some are employed and have insurance through their employer, but those who are employed but don’t have insurance or they own their own business or they are self-employed, they get a totally different look from the IRS about their health expenses. If your employer pays for it, you have to pay for it or you are self-employed or you have your own business, you have to pay dollars, after tax, and pay for your health care. So one of the things we have to do is to equalize so everybody is treated the same under the Tax Code for their health care.

How does that work out? Well, if your employer provides your health care, you get about $2,700 worth of tax benefits a year. But if you provide your health care, you get only about $100 worth of tax benefit. It is ironic because it is so unfair to say you don’t get the same benefit under the Tax Code because you happen to either work in a place that doesn’t provide health insurance or you own your own business or you are self-employed.

The other issue I thought about that my patients would want is: What should we not do? What should we make sure do not do? I think about my patients, and the last thing they want is more government involvement in their health care. We heard the minority leader talk about what happens in Canada when you get sick and how you have to wait and what happens in England when you get sick and are denied care because you are not worth it because of your age. Health care delayed, in the case of the lady he mentioned from Canada, is death. Health care denied, as he mentioned about the gentleman from England, is death—for both those individuals.

If you think about the government-run health care programs today, talk about Indian health care, a government-run program that is so standard nobody would embrace it. If you think about VA health care—although it is improving through the years—it is still far below the standards of health care in this country. Then, if you think about the fraud in Medicaid and Medicare and the hoops everybody has to jump through, in terms of those two programs, I think most Americans would say: Let’s fix it so everybody can have what they need and let’s make sure everybody gets covered and let’s make sure we don’t without having government bureaucrats deciding what, when, and how we get our care.

The final issue is we know one of the problems we have today—besides a recession—is this huge amount of people who are unemployed. Yet we also know 72 percent of all new job creation comes from small business. A proposal is floating out there that we are going to tax you, through a pay-or-play mandate, if you don’t provide health insurance and let’s make sure we don’t going to pay into the government to do that. That will kill job creation in this country.

We can fix health care. It needs to be fixed. Everybody agrees with that. How we fix it is the most important issue we are going to deal with in the next 2 years. The idea that we can come to a solution of this in the next couple months, with the complexity we have, will assure us of one of two things: One is a government bureaucratic takeout of health care, or a piece of legislation that will deny care, which will put somebody in between a patient and their doctor and will either delay care or, in fact, will raise the cost of health care.

As somebody who has practiced for 25 years in the field of medicine, obstetrics, and allergy, what I know is that we have a good health care system if we can get the government out of it and not put more government into it. What we need is fairness in access, fairness in the Tax Code, and allow the true American experiment to work in health care as we have had it work in so many other things.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana.

ENERGY

Mr. VITTER. Madam President, I rise today to talk about the crucial issue of energy, to express real and deep concern that President Obama’s energy proposals are pure and simple, a huge package of new taxes on domestic energy production that will hurt this country and particularly hurt middle-class and working-class families, and to offer a clear alternative which is embodied in a bill I have introduced with 14 other Senators and 30 House Members, the No Cost Stimulus Act of 2009.

Energy plays a very unique and important role in our great society because energy—affordable, accessible energy—enables our opportunities and our equality in our great society. Low-cost energy provides for the single mom working two jobs to be able to drive her kids to school in the morning or soccer practice on the weekend, the way a wealthy family can. Low-cost energy allows for an elderly couple living on Social Security to stay warm in the winter and cool in the summer, as Warren Buffett can.

In providing energy that is truly affordable and accessible to businesses and consumers, we not only grow the society, but it is even more fundamental than that. It is a great equalizer. We ensure that those important opportunities and comforts are available to all of the people in our society.

The converse of that is also true. When Congress acts to increase the cost of energy or when Congress acts knowing that will be the effect, we are making a decision to reduce the standard of living of middle-class, working-class families and the poor. We are making a decision to increase that gap, to put classes into our society and take away one of those great equalizers.

Cheap, affordable, accessible energy is as basic as putting a roof over your head and food on the plate of your children. Energy keeps the elderly in Wisconsin warm in the winter, keeps kids in Louisiana cool in the very hot and very humid summer.

So be sure as we should supply clean drinking water to all Americans, we must provide reliable, affordable energy to the people of our great Nation. It is our responsibility to do so in a nation of the people and by the people and for the people. It is fundamental to who we are as a nation because it is a great equalizer, and we are a society not of classes but of one people.

In contrast to this, I am concerned about President Obama’s energy proposals which across the board constitute a set of major new taxes on domestically produced energy. I favor an alternative to that, the No Cost Stimulus Act of 2009.

Our goal in the energy debate should be four things. It should be ensuring affordable energy for all Americans, including middle- and low-income families, keeping energy that great positive equalizer in our society. It should be growing the economy from our own abundant resources right here at home and not creating another factor that pushes jobs out of the country to other countries. It should be to work vigilantly to achieve energy independence, doing more here at home. And No. 4, tied directly to that, it should be about ensuring our efforts are consistent with our national security interests, which is, of course, more energy independence.

Again, the President’s tax proposals are big increases on domestic energy production across the board. So they work against all of those four core aims that I laid out.

To see how that happens, we can look at history, and not that far back, to President Carter. In 1980, President Jimmy Carter increased taxes on domestic energy production. He signed into law the Crude Oil Windfall Profits Tax Act. The windfall profits tax was forecasted to raise more than $320 billion between 1980 and 1989. But a funny thing happened on the road of implementation. The reality was far different.

According to the CRS, the government collected only $80 billion in gross tax revenue, compared to that $320 billion projection. The CRS also found the windfall profits tax had the effect of decreasing domestic production, what we produce at home, by between 3 percent and 6 percent, thereby increasing our dependence on foreign oil sources from 8 percent to 16 percent.

A side effect was declining, not increasing, tax collections. And while the tax raised considerable revenue in the early years following its enactment, those revenues declined to almost nothing as that domestic energy industry went down as a direct result.
So here we are in 2009 and, unfortunately, it seems to be back to the future, a repeat of that sad experience. The Obama administration is, again, proposing to increase taxes across the board in major ways on domestic energy production and on domestic utilities, and on energy production and domestic utilities, and on energy production and domestic utilities. In this case, the President imagines different results from the same policy of the 1980s, but I am afraid the result will be more of the same.

Let's look at exactly what these energy proposals, which are just tax increases, are.

First, a huge category of President Obama's proposals is his so-called cap and trade plan. Let's make no mistake. Cap and trade is a phrase in vogue. It has gained a lot of vogue. What it is about, again, is a tax on domestic utilities and domestic energy. It is a carbon tax. It is an energy tax, pure and simple. You can dress it up, you can make it try to confuse the public, but it is a tax on utilities, and it is a tax on energy.

Independent analysis by the Heritage Foundation estimates that the economic impact of the Waxman-Markey bill and the Cap and Trade Plan would be negative: reduce aggregate gross domestic product by $7.4 trillion; destroy 844,000 jobs, with peak years seeing unemployment rise by over 1.9 million jobs; raise electricity rates 50 percent after adjusting for inflation; raise gasoline prices by 74 percent after adjusting for inflation; raise natural gas that goes to residential customers, American families, by 55 percent; raise an average family's annual energy bill by $1,500. That is a $1,500 a year tax bill on working-class, middle-class families. Increase the Federal debt by 29 percent after adjusting for inflation. That is $33,400 of additional Federal debt per person, again, after adjusting for inflation.

Some might say this is a conservative think tank, this is biased. There is independent analysis, and in this case it comes from President Obama. The President spoke very directly on the campaign trail. It was at a private editorial board meeting, but it was on the record, and we have his direct quote that said that utility rates would skyrocket—"skyrocket," his word—and he is right.

In addition to his carbon tax, cap and trade proposals, President Obama has other energy taxes on domestic production, right when we should be increasing domestic production, increasing that bridge to the future, energy independence. He has tax proposals on domestic production that would do the opposite: $62 billion of new taxes on the so-called LIFO reserve through a change in accounting rules, bottom line, a $62 billion tax increase on domestic energy; $1 billion of new taxes by increasing the gasoline tax period to 7 years for oil and natural gas production, bottom line, a billion-dollar tax increase on domestic energy; $5 billion tax increase with new taxes on a significant part of domestic oil and gas production, 25 percent of oil production in the United States and 15 percent of gas; $49 billion of new taxes through the repealing of the passive loss exception for oil and gas properties; $13 billion of new taxes on oil and gas properties; $199 of the manufacturers tax deduction; $175 billion of new taxes by forcing States into a renewable portfolio system which is particularly difficult and particularly troubling for States such as Louisiana which has many resources and many renewable resources but not the specific ones demanded by that portfolio; and $17 billion of new taxes by reinstating the Superfund excise and income taxes—again, a package of enormous tax increases all on domestic energy production.

If you raise taxes in a major, significant way on domestic energy production, do you think that production is going to go up or go down? The answer is obvious, in theory, it is going to go down. And the answer is obvious, in history, in practice, it is going to go down. It did go down with the Jimmy Carter windfall profits tax, which is small compared to this huge onslaught of new taxes on our utility bills and on domestic production.

Energy Secretary Chu has argued clearly in the past that if the United States wanted to reduce its carbon emissions, policymakers would have to find a way to increase petrol prices, as he put it, to levels like we see in Europe. It is not a secret. Secretary Chu is saying we need to increase taxes on oil, the cost of gasoline. President Obama said on the campaign trail that we need to do a carbon tax, cap and trade, that will, of course, cause utility bills to skyrocket. This is not a secret.

Let me go back to what I think the four main goals of a sound energy policy are and are these major energy tax increases doing any of it?

No. 1, ensure affordable energy for all Americans, including middle- and low-income Americans. The President is doing the opposite. He is taking away a great equalizer of our society. He is putting an enormous burden on working-class, middle-class families.

No. 2, growing the economy from our own abundant resources and trying to stop the outsourcing of jobs to other countries. The President's plan is doing the opposite of that. He is putting taxes on a time of severe recession, and he is putting a tax on domestic energy which is going to increase the flow of jobs elsewhere.

No. 3, working vigilantly to achieve energy independence. It is a common sense that if you dramatically increase the taxes on energy here, you are going to increase energy dependence, not increase independence.

No. 4, we need to ensure that our efforts are consistent with our national energy independence. It is common sense that if you dramatically increase the taxes on energy here, you are going to increase energy dependence, not increase independence.

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It is one thing to say no to bad ideas, but with that comes a responsibility to lay out clear, positive alternatives that provide a positive answer. I have done that, working with many other colleagues, in introducing our No Cost Stimulus Act of 2009. Again, I introduced this bill with 14 other Senators and with 30 House Members about 2 months ago.

As the title suggests, this bill is a comprehensive economic recovery bill. It is a solid energy bill that does not raise the borrowing from China or anywhere else, increasing the outflow of taxpayer dollars in a time of already historic deficits.

The No Cost Stimulus Act of 2009 can achieve a number of positive outcomes—again, without further indebting our kids and grandkids—and specifically, it does six major things:

First, we can save or create more than 2 million long-term, sustainable, well-paying jobs.

Second, we can dramatically increase GDP that could exceed $10 trillion over the next 30 years.

Third, we would reduce the cost of energy to manufacturers, all U.S. businesses, and American families, including our home families. On top of helping businesses compete internationally, that reduces the cost of a key input so that resources may be used on other purchases or employee hiring.

Fourth, we would have a real, positive impact on low-income families, as this is the equivalent of receiving a major stimulus check. As the price of energy decreases, a family may direct the extra money toward other needs.

Fifth, we can achieve these goals while not incurring huge amounts of new debt to foreign governments or to anyone else, leveraged against our kids' and grandkids' futures.

Sixth, this bill will have a direct and significant impact on reducing our dependence on foreign oil.

So again, you go back to those four main goals I laid out for sound energy policy. The No Cost Stimulus Act moves us toward those goals, unlike the President's energy tax proposals, which move us away from all of those goals.

What does the No Cost Stimulus Act do exactly? It does three big things:

No. 1, it increases domestic production of energy. We produce more energy here at home on the Outer Continental Shelf, in Alaska, and from oil shale. We have enormous energy resources in this country. We are the only country in the world that has major resources but puts 56 percent of them off limits. This bill would change that.

No. 2—and this is very important—this bill would invest in alternative and renewable energy. We produce more energy here at home on the Outer Continental Shelf, in Alaska, and from oil shale. We have enormous energy resources in this country. We are the only country in the world that has major resources but puts 56 percent of them off limits. This bill would change that.

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through the royalty on energy production and devoting most of it to those investments in alternative and renewable energies. Again, we do this without borrowing money by establishing a renewable and alternative energy trust fund and putting funds from domestic production directly into that trust fund. In doing so, we do more for alternative and renewable energy than President Obama’s entire $800 billion stimulus plan.

No. 3, the third big thing the No Cost Stimulus Act of 2009 does, it streamlines the regulatory burden and clarifies environmental law. We streamline the review process for new nuclear energy production, and we prevent the abuse of environmental laws, which were not meant to be used as a way to simply stop and block all of these projects.

Madam President, I wish to close as I began. Energy is a big topic, and ensuring affordable, reliable energy is central to who we are as a country because energy is a great equalizer. We are a society of equals. We have never had distinct classes. We have always had great mobility. You can make it in America. If you are successful, you can do anything. You are not born into a class. You are not limited in that way. Affordable, reliable energy is a key equalizer that ensures that American way of life.

So what should energy policy be about? It should be about four things:

No. 1, ensuring affordable energy for all Americans, particularly middle- and low-income families, so that we keep that great equalizer in the center of our society, in the center of our economy.

No. 2, it should be a way to grow the economy with our abundant domestic resources, particularly as we need to get out of this serious recession.

No. 3, good energy policy should work us toward energy independence so we do not have to reduce our energy demand and we rely less on foreign sources.

No. 4, a good energy policy should ensure that it is consistent with national security, which, of course, increasing our energy independence is.

I truly believe the No Cost Stimulus Act of 2009 achieves all of these broad goals in a very significant way. Just as clearly, President Obama’s energy tax proposals, which across the board increase the tax burden on utility bill payment and on domestic energy production, move us in the opposite direction.

President Obama said very recently about GM, in the midst of the latest GM bailout, that:

GM has been buried under an unsustainable mountain of debt, and piling an irresponsibly large debt on top of the new GM would mean simply repeating the mistakes of the past.

This is an old saying; What is good for GM is good for the country. I would like to modify that to say: What is true for GM is true for the country. So why are we piling an irresponsibly large debt on top of our existing historically high levels of debt in this country? We need another way. We need something like the No Cost Stimulus Act of 2009. We need to learn again how to generate wealth and a healthy economy. We need to re-focus here at home on our abundant natural resources. And that is the way we can have a sound energy policy that meets those four crucial goals I mentioned and allow us to work out of this severe recession—not by borrowing more from the Chinese, not by spending more taxpayer dollars, and it is all borrowed money right now—but focusing here at home on our own resources, on our own people, on good sustainable jobs we can build here toward a prosperous future and toward a new energy future.

Madam President, I yield the floor, and I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

THE FAMILY SMOKING PREVENTION AND TOBACCO CONTROL ACT

Mr. LIEBERMAN. Madam President, I rise today to describe and explain my amendment to H.R. 1256, the Family Smoking Prevention and Tobacco Control Act. The central purpose of this act—preventing tobacco products—will add back into the bill’s goals and am an original co-sponsor of the Senate counterpart, S. 982.

Because the regulation of tobacco products under H.R. 1256 passes muster under budget rules only because of the increase in tobacco revenues generated by one federal employee retirement program, I want to make sure that the overall retirement system treats federal employees fairly. To accomplish this, I and colleagues on the Homeland Security and Governmental Affairs Committee—Senators COLLINS, AKAKA, and VINOGRAD—have developed this bipartisan amendment to make a number of necessary corrections and improvements to the federal employee retirement program. In addition to Senators COLLINS, AKAKA, and VINOGRAD, I would also like to thank Senators MURKOWSKI, MIKULSKI, INOUYE, and BINGE, who have all asked to be included as cosponsors of this amendment.

The central purpose of our amendment is to bring justice to federal employees, who—because of quirks in the law, errors, and oversight—have lost pension benefits for which they would otherwise be eligible. Many of the provisions of this amendment have the very strong support of federal employee unions and organizations of managers.

Our amendment would add back into the pending substitute amendment several of the reforms to the federal retirement system that were already passed by the House in its version of H.R. 1256. In addition, the amendment includes two very significant reforms to the federal employee pay and retirement systems that our Homeland Security and Governmental Affairs Committee recently approved by voice vote without dissent.

I have prepared a complete written summary of these provisions, and I will ask consent that it be printed in the record. Now I would focus on those that are most significant.

One of the most important reforms in our amendment would lift retirement penalties now experienced by long-time federal employees under the Civil Service Retirement System who want to switch to part-time work at the end of their careers. The amount of an employee’s annuity is based, in part, on the highest rate of salary that the employee received over their period. Because an employee’s salary ordinarily reaches its highest rate at the end of the employee’s career, employees count on that end-of-career work period to help determine the amount of annuity. However, as the law now stands, employees who have a substantial period of service before April 1986, and who now switch to part-time work at the end of their career, get part of their annuity determined on the basis of the amount of salary received, which, for the part-time work, is only a fraction of the rate of salary received. With retirement credit for part-time work so reduced, many employees have little incentive to stay on part-time, and simply opt to retire altogether.

Our amendment would fix this problem by using the rate of salary, not the amount of salary, for determining the entire amount of an employee’s annuity. This would be consistent with the current policy that now discourages federal employees near retirement from working on a part-time basis while phasing into retirement.

Our amendment is not only fair to the employee, but also good for the government, by helping to retain valuable employees who wish to phase down their work but to continue offering their talent and experience to serve the country. It would also add back into the provision of reduced retirement benefits for nonjudicial employees of the DC courts, the Court Services and Defender Supervision Agency and the DC...