our trouble more easily than the rest of the world; that the single biggest decision about whether the United States deals with its fiscal crisis and gets the economy moving again is whether the President and the Congress can govern. That is what everyone says, and we know it is true. In other words, this isn't out of our hands. This isn't out of our control. In fact, it is within our hands. All we have to do is come to some agreement about how much money we can spend, reform the taxes, reduce the debt, control entitlement spending, and this country will take off like a rocket.

The retiring head of the World Bank last month told a briefing of about 35 Democratic and Republican Senators—all of whom are concerned about this, all of whom are committed to working on it—that people who are making decisions about whether to hire people or whether to invest more money in the United States have stopped. They have stopped because of the uncertainty. And what are they waiting on? They are waiting to see whether we can function. They are waiting to see whether we can govern. They have stopped to wait and see.

This is not an encouraging indication about whether the United States can govern. We had some encouragement earlier in the year. That is why several of us from both sides of the aisle came to the floor and complimented the majority leader, complimented the Republican leader, and said: We applaud your agreement to do the appropriations bills.

It says right here in the Constitution, Section 9 of Article I, that no money shall be drawn from the Treasury but in consequence of appropriations made by law. In other words, Article I—this is our job. People say I use the Grand Ole Opry as an analogy too often sometimes, but why would you join the Grand Ole Opry if you didn't want to sing? Appropriating money is what we do.

If the Senator doesn't like the Solyndra loan, then I am supposed to come up here and make that argument if I agree with that. If Senator BLUNT has a flood problem out in Missouri, he can make the argument that he made last year: Put some more money in to take care of the flood victims; take some more money out of here to pay for it.

If we want less of this or more of that, the way we do that is by going through the appropriations process, coming to the floor, offering amendments, and representing the people who elected us and sent us here. What are we supposed to say when we go home and they say: We think there should be more money for the Center Hill Dam on the Caney Fork River or more money for the levees down along the Mississippi and there ought to be less money for loans like Solyndra. Are we supposed to say: Well, sorry, we are not in business in the Senate because the one person who can put an appropriations bill on the floor has announced suddenly that he is not going to do it.

It is not because we don't have time to do it. Look, we could be doing it today. I will bet we don't even have a vote today, much less debate something interesting. We have been wasting the entire month. We could have taken up almost every one—most of the nine appropriations bills that are ready to be enacted and put them on the floor to vote.

The Senator from Missouri is a part of the Republican leadership. He has that honor. There is a different way to run the Senate, and maybe that should be a major factor in the election this year. Maybe people would like to see the Senate work on the $1 trillion that is a part of the appropriations bills, bring amendments and bills to the floor in a bipartisan way, let Senators from every State vote on those, and vote them up or down. That would be one way to run the Senate.

And I wonder if that kind of discussion has been going on in the Republican leadership. If we were fortunate enough to have a majority and move a few desks from that side over to this side as a result of the election, how do you think Senator MCCONNELL and the Republican leadership would conduct business in the Senate?

Mr. BLUNT. I do think we are having that discussion, and particularly about the budget.

There have never been 60 popularly elected Republican Senators, so anytime the Republicans have controlled the Senate, it was with a number that was below 60. And the budget became incredibly important because you can

do things that involve spending money or collecting money during the 10-year budget window, and that decade can be extended every single year if you wanted to. So you can always be talking 10 years in the future of solid policy. And, by the way, in a democracy, 10 years of knowing what the policy is is a lot of time.

We have to have a budget. Our friends in the majority—now there are 53 of them—could do anything in the budget or at least set out to do anything in the budget that 53 of them said they wanted to do. They could change tax policy for 10 years if 53 of them wanted to do it. They could change how we implement the President's health care bill, if 53 of them wanted to do it, because that is spending money, and we would have to do that.

I don't think there is any doubt that if our side were in the majority, we would have a budget because, frankly, it is the biggest tool our size majority has ever had. There have never been 60 of us. We couldn't rely on 60.

Mr. ALEXANDER. If the Senator would yield, I have heard Senator MCCONNELL, the Republican leader, speak both in our Republican caucus and in meetings with Democrats in committee and publicly. I believe he has made it absolutely clear that if he were fortunate enough to be the majority leader, that he would bring appropriations bills to the floor, that he would see that a large number of amendments from both sides of the aisle were offered, and that we would be working longer, working later, and getting more done.

Mr. BLUNT. I think the Senator is exactly right. He has made that pledge at press conferences. I think some of that has been said recently on the floor of the Senate: Let's get our work done. And if we were in the majority, we would pledge that we would get our work done. That means Republican Senators and Democratic Senators would wind up having to take some votes they would just as soon not take, but that has always been part of being in the Senate, that you are here to say what you are for, and you are here for 6 years to say what you are for.

The last 6 years—if you have served in the Senate and your only time in the Senate, as would be the case for some of our colleagues up to now, has been the last 6 years, you have really never had a chance to say what you are for. Half the years you didn't even have an appropriations bill on the floor.

And we have added to the legislative dialog normal phrases that didn't used to be quite as normal, such as ''continuing resolution.'' And what is a continuing resolution? That means you basically can't get your work done for the next year, so you decide to just put a couple of bandaids on whatever were the rules for last year and move forward. When you talk about a continuing resolution, that is failure.

We are going to have a few more days here in July and early August, and then, as Congress has always done, we will go home and hear a lot of complaints in August this year because we are not getting our work done. We are going to come back in September. The fiscal year—the spending year—ends the end of September, and what are our choices going to be? We are not going to have good choices. We have had no appropriations bills. So the choice is to either let the government stop functioning on October 1 or continue spending money at the level we decided who knows how many years ago, to spend that money in many of these programs because we really have not talked about these programs. So we go from no good choice to an even worse choice.

Mr. ALEXANDER. We are all good friends here. People sometimes talk about lack of civility in the Senate. The fact is the Senate is probably the most civil place in the United States. We are excessively nice to each other. We have disagreements, but we are nice to each other. But what is disappointing is that it is not functioning. The Senate is not functioning the way it is supposed to.

It would be as if the President announced: Well, I am not going to the office for a month or two; or if the Supreme Court said: Well, it has gotten to be February, and we think we will stop deciding cases and go home, we will go on vacation. What would the American people say? Well, that is what is happening here. And it is not that we don't have the time. We have it right now. We have it this minute that we could do be doing it.

What makes it especially disappointing is that earlier this year there was what I call an outbreak of good government. We had the majority leader and the Republican leader saying: Let's bring all the appropriations bills to the floor, and people on both sides were applauding them. And then we had some discussions, and lo and behold, suddenly we had bills coming to the floor that made a difference in the lives of Americans: the FAA bill, which is about airline safety, the farm bill, the highway bill, and the Postal Service bill. And thanks to suggestions by the Senator from Michigan, Mr. LEVIN, and others, we began to adopt an agreement: Let's allow all relevant amendments to the bill be considered. So we began to vote a lot. I think one bill had 73 amendments. And then there were even some amendments that weren't relevant.

It began to look like the time in the 1980s when Senators Byrd and Baker ran the Senate. Senator Byrd or Senator Baker would come to the floor and say: All right, here is a bill that is supported by the Democratic chairman and the ranking Republican, or vice versa. They put it on the floor, and they would ask for amendments. They might get 300, and then they would say: I ask unanimous consent to have no more amendments. And of course they would get it because everybody who wanted an amendment had offered one. Then they would start to vote, and the majority leader would say: OK, we are going to stay here until we finish. And they did. Now, it never was perfect. It is always a little messy. That is the way the Senate is. But they got a lot of work done. That is what makes this so disappointing.

Mr. BLUNT. It is disappointing in that, as the Senator says, it is not even that hard to figure out what we could be doing or what we should be doing or what is the fundamental work of what we should be doing. There are things the Constitution says we can't do, such as initiate a tax bill. So we are spending a lot of time on tax bills that, even if we passed one, would be unconstitutional. The House has the right to start those bills, and they would say: We are not even going to deal with that because it is outside of the Constitution. It is not as though this is a hard formula.

How do you get spending under control? The No. 1 domestic priority in the country today should be more private sector job creation. But the No. 1 priority for the Federal Government would be, how do we get spending under control? How do we begin to pay off debt rather than add to debt? And the only way we can do that is to debate the spending bills.

The Senator mentioned the former head of the World Bank a minute ago. I heard him mention a few days ago that several years ago after leaving the governorship, he spent some time in Australia and made good friends there—one of the former Prime Ministers of Australia. And I will let him tell that story. Everybody in the world knows the best and strongest economy and workforce in the world is ours, if we just do the right thing. And the right thing is not that hard to figure out.

The Senator from Tennessee was telling me one of the former Prime Ministers had just returned to the government after some time away. What about his comment about what it takes for our country to reassert itself as the economic place to watch and place to be and want to be. When the Senator reminded me about that story, I thought it was very telling. People all over the world understand what it is we ought to do, but we are just not doing it.

Mr. ALEXANDER. I would be happy to do that. Actually, Bob Zoellick, the retiring head of the World Bank, reported this story to 35 or 40 of us—both parties—to find out how to do what we are talking about, which is to deal with the fiscal cliff issues coming at the end of the year. He repeated Bob Carr, the new Foreign Minister in Australia, who said in a speech in Washington that the United States is one budget agreement away from reasserting its global preeminence.

All of us believe the United States is the preeminent country in the world. That statement comes from a great friend of the United States who wants us to succeed and who knows we can.

If we want to get our economy moving again and help the world get its economy moving again, the main thing we need to do is make this fiscal agreement, deal with the debt, deal with tax reform, deal with the payroll taxes, deal with the sequester, and deal with the appropriations bills. This is the single most important thing we can do to get our economy moving again instead of heading into a depression. He put it that way to reassert, establish, claim, renew—whatever adjective or verb we want to use. The way to maintain America's global preeminence is to get a budget agreement at the end of the year. We were off to such a promising start this year and now we slid backwards.

I will let the Senator from Missouri make the final remarks in the colloquy. It is my hope the majority leader will decide to use the rest of our time this week and next week to deal with appropriations bills, and then when we come back in September we could deal with more. It doesn't take long. Let's just put them on the Senate floor and get to work. We can agree on a reasonable number of amendments. We showed we could do that before, and the American people would appreciate us doing our job.

Remember, 9 of the 12 are ready to go. It affects 38 percent of the budget. That is more than $1 trillion in spending. That would be one more indication we are capable of governing ourselves, which is the single most important signal that those who invest and create jobs in America need to see and hear from Washington, DC.

I thank the Senator from Missouri for his leadership and for coming to the Senate floor.

Mr. BLUNT. My only thought, as we are standing here finishing up this discussion, is that as people hear this, they may wonder if Senator ALEXANDER and Senator BLUNT are talking about how the Federal Government can spend the money, and that being the most important thing. If we are going to get spending under control, of course, it is the most important thing. It is not a desire to spend money, it is a desire to debate how we spend the money, to plan how we spend the money, and give as much notice as we can to the country, to the States, and to the people who are trying to make job-creating decisions. We want to show them the American government is going to do the right thing and is going to plan for a future that makes sense rather than fail to plan and stumble into a future that continues to just do the wrong things.

We have seen the debt of the country almost double in 6 years. Surely, that is enough indication that what we are doing is not working and more of the same is not the answer. Getting back to the real responsibility of the Senate to do its job—the House is doing its job. They are going to take some criticism about the programs they said should be cut or redefined. We need to do our job. That is the way this process has to work. It is disappointing that it is not working.

We are going to come back in all likelihood in September with bad choices that will be made. One is to shut the government down. One is to just somehow continue to spend money as we have been spending it as the debt of the United States of America doubled in about 6 years.

I yield back to my friend from Tennessee.

Mr. ALEXANDER. Mr. President, we yield back the remainder of our time.

I see the Senator from Nebraska is here. I wonder if he is here to be a part of our colloquy or to make another statement.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. JOHANNS. Mr. President, I am here to make another statement, but I do want to associate myself with what the two Senators had to say, the Senator from Missouri and the Senator from Tennessee. I look at our assignment between now and the end of the year, and we have some monumental issues to tackle. In fact, they are so monumental that many are referring to the work that needs to be done as a fiscal cliff. Some are talking in the vein that we are going to cause another recession unless we come to grips with these issues.

I look at this week and so many weeks that have passed this year and nothing has been done. I am going to guess when this week is all said and done, we will probably take three votes. That seems unbelievable for the Senate. It doesn't have to be this way at all. We could be addressing the important issues that face our Nation. There isn't any reason we should not be addressing those issues. Let's debate bills, vote on them, and do the right thing for our country.

I thank the two Senators for their comments and I am pleased to be able to associate myself.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. SANDERS. Mr. President, I rise this morning in strong support of the Middle Class Tax Cut Relief Act that would extend tax cuts for 98 percent of the American people while letting the Bush tax breaks for the wealthiest 2 percent expire at the end of this year.

I also want to express my strong opposition to the McConnell-Hatch bill that would provide tens of billions of dollars in tax breaks next year to millionaires and billionaires who today are doing phenomenally well.

Really, this is not a complicated issue. The United States now is seeing growing wealth and income inequality. The middle class is disappearing, poverty is increasing, the people at the top are doing very well at the same time that the effective tax rate of the millionaires and billionaires is the lowest it has been for many decades.

This country has a $16 trillion national debt. We have a $1 trillion deficit this year. I believe to give huge tax breaks to millionaires and billionaires makes no sense, and I believe it makes no sense to the American people.

Our Republican friends have made it very clear that when they say they don't want to raise taxes on anyone, that is just code for saying they don't want to raise taxes on millionaires and billionaires. I should add that if Governor Mitt Romney becomes President, he has proposed even more tax breaks for the wealthiest people in this country while at the same time cutting Social Security, ending Medicare as we know it, and slashing investments in education, transportation, child care, nutrition, and a variety of other programs that benefit working families and the middle class.

SOCIAL SECURITY

This morning I want to say a few words about Social Security. Let me be very clear. When we talk about Social Security, it is imperative that we understand that Social Security has not contributed one nickel to our deficit or our national debt. So when people say we have a national debt problem and that we have Social Security and they fuse the two together, that is simply incorrect.

As all Americans know, Social Security is independently funded through payroll tax contributions from workers and employers. Up until last year, it has received no funding from the Federal Treasury.

Despite the rhetoric we hear from Republicans and those on Wall Street, Social Security is not in financial crisis. Social Security has a $2.7 trillion surplus. According to the Social Security Administration, Social Security will be able to pay out 100 percent of promised benefits to every eligible recipient for the next 21 years.

Although the American people now take Social Security for granted, we should never underestimate the incredibly positive impact Social Security has had on our country. Sometimes we do forget it, especially when those people come up and say: Let's cut Social Security. Let's cut Social Security. But let's talk about what Social Security has accomplished.

Since its inception over 75 years ago, through good economic times and bad, through terrible recessions, Social Security has paid out every nickel owed to every eligible beneficiary with minimal administrative cost. This is an extraordinary accomplishment. Nobody has ever received a letter from the Social Security Administration saying: Sorry. We are in the middle of a recession. We have had to cut your benefits in half. Every eligible beneficiary has received 100 percent of the benefits owed to him or her.

During this 75-year period, Social Security has succeeded in keeping millions of senior citizens, widows, orphans, and persons with disability out of poverty. Before Social Security existed, almost half of America's senior citizens lived in poverty. Today, that

number is still too high, but it is 10 percent not 50 percent.

More than 55 million Americans now receive Social Security benefits. I would contrast that record to the situation we recently saw on Wall Street when millions of Americans lost significant or all of their retirement savings because of the collapse of Wall Street and the financial crisis we went through. Despite this success, despite this incredibly strong record, my Republican friends, and too many Democratic friends, are calling for cuts in Social Security.

For example, we know where Mitt Romney stands on Social Security. Mr. Romney wants to begin the process of privatizing Social Security. I disagree with him because I think that would benefit primarily his friends on Wall Street, because if we privatize Social Security, where are people going to get their retirement benefits? From Wall Street. Those guys on Wall Street will end up making huge amounts of money by charging the average American a significant commission for their service.

Mr. Romney wants to gradually increase the retirement age to 68 or 69. I don't agree with that. At a time when 23 million Americans remain unemployed or underemployed and when the long-term unemployment for senior citizens is skyrocketing, tell me how many employers out there are going to say to a 68-year-old person or a 69-year-old person: We have a great job for you, especially if someone is in the construction trades or is a nurse or is somebody who stands on their feet 8 or 9 hours a day, such as a waiter or a waitress. I don't think those jobs are going to be there if we raise the Social Security retirement age. I don't know what those folks are going to be doing for income.

Finally, the Romney campaign has put on his Web site the following:

> Mitt believes that [Social Security] benefits should continue to grow but that the growth rate should be lower for those with higher incomes.

What does that mean in English? While Mr. Romney has been somewhat vague about his intentions and has not spelled out the exact details of this proposal, some of my Republican friends in the Senate have provided what I believe is the roadmap Mr. Romney is talking about. Last year, Senators LINDSEY GRAHAM, RAND PAUL, and MIKE LEE introduced a bill that would, among other things, reduce the future growth rate of Social Security benefits for the top 60 percent of earners—60 percent of earners—by establishing what they call a progressive price index.

Who are these so-called higher income individuals whom my Republican friends are talking about? Under this Republican bill, a worker making about $45,000 a year today, retiring in 2050, would receive 32 percent less in annual Social Security benefits than under the current formula. How much is a 32-percent cut for this middle-class wage earner? It is about $7,500 a year, and that, my friends, is a lot of money for a retiree.

It should come as no surprise that Republicans in Washington and Governor Romney want to slash Social Security. The truth is, Republicans have never liked Social Security, and they have been attacking Social Security since its inception. That is not news. The question that millions of Americans are asking themselves today, however, is where President Obama stands on Social Security. Unfortunately, he has been largely silent on this issue since he has been in the White House and during the current 2012 campaign. He made a very strong statement recently, incorrectly attacking the Republican proposal—the so-called Ryan proposal—to move Medicare toward a voucher program. But unless I am mistaken, I did not hear a word from him on the future of Social Security, and that is a shame.

That is a shame because candidate Barack Obama, when he was running for President in 2008, made it very clear to the American people he would be a strong defender of Social Security. Let me remind the American people exactly what Barack Obama said on the campaign trail in 2008.

On September 6, 2008, Barack Obama told the AARP the following:

> John McCain's campaign has suggested that the best answer for the growing pressures on Social Security might be to cut cost of living adjustments or raise the retirement age. Let me be clear: I will not do either.

That was then-candidate Senator Barack Obama. On April 16, 2008, Senator Barack Obama said:

> The alternatives, like raising the retirement age, or cutting benefits, or raising the payroll tax on everybody, including people making less than $97,000 a year—

Which today would be $110,000 a year—

> those are not good policy options.

On November 11, 2007, candidate Barack Obama said:

> I believe that cutting [Social Security] benefits is not the right answer; and that raising the retirement age is not the best option.

In order to address the long-term financial challenges of Social Security, candidate Barack Obama came up with an idea that I believe hit the nail on the head. It was exactly the right approach, and I have applauded him for coming up with that idea. What he said is that he would apply the Social Security payroll tax on income above $250,000 a year to make sure a millionaire and a billionaire pay the same percentage of their income into Social Security as someone who today makes $110,000 a year.

The bottom line is we lift the cap on taxable income so billionaires and millionaires and those making above $250,000 a year start contributing into the Social Security trust fund. Recent reports have confirmed this would ensure Social Security would remain solvent for the next 75 years.

In 2008, candidate Barack Obama was exactly right. That is the solution to the long-term financial needs of Social Security, and that is why I introduced candidate Obama's concept into legislation. It was the right approach. I have introduced it into legislation and it now has 10 cosponsors.

Here is how the Economic Times reported on the subject back on June 14, 2008:

> Barack Obama would apply the Social Security payroll tax to all annual incomes above $250,000, which would affect the wealthiest 3 percent of Americans. The Presidential candidate told senior citizens in Ohio that it is unfair for middle-class earners to pay the Social Security tax ''on every dime they make,'' while millionaires and billionaires pay it on only ''a very small percentage of their income.''

That is what Barack Obama said when he was running for President in 2008. I agreed with him. He was very clear. I suspect millions of Americans voted for Barack Obama because of the strong stand he made in defending Social Security. Unfortunately, since he has been in office, he has been much less clear about his position on Social Security. There were reports last year he was considering cutting Social Security as part of a grand bargain with the Speaker of the House JOHN BOEHNER.

What I simply want to know, and I think what the American people want to know, is where does the President stand on Social Security? Is he going to keep faith with the American people? Does he continue to believe what he believed when he ran for President? Is he going to say to the millions and millions of seniors out there who are struggling every single day to keep their heads above water that we are not going to balance the budget on the backs of the elderly and the children and the sick and the poor; that we are not going to continue to give tax breaks to millionaires and billionaires who are doing phenomenally well and cut Social Security as part of some grand bargain when, in fact, Social Security has not contributed a nickel to the deficit situation?

As the Presiding Officer well knows, in terms of Social Security, there is a lot of discussion in the Senate about moving toward a chained CPI—a chained CPI. Nobody outside this room understands what a chained CPI is, but I will tell you what it is. A chained CPI is significant cuts in Social Security COLAs, and it rests on the theory, if we can believe it, that COLAs for seniors on Social Security are too generous.

When I tell this to the seniors in Vermont, I say: Please, don't laugh, but they always laugh. They say: Bernie, in the last 2 out of 3 years, while our health care costs have been going up, while our prescription drug costs have been going up, we haven't gotten a COLA at all. How could they possibly believe the formulation for coming up with these COLAs is too generous?

But that is what the billionaires and the millionaires want, that is what our

Republican friends want, and that is what some Democrats want. They want to come up with a formulation which will cut Social Security benefits. It will mean, if someone is 65 today, that when they become 75, they will receive $500 a year less; and when they are 85 and are trying to get by on $15,000, $16,000 a year, they are going to cut $1,000 from their Social Security benefits.

I think—when this country has the most unequal distribution of income and wealth, when the top 1 percent owns 40 percent of the wealth of this country, when in the last study I saw 93 percent of all new income in 2010 went to the top 1 percent—we shouldn't balance the budget by cutting Social Security for people who are trying to survive on $14,000 or $15,000 a year. That is not the right formulation or the way we should go.

I wish to conclude my remarks by simply saying I am going to do everything I can to defend Social Security. I am going to do everything I can—given the fact our deficit is largely caused by unpaid wars and tax breaks for the rich and the recession, which was created by Wall Street greed—to fight any effort to cut Social Security, Medicare, and Medicaid.

Today, I think the American people know where the Republicans stand on Social Security. They know where Governor Romney stands on Social Security. But now is the time for the President of the United States to tell us where he stands on Social Security. Is he going to keep faith with the promises he made in 2008? Is he going to stand with the senior citizens of this country and say: No, we are not going to balance the budget by cutting Social Security?

I look forward to hearing what the President has to say. This is an enormously important issue to the seniors and the veterans of Vermont, and I am going to continue dealing with it.

With that, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MANCHIN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. 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, today I wish to talk about a bill that will reduce taxes for 97 percent of all small business owners. I wish to talk about a bill that will keep $2,200 in the pockets of the middle class next year. I wish to talk about a bill that will extend tax cuts for those making less than $250,000 per year. I wish to talk about the Middle Class Tax Cut Act and why it should pass with overwhelming and bipartisan support.

My colleagues across the aisle have said they want to get our country back on its feet. Well, I know our prosperity has always stemmed from and been measured by the success of the middle class. They are the ones who get in early and stay late. They take on a second job to make it just a little bit easier to pay for college. They wait to retire to save more to help their children and grandchildren. Under no circumstances should middle-class people be worried about their taxes going up, particularly at a time when median income, middle-class income is declining in America.

To raise taxes at a time when the middle class is struggling makes no sense whatsoever. Under no circumstances—no circumstances—should the middle class have to worry about their taxes going up.

So we are proposing a 1-year extension of the Bush-era tax cuts on all Americans on the first $250,000 of income they make. Let it be known that tax break will go to everybody. A person could be making $10 million and they will get the same tax break on the first $250,000 as someone making $200,000 or $220,000 or someone making $80,000. So it does not discriminate.

By the way, we are lucky in America that we have people who have made a whole lot of money by starting businesses and employing people. We revel in the fact that America does that, and we admire well-to-do people. The difference is we don't think they need a tax break when that money could go to deficit reduction instead. Well, we can't say that for the middle class because the middle class, obviously, has less money and is struggling. So that is why we choose $250,000 as the line.

In addition, there were three more very important tax cuts signed into law by President Obama that working families across America rely on. They are the American opportunity tax credit, the expanded child tax credit, and the earned-income tax credit. Our proposal would extend these tax cuts as well. So under our plan the middle class will be secure in the knowledge that their taxes aren't going to go up over the next 5 months while we all debate the fiscal cliff and all the things we have to do to prevent our deficit from growing. This should be priority No. 1—to secure the middle class while we have this debate.

I wish to focus for a moment on a glaring difference between our plan and the Republican plan. We all know how hard it is to pay for college. We all know how important a college degree is. Study after study after study has shown if a person gets a college degree, they will make more income and a person will have a better life. Some of the recent studies show people even live longer. Having a college degree is so important to American families. Yet, at the same time, the cost of college is rising. Whether a person goes to a private school, a religious school, or a public university, the cost is going up and up and up. So it has been a passion of mine since I have come to the Senate, and even before, that we give middle-class people a tax break to go to college.

We help the poor already with Pell grants and things such as that. That is a very good thing, and I am proud we do it. But a person or a family can be making $50,000, $70,000, $90,000, $110,000, and if a kid is going to college and it costs $10,000 or $20,000 or $30,000 or $40,000 a year, they can't afford it. As a result, we have millions of parents stretching and stretching and stretching to help their kids, and millions more students are taking on huge debt loads because they know college is so important. It is vital for us to help them.

When a young man or a young woman who deserves to go to college doesn't because they can't afford it, they lose, their family loses, and our country loses as well. When a young person goes to the college they shouldn't go to because they can't afford the college they deserve to go to and want to go to, they lose, their family loses, and America loses. So it has been a passion of mine that we give the middle class—not just the poor but the middle class as well—help in paying for college because it is so expensive but it is also so important.

So we have a law now called the American opportunity tax credit. It is legislation I wrote. It helped 9.1 million families get a tax break on their children's college tuition last year. Because of the American opportunity tax credit, more parents and students now qualify for tax relief to pay for college expenses not just for 2 years but for a whole 4 years of study. It gives a $2,500 tax credit right off a family's taxes to families whose income is up to $180,000 a year. So it goes well into the middle class and even a little higher in many States. But it is needed. It is vital.

If this tax credit expires, families who rejoiced—I have talked to them across my State of New York in every corner of the State. Moms and dads are sitting around the kitchen tables Friday night after dinner, the kids are out, saying: How are we going to pay for college for Mary or Jane or Tom or Bill? They have sleepless nights about it. So why, why would our colleagues on the other side of the aisle let this tax break expire? Why does their proposal, which continues tax breaks for the wealthiest of Americans, kick these tax incentives to the curb? To let this tax break expire is a dagger to the heart of the middle class, and that is just what our colleagues on the other side of the aisle are doing.

It is more than clear Republicans are going to hold up the middle-class tax cuts, including this needed and significant help to pay for college, to insist that we provide those at the highest income levels—people who make over $250,000 a year—with a tax cut at the same time. They are holding the middle-class tax cuts hostage.

Now, I will be the first to congratulate people who are very wealthy, as I

mentioned. They have been successful. They are living the American dream. God bless them. They create jobs. They do. But today's debate is not about them or their taxes. We can have a rigorous debate about whether they deserve another tax break or whether that money should go to deficit reduction or maybe for education or infrastructure or scientific research. That is a debate for another day, and I look forward to it.

Today's debate is about the middle class. Letting these tax cuts expire would generate serious problems for our middle-class families and businesses.

It could prevent them from being able to pay for their kids' education or buy a new house or a new car. It could mean they put off retirement a little bit longer or cancel a vacation. That would have repercussions across the entire economy. So extending the tax cuts for the middle class is a no-brainer and the American people are on our side.

I hope, I pray, I beseech our friends on the other side of the aisle to listen to the middle class, saying: Look, you guys fight over what you should do for the highest income people but come together on helping us.

That is what we can do. If our colleagues on the other side of the aisle want to get this country back on track, they will join us in supporting this critical legislation, including the tax credit to help pay for college education, to help the families and businesses that are the real job creators and prosperity makers.

With that, Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Good afternoon, Mr. President.

The PRESIDING OFFICER. Good afternoon.

REMEMBERING SALLY RIDE

Ms. MIKULSKI. Mr. President, I rise today to honor the life and legacy of a dear friend, someone whom I admire, and someone whom the whole world cheered on, Dr. Sally Ride.

Dr. Ride was the first American woman in space. When she went out there, she blazed a trail out into the stars for women in science and women in technology, inspiring not only American girls but girls around the world.

Last night, we got the very sad news that Dr. Ride passed away after a brave fight against pancreatic cancer.

I wanted to come to the floor to speak about her. We all know the biography. Dr. Ride became an astronaut after answering an ad in her college newspaper. She had earned a Ph.D. in physics from Stanford. She also earned a graduate degree in Shakespeare. She joined the first group of women in the astronaut corps and trained to be a mission specialist.

I knew Sally Ride both professionally and personally. I have had the great honor in my years in the Senate to be on the committee that funds the American space program. I have important space assets in my own State of Maryland: the great Goddard Space Flight Center and Wallops Island, from where we hope to do some new launches later this summer.

But for me, my journey into space, my love for space began not only when John Glenn went into space, and when we walked on the Moon, but I will never forget that day Sally Ride, in 1983, boarded that shuttle, strapped herself in, put on her helmet, the rockets roared, and out she went. The whole world had signs, cheers saying: Go Sally. Go Sally. Wow, I will never forget it.

I was in the House of Representatives. I was down there. We were waiting. We were excited. There was nothing like it. Mr. President, if you have not seen a shuttle launch, it is the most amazing thing. The ground shakes. You feel it. You feel it in your body. You feel it in your heart. Then, as that rocket took off, we cheered her on. It was an enormously patriotic moment. Once again, our shuttle flew high into the sky. It was the Challenger, and later on it would have its own rendezvous with destiny.

I was so proud of Dr. Ride. But I was proud of my country. I was proud of its vision, of its innovation, and I was proud of the fact that we live in a country where women can follow their dreams, to take the talents God has given them and be able to pursue them.

When I saw Dr. Ride go into space, another barrier was broken for women. Even though Sally was the first, she did not want to be the only. When she launched into space, yes, she broke a barrier; yes, she took with her the hopes and dreams of many girls, but she wanted more to come. She had a characteristic of many of us who are the first. She said though she was the first American woman, she did not want to be the only American woman. She devoted her career to encouraging young women to go into science and to also come into the space program. Now more than 50 women have gone into space, and it has been an astounding—an astounding—accomplishment.

Dr. Ride and I talked about what it is like to be the first. When I was elected to the Senate, I became the first Democratic woman elected to the Senate in her own right. Among the first 10 phone calls I got was from Sally Ride, congratulating me. She said: Hey, you broke a barrier and you are going to go into new space. It is called Senate space. After we joked and laughed, and so on, we said: Gee, we ''firstees'' ought to have a club that should meet on the first Monday of the first month, the first of the year. We had Sandra Day O'Connor. There was Sally Ride. President George Bush was to go on to appoint Bernadine Healy as the first woman to head NIH.

As we talked about it, she said: We who are the first cannot be the only. Another characteristic of ''we the first'' was where she said—and we would agree—that you do not get to be a ''me'' without a whole lot of ''we.'' She was a firm believer in public schools, public education, public libraries—those opportunities that enable you to go to school, that enable you to go get a Ph.D. at Stanford, that enable you to get out there and compete, to be an astronaut, that when we think about ourselves, we think about our families, we think about our teachers, we think about our coaches.

We are so indebted to them, and she was too. She was so indebted that that is the way she wanted to devote her life. Sally Ride knew she was famous, but she had no desire to get rich. She did not capitalize on her big name, her big iconic international brand. She wanted to use her name, her reputation, the Sally Ride brand, to be inspirational and motivational. She did not seek profit. She sought to inspire others.

After retiring from NASA, she dedicated her entire life to encouraging young women to study science, math, and technology, to love that which she loved and wanted to do. She continued to do that all the way up to the last months of her life.

I recall in 2008 I invited her to Baltimore to celebrate the 25th anniversary of her going into space. We had this great afternoon. After a wonderful lunch of crab cakes and talking things over, we went to the Maryland Science Center. There were these girls there, Girl Scouts working on badges about science and technology. There was this great globe that showed planet Earth, and she talked about what it is like to study the planet. She talked about what it is like to go into space. What she said was, when you are busy looking out there in space, and you look back, you see this great planet, and you want to do all you can to help it and save it.

Those young girls were mesmerized. Well, wow, that was 4 years ago. Many of them have now finished their Girl Scout badges, many have finished middle school and are in high school. But, hopefully, they are not finished their great interest in science.

That is what her work was.

She also had a great impact on the space program itself.

When Al Gore was here as a Senator, he was on the authorizing committee, and I, of course, was an appropriator. She worked with NASA and us on a new strategic vision for NASA. Then, what did she say about what we should study? Planets, galaxies, asteroids, you name it; rings around Saturn, yes. But you know what else she said? She said: Let's study this planet where we suspect there is intelligent life. She had a great sense of humor. Al Gore and I leaned forward in our chairs and said: What would that be? What did Sally know that had been dreamt about for ages—intelligent life? She said: Yes, it is called planet Earth. Let's see if we can find it.

Dr. Ride, after we had our laughs that day, suggested that we study our own planet as if it were a distant star so that we would get to know it, we would know its climate, we would know its weather, and also we would take the time to know its people, and that we would do it to save the planet and save the people who are on the planet.

I regret that our own science is not yet advanced to have saved Dr. Ride. She died of pancreatic cancer. I know the gifted and talented people at NIH and those who benefit from the funding of NIH are working all over this great country to find cures for that dread ''C'' word. Pancreatic cancer is deadly and it is fast and it is painful. She died steadfast and true to herself and true to her mission.

I think the entire world owes a debt of gratitude to her. The way we can honor her memory is to encourage students to search for the stars, but let's search here for the problems that hurt our own people. Let's find a cure for pancreatic cancer. And let's continue to be a great country that innovates and also educates and believes in educating its women and girls in the same way.

God bless Sally Ride. And God bless America, the kind of country that made Dr. Ride's life possible.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

DR. SHAKIL ALFRIDI

Mr. PAUL. Mr. President, Dr. Shakil Alfridi is a physician in Pakistan. He has been put in prison for the rest of his life for the crime, basically, of helping the United States get bin Laden. I think it is a travesty of justice that Pakistan is holding this man for the crime of helping America, and I think we should not tolerate it.

We send Pakistan $2 billion a year, and recently, instead of withholding that, President Obama has given them an additional $1 billion—exactly the wrong thing to do. I have a bill that will withhold all further foreign aid to Pakistan unless this doctor is released.

There are reports now that his life has been threatened. There are reports coming from the Information Minister in the province where he is being held that his life has been threatened by fellow inmates and throughout the community.

My concern is that Dr. Alfridi may well be killed before he comes to trial. He was scheduled for an appeal on July 19. They have rescheduled this, and it will be on August 30.

I have a bill, and I have the votes necessary to demand a vote in the Senate. No matter what the leadership wants, we will have a vote on ending all of Pakistan's aid if this political prisoner, Dr. Shakil Alfridi, is not released. We will have this vote. I had threatened to have the vote this week, but I am going to delay it for one month to see if the appeal works, to see if he is still safe in 1 month. But I hate to think of what might happen to him while we are waiting here and that we have not used every bit of the leverage of this money that we give to Pakistan. It is our money, it is your money, and we should not be sending it to a country that disrespects us.

If Pakistan wants to be our ally, they should act like it. If Pakistan wants to work with us in the war on terrorism, they should act like it. And imprisoning the man who helped us get one of the world's worst mass murderers is not a way to encourage cooperation between our countries.

This episode of imprisoning this man is driving a wedge between America and Pakistan. So if Pakistan wants to help us, good. Can we cooperate with them? Yes. But we should not continue to send good money after bad while they are imprisoning this man. This doctor deserves our respect.

I have also introduced legislation that would allow him to come to the United States if there is a threat to his safety in Pakistan and if he wishes to come here as a reward for helping us get bin Laden.

This vote will happen either in early September or late August, depending on what happens with his appeal. I hope some common sense will intervene and they will let him go. But at the very least, Americans need to know that Pakistan needs to cooperate with us, Pakistan needs to help this man, and that we all should be proud of what he did to help us get bin Laden. I will do everything possible, everything I have within my limits, to get this vote to occur, and this will happen within the next month when his trial comes forward on August 30.

Mr. President, I yield back my time.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m. today.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. WEBB).

MIDDLE CLASS TAX CUT ACT—MOTION TO PROCEED—Continued

Mr. DURBIN. Mr. President, 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. MORAN. 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. MORAN. Mr. President, I wish to speak about the tax issues the Senate is facing this week. There is clearly a tremendous need for comprehensive tax reform. Americans worked from January 1 to April 17 this year, 107 days, to earn enough money to pay their share of Federal, State, and local taxes. Americans also spent nearly 8 billion hours preparing their tax returns this spring. This amounts to 1 million people working full time for an entire year. There is no reason that paying taxes should be so confusing and so complicated, so time-consuming.

The burden this process places on individuals and small businesses must be relieved. According to the nonpartisan Tax Foundation, the average American taxpayer will spend more on taxes in 2012 then they spend on food, clothing, and housing combined.

It is time for tax freedom. We need to replace our deeply flawed tax system with a commonsense system that is simpler and more growth oriented. The Tax Code matters when it comes to growing the economy. It is for these reasons that I am a sponsor of S. 13 and a long time supporter of the Fair Tax, which I see as a step in the direction of liberty and prosperity. The Fair Tax eliminates payroll, estate, and many other taxes, to be replaced with a national sales tax levied on purchased goods, placing all Americans on equal footing. The Fair Tax allows our businesses to thrive while generating tax revenues to be similar to our current 3-million-word-long Tax Code.

The process of tax reform has major consequences for every citizen of our country. But it is a process that must be started because the consequences of inaction are too costly. The truth remains that Americans want and need some sort of tax-filing relief. The need for commonsense reform becomes more obvious each and every tax season.

Over the course of the last several years, American taxpayers have become much more attentive to what is and is not happening in the Nation's Capital, and they have made their choices clearly heard. They have a message Congress should be willing to listen to, and that message is: Simplify the Tax Code.

In doing so, we will create an opportunity for economic growth and new prosperity while increasing personal freedom and liberty. By reforming this broken process, the Tax Code we have today, Americans will once again be more in charge of their lives and their money.

This coming January, as we know, our Nation faces a fiscal cliff. On top of the tax increases included in President Obama's health care law, if the Bush tax cuts are allowed to expire, a tax increase of $494 billion will strike the economy. For Kansans, that is an average tax increase of $3,000 per tax return, money they should be using to put food on their family's table, save for their children's education, and prepare for their own retirement. It is estimated that 70 percent of the looming tax increases will fall directly on low- and middle-income families.

This week, Congress will consider a tax proposal from the majority leader that increases taxes, unfortunately, the exact opposite of what our economy needs. S. 3412 that we are debating