I would also say, we have scheduled the recess for the Columbus Day week. The reason that is done is because if we don't have that break, there would be 11 weeks until Thanksgiving and that is difficult. The Senate has changed over the years. Many Senators' families are in places other than Washington and 11 weeks is difficult not to have a week you can go home. But whether we will be able to keep that whole week depends a lot on when we get to health care legislation. It is obvious that if we are in the middle of health care, we can't take a recess for 1 week. So we will see as time goes on.

We have CBO scoring and that will take a little bit of time and there are always difficulties that arise when you have a major piece of legislation such as this. But the schedule is as we have outlined it. We have given all interested parties the days that there will be no votes, and we do have that week scheduled now for a recess, but when that was done, we did it indicating it may not come to be. It is according to what happens with the schedule.

We have a number of must-do things, and hopefully some of those will be done before the end of the month. We have to make a decision on the highway bill, we have postal reform, and we have a continuing resolution because we won't be able to complete all the appropriations bills prior to the end of the month. So there are a lot of things to do, and we will do our best to get them all done.

RECOGNITION OF THE MINORITY LEADER

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

HEALTH CARE

Mr. McCONNELL. Mr. President, today, the Senate Finance Committee will start to amend the health care proposal that its chairman, Senator BAUCUS, released last week. Before that work begins, I think it is important to remind Americans what this plan would mean for them.

Put simply, this plan calls for more and more government intrusion into the health care system and pays for it with $350 billion in new taxes and hundreds of billions of dollars in Medicare cuts. So in the name of cutting costs, this plan raises taxes on virtually every American who uses our health care system.

Here are some of the tax increases in this plan: If you have insurance, this plan taxes you in the form of a new tax on insurance companies, which will then be passed on to consumers.

If you don't have insurance, this plan taxes you, too, by saying that the consequence of not maintaining insurance is an excise tax that could run as high as $3,800 a year.

If you use a medical device—such as a hearing aid or an artificial heart—this plan taxes you, and it also includes new taxes on everything from MRIs to contact lenses.

If you need laboratory tests for prevention, screening or diagnosis, this plan taxes them too.

If you are an employer who can't afford to provide health insurance to your employees, this plan taxes you—a tax that businesses across the country have warned could kill more jobs in the middle of a recession.

If you, similar to tens of millions of other Americans, take prescription drugs, this plan taxes you too.

This plan also increases taxes on about 1 in 10 family insurance policies, according to one policy group, and this tax will extend to more and more plans over time.

In short, if you have health insurance or you don't, you are taxed. If you seek preventive care, you are taxed. If you need a medical device, well, that is taxed too. At a time when Americans are demanding lower health care costs, this plan would drive them even higher.

As I said earlier, this plan also contains hundreds of billions of dollars in Medicare cuts, which will hurt America's seniors. It contains $130 billion in cuts to Medicare Advantage, a program that gives 11 million seniors more choices and options when it comes to their health care. One Democratic Senator described these cuts as ''intolerable.''

The President recently said that seniors currently on Medicare Advantage would be able to get coverage that is ''just as good.'' Seniors, however, want to keep the insurance they already have.

This plan contains nearly $120 billion in Medicare cuts for hospitals that care for seniors—cuts that organizations such as the Kentucky Hospital Association have warned against because of the negative effect they would have on services to seniors in Kentucky and in other States.

This plan includes more than $40 billion in cuts to home health agencies that let seniors receive care in their homes rather than having to go into a nursing home. This plan contains $8 billion in cuts to hospice care, a service that provides dignity and comfort to seniors at the end of life.

Everyone agrees that Medicare needs reform but, instead of trying to address the problems at hand, this plan uses Medicare as a piggy bank to pay for new government programs that could very well have the same fiscal problems Medicare does.

Americans want reforms that make care more affordable and keep government out of health care decisions. They do not want a so-called reform that would actually make care more expensive and would put government bureaucrats in charge of health care decisions.

Americans have sent a clear message to lawmakers in Washington over the past months: No more trillion-dollar programs, no more debt, and no more taxes. This plan for health care fails all these tests. That is why it is so important for the Finance Committee to give this proposal serious and careful consideration. I have listed just a few of the things that concern people about this plan. With 564 amendments filed from both Democrats and Republicans, it is clear we need to slow down and take the time necessary to address the serious bipartisan concerns about the plan.

I yield the floor.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the second half.

The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, I ask unanimous consent that the Senator from New Hampshire and I be permitted to engage in a colloquy.

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

STUDENT LOANS

Mr. ALEXANDER. Mr. President, I don't think we can say it too often—though some people may tire of hearing Republican Senators saying it—we have too much debt and too many Washington takeovers. Today, we want to talk about the latest Washington takeover, the latest huge addition to the national debt, which is the voluntary takeover of the Federal Family Education Loan Program.

Rather than describe the situation myself, let me go to the New York Times article, on September 14, to paint the picture.

> Between financial rescue missions and the economic stimulus program, government spending accounts for a bigger share of the nation's economy—26 percent—than at any time since World War II. The government is financing 9 out of 10 new mortgages in the United States. If you buy a car from General Motors, you are buying from a company that is 60 percent owned by the government. If you take out a car loan or run up your credit card, the chances are good that the government is financing both your debt and that of your bank. And if you buy life insurance from the American International Group, you will be buying from a company that is almost 80 percent federally owned. Mr. Obama plans to argue, [the Obama administration says], that these government intrusions will be temporary.

If that is true, then why is the Obama administration insisting and the Democrats in the Senate and the House are insisting that we take the Federal student loan program which works very well and turn it wholly into a government-run program; borrow a lot more money, maybe $500 billion or $600 billion over the next 5 or 6 years, and turn the Secretary of Education into a competitor for banker of the year instead of educator of the year?

Just the size of this undertaking is enough to stagger the imagination. There are 19 million new student loans every year. They are made through 2,000 lenders at 4,421 schools. At 1,600 schools, one out of four of the student loans, you can get the money directly from the Federal Government. But ever since I was U.S. Secretary of Education in the early 1990s, students have preferred their local institutions. Now the President comes along and says we are going to have a lot of savings, we are going to have $87 billion in savings over the next 10 years, so we should end the student loan program as we know it and turn it all over to the government and have people stand in line at the U.S. Department of Education each year to get 19 million loans.

The Senator from New Hampshire is the former chairman of the Budget Committee, the ranking member of the Budget Committee, perhaps the leading Senator in this body on budgetary matters. I would ask him this question: Is there really $87 billion in savings over the next 10 years which the President and the Democratic majorities should be able to spend?

Mr. GREGG. Let me first congratulate the Senator from Tennessee for bringing this matter to the attention of the Senate because if there were ever a shell game being played on the American people, this is it.

The administration has alleged they are going to save $87 billion. Then they have gone out with great zeal and enthusiasm and spent every cent of it—spent every cent of it. It turns out there is not $87 billion saved. CBO, when it looks at this and does so in a forthright way, using standard accounting procedures which we would use in most instances, determines the savings are closer to $47 billion.

Mr. ALEXANDER. If I may interrupt the Senator for a moment, you mean the Congressional Budget Office, whose Director is appointed by the Democratic majority, has said that instead of $87 billion in savings, it is $47 billion; is that correct?

Mr. GREGG. That is correct. But they are subject to very arcane rules. They came up with the $87 billion using the arcane rules. I asked them to look at this in an honest way, using standard accounting rules, the same rules used by the Congressional Budget Office for other credit events. They concluded that if we use those and were able to use those and were not bound by the arcane score-keeping rules—it is not their fault, they are bound by law to use a different standard here—the real savings is $47 billion. That is what they said. They said that using the proper accounting methods for looking at this, the true savings is $47 billion, which, of course, begs the question of, what are you going to use that for? They are going to spend $87 billion, so actually they are going to run up a deficit on this whole exercise of a lot of money on the taxpayers in the claim that they are saving money.

Mr. ALEXANDER. This $47 billion, just so I follow this, is the actual savings. Let me see if I can understand the figures a little better. The government's basic argument here is it can borrow money cheaper than banks can borrow money and then re-lend it to students, which is true. I think the government can borrow money at one-quarter of 1 percent. But the government is lending the money to students at about 6.8 percent depending on the loan. So even if it is $87 billion or $47 billion over 10 years, doesn't that mean the government is overcharging students who are getting student loans and then using that money for new programs?

Mr. GREGG. The Senator is going to the essence of what really drove this decision. This is not a decision about saving money, this is a decision about spending money. That may seem counterintuitive, but what you have to understand is that if the administration could get a score from CBO that says they are going to save $87 billion or they are going to save $47 billion, then they get to spend that money. So no money is being saved—none. The money is being spent on different programs.

What should have happened here, if they were going to have integrity about their proposals, is exactly what the Senator from Tennessee is basically suggesting, which is the whole $87 billion should have been saved. It should not have been spent, it should have been saved and added to reduce the debt.

There is no reason the government should be making $47 billion off our students any more than they should be making $87 billion off our students, if they are going to go solely to a Federal direct loan program.

Mr. ALEXANDER. These 19 million loans every year, we know who these people are. They are our sons and daughters. They are people in our families. Sometimes they have two jobs while they try to go to school. Maybe they have no job; they have gotten laid off and they are going back to school. They can get a student loan. But the government has borrowed the money at one-quarter of 1 percent and loaned it to them at nearly 7 percent and is taking that profit, whatever the amount is, and spending it on something else.

Mr. GREGG. The Senator from Tennessee is absolutely right. It truly is a cynical act because basically they are claiming savings when they are actually creating a capacity to spend more money, which they spend. This is Washington-speak at its worst. It reflects the attitude, really, of this administration, which is that they are not interested in controlling spending or reducing the debt. When they find $87 billion, which they claim they have—they actually only have $47 billion—they want to spend it as soon as they can, and they have. This spending has already occurred even though the program has not been put in place to save this money. They have already outlined how they are going to put this money out the door, not using it to reduce the debt.

But the Senator from Tennessee is right on a second point too. It should have been zero. In other words, there is no reason, if you are going to take this course of action and you are going to maintain intellectual integrity, that there should be any money being spent here. The full $47 billion should flow to the benefit of the students.

Mr. ALEXANDER. I am not ready to say there is $47 billion of savings. That assumes the U.S. Department of Education, which makes about a fourth of the current student loans in the country—which is 3 million loans a year, and it spends about $700 million a year on that—can make 18 or 19 million student loans a year from the same amount of administrative costs. That doesn't sound likely to me. If that is true, then even the $47 billion is a wrong number.

Mr. GREGG. No one is more expert in this area than the Senator from Tennessee, having served as one of the leading Governors on the issue of education when he was Governor of Tennessee and then going on to be the Secretary of Education. He understands how the Department of Education works. I certainly subscribe to his view. It does not smell right. Clearly, if they are going to increase their activities by this size, they are going to have a massive increase in cost.

Another question on which I would be interested in the thoughts of the Senator from Tennessee is, what happens to the students? I know some people get a little frustrated just trying to get their driver's licenses renewed in this country. Can you imagine having to go find the Department of Education and getting a student loan from that Department? I would be interested to get the Senator's thoughts on what kind of nightmare that is going to be for our students.

Mr. ALEXANDER. That is a pretty big nightmare. The Senator and I both worked on ways of simplifying the Free Application for Federal Student Aid or FAFSA. There are millions of individuals and families this year in America who have to get this government form, fill it out, and tell all about themselves in order to get a Pell grant or apply for a student loan, one way or the other. That is very complicated. I have been trying to imagine how the U.S. Department of Education, one of the smallest departments in the country, which has in its higher education part of its division simply a mechanism for sending money out—Pell grants, paying bills—how it is going to make 19 million new loans a year.

In my State of Tennessee, the nonprofit provider of student loans, one of the 2,000 lenders that exist in the country to serve students in New Hampshire or everywhere—these are some of the things they do. They have five regional outreach counselors to canvass Tennessee to provide college and career planning; they made 443 presentations through college fairs; they worked 12,000 students to improve their understanding of college admissions and financial aid; they provided training to over 1,000 school counselors so they could work with students; they sent out 1.5 million financial aid brochures for Tennessee students. I cannot imagine the Department of Education having the capacity to do that.

I think the Senator is right. I think we are going to see long lines of very upset students, starting in January—because that is when they start filling out those forms—saying: What has happened here? I have to line up at the U.S. Department of Education to get my student loan, 19 million of us?

Mr. GREGG. I think the Senator from Tennessee has hit one of the core issues here, independent of the fact that this is just a scam to create more room to spend more money to spend on other programs, and it is scamming the students by hitting them with $47 billion of interest payments which they should not have to pay if this is followed. But the Senator has raised another valuable question here, which is obviously students were reasonably comfortable with the system the way it worked because 75 percent of the students had opted to pursue the private sector loan process. Granted it was a little more expensive for them—not dramatically by student; obviously cumulatively it was, but not dramatically by student. But I think they took that option because it was so much more convenient.

In our society, which is reasonably capitalistic—but becoming less so under this administration; obviously we are moving down the road toward a Socialist state—but independent of that, people often pay a little more for the convenience of it, for the convenience of having an efficiently delivered loan, for the convenience of knowing whom to talk to when you have a problem, for the convenience of basically being able to go get answers quickly to your questions. Essentially, that is what these higher education authorities created in every State. Tennessee has one. New Hampshire has one. They are really good people. They are, for the most part, except for their executive director, volunteers. Their purpose is to make sure students have very prompt access to student loans which are significant enough for them to pay for their education and that it is also done in a way that is convenient so they do not have to end up just getting lost in a massive bureaucracy. I suspect every congressional office is going to have to become a massive clearinghouse for student loan problems. We don't have that now. We have problems with a lot of programs and agencies, but student loans is not one of them.

It really is a big issue of the marketplace having voted with their feet, so to say. The students in this country voted to use the guaranteed loan system, pay a little bit more for the purposes of the convenience they were being given by having that sort of easy access and substantive information right at hand, versus going to the government and getting overwhelmed by a government bureaucracy which is often indifferent to consumer issues and is difficult to deal with.

Mr. ALEXANDER. I appreciate the comments of the Senator.

In President Obama's address to us on health care the other day, he said:

> My guiding principle is and always has been, the consumers do better when there is choice and competition. That is how the market works.

I guess he means except when we are talking about student loans.

Twenty years ago, we set up a system to give people a choice, and, as you said, they voted with their feet. This past year, 14 million students made a choice to be under the regular student loan program. They are at 4,000 campuses, went to 2,000 lenders, they got a lot of extra services, I assume, or they could have come to the Department of Education, which about 4.5 million students chose to do. The Senator has made it clear that the excuse for doing—but, well, let me say this.

I guess the Senator has heard many times the President and people on the other side of the aisle say: Well, we inherited this problem. The reason we own General Motors, or 60 percent of it, is because we inherited it from President Bush. Or: The reason we are dealing with the American International Group Insurance Company is because we inherited that problem. Or: The reason we had to take over the banks is we inherited that problem.

Well, this is a completely voluntary Washington takeover, if I am not mistaken.

Mr. GREGG. The Senator is once again correct. There is a macro issue of economics here. Although it is tangential to the Senator's primary concern, which is the very legitimate concern of: Why are we taking all of this money from students if we are going to do this type of program? And why are we spending all of this money even before we take it in? And why are we putting students through having to stand in line like at the DMV to get a loan?

There is a macro issue here, which is for the government to take over all of this debt means we are going to add $500 billion to $600 billion to the government ledger. We are now nowhere near that in the student loan area because we are not primarily responsible for the debt.

As a result, you are going to have some significant crowding out. It could easily aggravate our ability to borrow money for the purposes of financing these massive deficits the President wants to run, the trillion-dollar deficits every year for the next 10 years that are in the budget.

I do not think it will be a massive issue, but it will be a significant issue. It could affect the rate of interest which we have to pay as a government. It could affect other nations looking at us and saying: Do we have too much debt on our books?

Most of this debt will go into a revolving fund, and hopefully it will be repaid, as it is traditionally. But the initial debt will still have to be put on the books at some point.

Mr. ALEXANDER. Well, I thank the Senator. I think what we have seen is getting to be too familiar around here, an action by the administration, another Washington takeover, more debt, to the tune of $500 billion or $600 billion, more debt. You said on the $87 billion or $47 billion spending of money we do not really have.

Mr. GREGG. Well, the $87 billion is what has been spent. That is what they are going to spend.

Mr. ALEXANDER. They are going to spend the $87 billion. As you have eloquently said: There is no $87 billion. That adds to the debt.

Then there is the problem of 19 million students lining up at the Department of Education to get their student loans starting in January. Perhaps we need a piece of truth-in-lending legislation that would go on every student loan application that says: Congratulations. Your government is making you a student loan. We borrowed it at one-quarter of 1 percent, and we are going to loan it to you at 6.8 percent, and we are going to spend twice that much on new programs that we thought of while we take over the entire student loan program.

Mr. GREGG. I would say the Senator from Tennessee has hit on a very appropriate disclosure issue that should be on every one of those loans.

Mr. ALEXANDER. Unless the Senator from New Hampshire has further comments, I yield the floor.

Mr. GREGG. I appreciate the courtesy of the Senator from Tennessee.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. How much time is remaining?

The ACTING PRESIDENT pro tempore. There is 9½ minutes.

Mr. ALEXANDER. Please let me know when 1 minute remains.

NUCLEAR POWER

Mr. ALEXANDER. Mr. President, today President Obama told the countries of the world thatthe United States is ready to lead on climate change. But while he is reassuring world leaders, he has a lot of work to do with us in the Senate.