Next, States that extend CHIP coverage to children above 300 percent FPL must submit to the Secretary a State plan amendment describing how they will address crowd-out for this population, incorporating the best practices recommended by the Secretary.

After October 1, 2010, Federal matching payments are not permitted to States that cover children whose family incomes exceed 300 percent of poverty if the State does not meet a target for the percentage of children at or below 200 percent of poverty enrolled in CHIP.

Simply put, cover your low-income kids or you get no money to cover higher income kids.

Now I know some people are obsessed with the State of New York and their and their efforts to cover kids up to 400 percent of poverty.

It seems to come up in the talking points of every person who speaks out against our bill. This bill does not allow any State to go to 400 percent of poverty.

In fact, the bill makes it very difficult for any State to go above 300 percent of poverty; it will make it very difficult for New Jersey, the only State currently covering kids above 300 percent, to continue to do so if they don't do a better job of covering low-income kids.

If you are concerned about the State of New York, don't waste your time looking at this bill. You will not find answers to New York's fate here.

The answer is where it has always been—in the office of HHS Secretary Mike Leavitt. Only he has the authority to allow any State to cover children up to 400 percent of poverty. This bill does nothing to change that authority. It is up to the Secretary.

I heartily encourage those of you who haven't to read the bill. It is all there in black and white.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. BOND. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair for 2 minutes so that we may bring in a distinguished visitor.

There being no objection, the Senate, at 6:12 p.m., recessed subject to the call of the Chair, until 6:14 p.m. and reassembled when called to order by the Presiding Officer (Mr. WHITEHOUSE).

CHILDREN'S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007—Continued

Mr. GRASSLEY. Mr. President, I think we are ready for closing comments by me as ranking member and Senator BAUCUS as chairman of the committee. Then we will be done with the debate on SCHIP.

Mr. President, first, I thank my colleagues for supporting the vote to move to the consideration of the children's health insurance reauthorization bill so we could avoid a lot of turmoil over getting here where we are to get the business done because I think everybody knows how this is going to turn out.

I appreciate the leadership of Senator REID because he was an honest broker in helping the House to understand what needed to be done in the Senate, and he held a lot of meetings on this subject.

I thank my good friend, the chairman of the committee, the Senator from Montana, Mr. BAUCUS, for his leadership in forging this compromise in a bipartisan way.

I also have to recognize people who sat in on a lot of these meetings and worked hard and are part of this compromise: Senator HATCH and Senator ROCKEFELLER. In particular, Senator HATCH has been a stalwart through this process because he was the leader in creating the Children's Health Insurance Program when it was first inaugurated 10 years ago. The continued leadership he showed was very good and necessary.

I realize some in the majority want to do more than we do in this compromise. I know it wasn't easy for those on the other side of the aisle to convince some of their colleagues that this was the right course. But we have a bipartisan bill in the Senate, and now we have a bill with strong bipartisan support in the House of Representatives. We picked up a massive number of Republicans who did not vote for it the first time in the House of Representatives.

Currently, the SCHIP program covers kids at incomes far beyond what was considered low income in the original statute. It covers parents and, in some States, it even covers childless adults. With this reauthorization, this program will return to its original concept: helping the lowest income kids and not helping adults as the program evolved beyond the perceptions that were there 10 years ago when this bill was written.

Childless adults who are presently on the program will be phased out completely because this is a children's program, it is not an adults program. States will not be able to get enhanced Federal funds if they decide to cover parents. States will only be able to cover higher income kids if they demonstrate that they took care of the purpose of this legislation, which is to take care of the lowest income kids first.

Every financial incentive in this bill discourages States from spending a penny to cover anyone other than low-income children. And all the financial incentives are entirely focused on the lowest income children. All the rhetoric to the contrary notwithstanding, this bill does not expand the program to middle-income families. It refocuses the program on the lowest income children.

Some of the speeches I have heard on the Senate floor, I wonder what good does it do to make these points over and over because it is just that some of my colleagues on the Republican side of the aisle don't read this bill, don't care what we say. This bill does what they think it does, even if it doesn't do it, and they say that on the Senate floor. Those who say otherwise than what I just said have not read the bill. This bipartisan compromise provides coverage for more than 3 million children who are without coverage today.

In closing, I encourage my Republican colleagues to think long and hard about what I said as this debate began and throughout this debate. If this bill is vetoed—and this is what I would like to have the opponents concentrate on—if this bill is vetoed, if at the end of the day all we do is simply extend the program that has been in effect for 10 years, what will we have accomplished? Will adults be gone from this program who were not supposed to be included in it in the first place? No. Will States have a disincentive to cover parents? No. Will States be encouraged to cover low-income kids before higher income kids? No. Will the funding formula be fixed so States are not constantly challenged by funding shortfalls? No. And finally, will we have done anything to cover kids who don't have any coverage today? The answer is, again, no.

I quoted the President making a promise at the Republican Convention in New York. I did that yesterday. I want to state again what the President said. You can't say it too many times. I hope at some time the President remembers what he said:

> We will lead an aggressive effort to enroll millions of poor children who are eligible but not signed up for the government's health insurance programs.

An extension of law, which is what is going to happen if the President vetoes this bill, will not carry out what the President said at the Republican Convention in New York in 2004.

Faced with that, your answer today on this bill, Mr. President of the United States, should be yes. This bill gets the job done that you said in New York City you wanted to do.

I hope the President's answer will be yes because if he doesn't veto this bill, then we will do those things he said he wanted to do. It will help more than 3 million low-income, uninsured children. About half of the new money is just to keep the program running. The rest of the new money goes to cover more low-income children.

It provides better options for families to afford employer coverage.

It takes even more steps to address crowdouts, so we don't move people from private insurance to government-funded insurance.

It phases adults out of the program because this is a children's program, it is not an adults program.

It discourages States from covering higher income kids.

It rewards States that cover more of the lowest income kids.

It puts the lowest income children first in line for coverage.

Here is what the bill does not do:

It is not a government takeover of the health care system.

It does not undermine our immigration policy.

It is not expanding the program to cover high-income kids.

It is not everything that people on my side of the aisle said it is in debate on the floor of the Senate. It is, in fact, a good bill. It is a compromise. I urge my colleagues to support this bill for kids.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, a lot has been said in this debate. Much of it is not true, but much of it is true. One way to determine what is true and what is not true is, frankly, to listen to the Senator from Iowa. I know of no man or woman whom I believe speaks straighter, more honestly, and calls it like it is than the Senator from Iowa. I guess that is why he is elected by such large margins every time he is up for reelection. It has been such a pleasure to work with the Senator from Iowa because he is so straight, so modest. He tells it like it is, and he has no ulterior motives.

All Senators, especially those on this side of the aisle, should listen to him because what he says is true. When he describes what this bill contains and does not contain, he is accurate. So if a Senator is trying to figure out who is right—because we have heard all kinds of claims on both sides—it is my judgment that what you hear from the Senator from Iowa, you can take to the bank because that is the truth as to what is and is not in this bill.

As we close out this debate on the reauthorization of the Children's Health Insurance Program, I wish to take the time to remind us all what our goals are—and not just our goals but what our duty is as Senators.

Today, the health of many of our Nation's low-income children is in our hands. It is that simple. We hear lots of stuff around here, but the bottom line is, the basic point is, the health of many of our Nation's low-income children is in our hands.

We are here today not only to make sure children who currently have health insurance keep it, but also to make sure that many more low-income children get coverage. This is important because not having health insurance affects a child's life. Uninsured kids do not go to the doctor. They do not have checkups. Uninsured kids remain undiagnosed for serious childhood conditions such as asthma and diabetes. Uninsured children are not diagnosed with learning disabilities, and they struggle through their classes. Kids who do not have insurance do not see a dentist. They don't get cavities filled and risk serious illness due to poor dental health.

Adequate health care is a critical foundation for a healthy life. Insuring our children is a smart economic investment for our Nation's future. It is the only choice if we wish to imbue future generations with strong minds and healthy bodies. It is quite simple. Health insurance has a direct effect on a child's performance in school. Healthy children are more likely to go to school, they are more likely to do well in school, and they are more likely to become productive members of the workforce.

Parents of children with health insurance are less likely to miss days of work to care for their sick children. When America insures our children, we all benefit.

The bill before us reflects a lot of hard work. It represents Democrats and Republicans working together, and I mean that. That is not an idle statement. That is not a throwaway. Both sides are working together. This is one of the few times when both sides, on very important legislation, worked very well together. Why? Because it is the right thing to do.

We worked together to craft legislation that will give millions more American children the healthy start they need for a long productive life.

I hope the President finds it in his heart to reconsider and make the right choice, the only choice. I hope he will join Congress in making our children's future and America's future a brighter one. I hope he thinks, reflects about our country, the greatness of our country when he is trying to decide whether to sign the bill or to veto it.

I have faith, I have hope that when the President of the United States makes that decision, he will realize discretion is the better part of valor; that he will realize the right thing to do is to help our Nation's low-income kids. Further debate about health care reform can be pushed off into the future. That is a separate issue. That has nothing to do with this question.

This country will engage in national health reform. We have to. The President is talking about it. We in the Congress talk about it. That is an entirely separate issue. This is only maintaining a current program enacted in 1997, totally bipartisan. Senator Chafee from Rhode Island and Senator HATCH from Utah worked together to get this bill enacted because it was the right thing to do.

It has been very popular. Nobody has had any questions about children's health insurance. It has worked. Now it has expired. The question is, what do we do about it? This legislation does not change current law in any way. It just maintains the program and provides a few more dollars for more low-income kids to get health insurance, and it does not do anything more than that. That is what this is. It is a separate issue from the national health insurance reform debate, which we will get into and must get into at a later date.

I hope the President of the United States, when he is faced with that decision, will sign this bill and realize this is the right thing to do for kids, and tomorrow is another day when this country appropriately will debate national health insurance reform. But right now, let's help some kids.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa has 11 minutes remaining.

Mr. GRASSLEY. I yield back that time, Mr. President.

INCREASING THE STATUTORY LIMIT ON THE PUBLIC DEBT

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.J. Res. 43, which the clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 43) increasing the statutory limit on the public debt.

The PRESIDING OFFICER. Under the previous order, there will now be 90 minutes of debate equally divided between the leaders or their designees.

The Senator from Montana.

Mr. BAUCUS. Mr. President, in the play ''The Taming of the Shrew,'' Shakespeare wrote: ''There is small choice in rotten apples.''

I feel a little like that whenever we have to raise the debt limit. It is a small choice in rotten apples. The choices are all bad. Really, though, there is no choice.

The legislation before us would increase the limit on the debt issued by the U.S. Government by $850 billion. The House has sent us this legislation. Essentially, we have no choice but to approve it. If we fail to raise the debt ceiling soon, the U.S. Treasury will default for the first time in its history. Plainly, especially in this credit crisis, we cannot let that happen. If we don't raise the ceiling before Monday, Treasury Secretary Paulson will be forced to take special measures to prevent the default from occurring. He feels those actions would create uncertainty in the financial markets. He thinks it would be unwise to add any uncertainty to the financial markets right now, and I agree with that. The markets already have enough uncertainty arising from the foreclosures on subprime mortgages. But there is no way around this. These are some rotten apples.

This increase in the debt ceiling will be the fifth increase during this administration. It increased by $450 billion in 2002, it increased by $984 billion in 2003, it increased by $800 billion in 2004, and it increased by $781 billion in 2006. Today's $850 billion increase in the debt ceiling will be the third largest increase in our Nation's history. The largest increase was the $984 billion hike in 2003. Once today's $850 billion increase is enacted, the fourth largest rise will have been the $800 billion in 2004. The fifth largest increase will have been the $781 billion hike in 2006.