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## Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable MARK BEGICH, a Senator from the State of Alaska.

### PRAYER

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

Let us pray.

Eternal Lord God, the fountain of all that blesses us, we thank You for the gift of this new day. These undeserved seconds, minutes, and hours You have graciously given to us provide opportunities to honor You.

As our lawmakers do the challenging legislative labors of this body, may they feel gratitude to You for the privilege of living in these difficult days when faithfulness in service brings even greater glory to Your Name. Let Your kingdom come, and may Your will be done on Earth as it is in heaven. Lord, use our lawmakers to seek Your guidance to do Your will and to fulfill Your sovereign purposes for our time and for all people. Teach them to listen to each other, to respond in respect, esteem, and wisdom, so that laws written here will represent the best in justice and equity for the welfare of our Republic and the world.

We pray in Your sovereign Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable MARK BEGICH 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. INOUE).

The assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, September 15, 2010.

To the Senate:

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

DANIEL K. INOUE,  
President pro tempore.

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

### RECOGNITION OF THE MAJORITY LEADER

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

### SCHEDULE

Mr. REID. Mr. President, following any leader remarks, there will be a period of morning business for 1 hour, with Senators during that time allowed to speak for up to 10 minutes each. The Republicans will control the first half of morning business and the majority will control the next half.

Following morning business, the Senate will resume consideration of H.R. 5297, the small business jobs bill. Yesterday, cloture was invoked on the substitute amendment, and the postcloture debate time will expire around 6:15 tonight. Furthermore, cloture was also filed on the underlying bill. I continue to work with my colleagues. Senator MCCONNELL and I have had a number of conversations on how to terminate this legislation and send it to the House. We hope to be able to complete that soon. When we have something worked out, we will notify Senators.

The Senate will recess from 2:45 p.m. to 3:30 p.m. today to allow for Senators to attend the September 11 remembrance ceremony on the east front center steps of the Capitol.

### 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, there will now be a period for the transaction of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the final half.

Mr. REID. Mr. President, I suggest the absence of a quorum and ask that the time be charged equally against both sides.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, staff has informed me that our block of time is fully called for, the full 30 minutes. I again call for the calling of the roll for a quorum, and that time will come off the first 30 minutes of the Republicans' time as the first 30 minutes is theirs.

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

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

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



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## MILITARY CONSTRUCTION

Mrs. HUTCHISON. Mr. President, I rise to speak in morning business about the military construction issue I spoke about in July. I raised concerns then about the Pentagon's overseas military construction program, particularly in Germany, Korea, and Guam, because, as the ranking member of the Military Construction Subcommittee, I am seeing that we are changing a strategy. Yet we have not had the strategy explained to us. This is the beginning of a huge taxpayer-funded influx of rebuilding overseas in a way that I think is perhaps duplicative and even against the interests that have been shown in our previous strategy. I think it is time to take a pause.

I rise to speak because the GAO has just released a study this week that says we should take a pause. The Military Construction Subcommittee, chaired by Senator JOHNSON—and I respect and appreciate his leadership in this so much—asked the GAO to do a study because we were seeing the Army coming in and asking for what is going to be a commitment for \$1 to \$2 billion to change their headquarters from Heidelberg to Wiesbaden and to add more BCTs than were originally intended to stay in Germany. We looked at this and said: Wait a minute. We are getting ready to duplicate a lot of effort that we have made in bases in America and at a great taxpayer expense. Yet we are not seeing the backup and the strategy proposed to support this kind of taxpayer expense.

Let me start back in the beginning. Prior to the 2010 Quadrennial Defense Review, the Army planned to return the four brigade combat teams stationed in Europe to the United States in fiscal years 2012 and 2013. It would save millions annually in overseas stationing costs. This was in response to the Overseas Basing Commission—that was passed by Congress—to adopt a force projection strategy. The Pentagon is reversing the recent efforts to transform the military and restation tens of thousands of military personnel back on U.S. soil. That is what the Overseas Basing Commission recommended, passed by Congress, supported by Congress, and now we seem to see a change in that strategy but without a projection of what the strategy would be.

What the Overseas Basing Commission found, and the Pentagon originally agreed with, is that training and deployment of forces was determined to be superior in the U.S. bases and certainly more cost efficient. We learned that there were constraints on transferring the members of our military into Iraq because we could not use the airspace of certain European countries, and we could not go on the train through certain European countries. It was costly to get our troops from Germany into Iraq, more costly than it should have been.

In addition, there are training constraints. The Overseas Basing Commis-

sion saw this. Many of us who have looked at bases overseas see that there are training constraints. There are constraints for live artillery training. There are constraints for use of the airspace. In looking at this, it was determined we should bring them home from Germany to train in America to accommodate our families in America and to deploy from America, where we would control the capability to deploy quickly and cost efficiently.

On that basis, we have invested \$14 billion in U.S. bases to accommodate the military and the families who were projected to come to American bases and have the training capabilities they need. Now we are seeing requests for military construction, and it triggered our committee to say: Wait a minute. We are supposed to be pulling out of Germany, but now we are seeing the Army get ready to put \$1 billion to \$4 billion into military construction, to change their headquarters from Heidelberg to Wiesbaden, and duplicate what we have already done in the United States for construction projects in Europe, Korea, and Guam, without demonstrating the cost efficiencies or projected future costs.

The ACTING PRESIDENT pro tempore. The Senator has used 5 minutes.

Mrs. HUTCHISON. I ask unanimous consent for an additional 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? Hearing no objection, it is so ordered.

Mrs. HUTCHISON. I thank the Senator from Maryland.

Now we are seeing an expensive and duplicative strategy—well, there is not a strategy but request for spending. I am asking for a strategy.

The Government Accountability Office did issue a report this week that says the Army's justification for keeping the forces in Europe was based on a flawed analysis, and it would cost taxpayers up to \$2 billion, from 2012 to 2021, to pay for it. Let me reference a couple things from the report. The GAO found the decision to retain brigades in Europe to require the Army to seek roughly \$176 million annually to support the Bamberg and Swineford communities, again in fiscal year 2013. Those are the communities that would have had Army facilities.

The Army now estimates that not returning two of the four BCTs, brigade combat teams, in Europe to the United States could potentially cost between \$1 billion and \$2 billion between fiscal years 2012 and 2021. It will cost an average of 360 million American dollars per year to retain those units in Europe that were scheduled to be moved to America.

Closing the Heidelberg facility and moving the headquarters to Wiesbaden—the Army estimated that move from Heidelberg to go to Wiesbaden would save hundreds of millions of dollars in 2013. But the GAO found the Army now admits they will need \$150 million annually to support the continuing operation in Heidelberg because of delays.

The GAO goes on to say that the Army has not documented the savings, nor why the move is necessary at that cost. The GAO concludes that with over \$1.3 billion invested since 2004 and another \$1.4 billion in infrastructure investments planned for the Wiesbaden consolidation and the recapitalization of medical facilities and the potential to increase costs, it would cost up to \$2 billion over the next 10 years if all four BCTs were kept in the Europe. The financial stakes are high.

The GAO is recommending in its report that the Secretary of Defense take advantage of a pause before final decisions are made on the Army's European force structure, conduct a comprehensive analysis of alternatives, and have a process that is credible in determining what the costs are and whether those units should be kept in Europe or, as originally planned and as invested in our military bases in America, what it is going to cost.

The GAO has concluded that we need a comprehensive analysis.

It conducted important cost-benefit analyses at the urging of the Military Construction and Veterans Affairs Subcommittee, chaired by Senator JOHNSON. The GAO report findings are instructive. I hope the Pentagon will pause and take a fresh look at this military construction program to determine, does it serve our Nation not to move those troops back? We prepared the bases for them. The families, the medical units, are in the United States now. So, please, I am asking the Pentagon to determine if it does serve our best military strategy and our taxpayers to keep those troops in Europe rather than moving them back.

I want to thank Senator JOHNSON for including a provision in the military construction/VA appropriations bill that would restrict the level of spending in overseas construction. Our bill would restrict the use of MILCON funds for Germany until the Department of Defense completes the following: an evaluation of the NATO strategy concept review, the U.S. assessment of its defense posture in Europe, a front-end assessment of DOD's global posture from fiscal year 2012 to 2016 in the program budget review cycle.

I have shared my concerns with the Secretary of Defense. I have asked him, as our committee has asked him, to provide to the Congressional defense committees a comprehensive Army basing strategy for Europe based on these assessments and a projected timeline and a cost estimate of what this will be.

In Korea, it is the same. We need a cost estimate for the decision that the Pentagon has apparently made to put more troops and families into Korea without any accommodation for the new facilities that will be needed for the accompanied families' military transfer into Korea.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mrs. HUTCHISON. I thank you for allowing me to have the extra 5 minutes. I thank the Senator from Maryland. This is a serious issue. The Department of Defense says they are trying to cut back on military spending, and this is a place that would be very important, because if we are going to have accompanied service people, more in Korea now, we have got to accommodate those families. There will be a longer duration of mission, and we have got to accommodate them.

There is going to be a cost, and we have not even seen the cost estimates for that yet. We should take a pause on this German MILCON until we know if that is the right thing for our global strategy. I thank the Senator from Maryland for accommodating me on the time. There will be further discussion, I assure you.

I ask unanimous consent that the summary from the GAO report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. GOVERNMENT  
ACCOUNTABILITY OFFICE,

*Washington, DC, September 13, 2010.*

Subject: Defense planning: DOD needs to review the costs and benefits of basing alternatives for Army forces in Europe.

Hon. DANIEL K. INOUE,  
*Chairman, Committee on Appropriations, U.S. Senate.*

Hon. TIM JOHNSON,  
*Chairman, Subcommittee on Military Construction, Veterans Affairs, and Related Agencies, Committee on Appropriations, U.S. Senate.*

SUMMARY

Keeping more Army forces in Europe than originally planned would result in significant additional costs; however, it is unclear the extent to which DOD plans to weigh these costs against the benefits of having additional forces overseas, especially in light of an evolving European strategic concept and U.S. posture plans. In the near term, delays in decisions associated with two initiatives will impact the Army's costs in Europe. First, prior to the 2010 Quadrennial Defense Review, the Army had planned to return two of four brigade combat teams stationed in Europe to the United States in fiscal years 2012 and 2013, which would have saved millions annually in overseas stationing costs by allowing the closure of installations located at Bamberg and Schweinfurt, Germany. However, these plans are on hold pending an announcement of the North Atlantic Treaty Organization's strategic concept planned to be announced in November 2010, as well as ongoing U.S. assessments of the global defense posture, which have a less clear time frame for completion. The decision to retain these brigades in Europe will require the Army to seek funding of roughly \$176 million annually to support the Bamberg and Schweinfurt communities beginning in fiscal year 2013, according to Army estimates. Second, U.S. Army Europe estimated that closing Heidelberg and moving its headquarters to Wiesbaden would save hundreds of millions of dollars annually beginning in 2013. However, because of uncertainty for the funding of construction in Wiesbaden, Heidelberg will remain open longer than originally planned and the previously estimated savings will be delayed by 2 years or more. As a result, the Army esti-

mates it will need approximately \$150 million annually to support continued operations. Both our review and an analysis performed by the Army found gaps in the support used to justify the decision to close Heidelberg and consolidate forces in Wiesbaden. Our work revealed that the original analyses were poorly documented, limited in scope, and based on questionable assumptions. Department of the Army officials also found the U.S. Army Europe's original analysis inadequate and performed another more detailed analysis in mid-2009 that affirmed the decision to consolidate but lowered the estimated savings. In the longer term, if DOD decides not to return two of the four Brigade Combat Teams in Europe to the United States the incremental cost could be significant. The Army estimates that, depending upon the assumptions used, it will potentially cost between \$1 billion and \$2 billion more from fiscal years 2012-2021 to keep the two brigades in Europe than it would cost to return them to the United States. DOD is reconsidering retaining the brigades in Europe in part because senior military officials in Europe have said that four brigade combat teams in Europe are needed to meet operational and mission requirements. According to DOD officials, the evaluation of U.S. forces in Europe will be primarily focused on whether four combat brigades will be retained in Europe. DOD and Army guidance call for the department to consider alternatives as part of the economic analyses conducted when contemplating construction or real property acquisition, which are decisions that often arise in the basing decision process, but we found that prior analyses have been limited in scope, or based on assumptions that were questionable. Without a comprehensive analysis, the Army may lack sufficient information to determine the most cost effective approach to maintaining a continued military presence in Europe that will align with the evolving North Atlantic Treaty Organization strategic concept and U.S. defense posture.

Once DOD determines its force structure and basing plans for a region, it then needs to determine the types and quantities of facilities necessary to provide operational and quality of life support to its soldiers and families; however, we were unable to validate whether completed or planned facilities in Europe would meet Army facility planning criteria because U.S. Army Europe planners use inconsistent processes to generate facility requirements. The Army in Europe does not consistently use the official Army facility planning tools that are designed to calculate, using population data and facility space criteria, the facilities required to accommodate forces and ensure that quality-of-life and other facility standards are met. Army officials stated that its facility planning systems do not always include current force structure and installation population data because overseas basing decisions are sensitive and not reflected in the systems before public announcements are made. The Army's systems showed populations at some installations even after anticipated closure dates, making the requirements generated by the systems inaccurate. Army planners in Europe use unofficial, locally developed systems to determine requirements, and we found that planners at different installations were not using consistent methods to calculate requirements for barracks and other facilities. The Army planners in Europe told us that they are developing their own criteria for determining the requirements that varies among the installations. Because these alternative methods are not linked with the Army's official system and its resident facility criteria and vary among the installations, we were un-

able to determine if completed and planned facilities will meet the Army's quality-of-life and other facility planning criteria. Our inability to validate infrastructure requirements reflects systemic issues that have been brought to the Army's attention, but have not yet been resolved. For example, in a June 2010 report addressing domestic facility requirements, we reported that the Army's Real Property Planning and Analysis System did not always produce reliable results for some types of facilities because the systems have often relied on data that were not complete, current, or accurate. Until the Army has a process to calculate facility requirements based on current and accurate information, the department cannot be assured that planned Army facilities in Europe will meet quality-of-life and other facility standards.

We are recommending that DOD require the Army to conduct a comprehensive analysis of alternatives for stationing forces in Europe that, at a minimum, should be done as expeditiously as possible upon the completion of the North Atlantic Treaty Organization's strategic concept announcement and consider the costs and benefits of a range of force structure and basing alternatives. Additionally, we are recommending that the Army develop a consistent process to determine specific facility requirements associated with the various basing options. In written comments on a draft of this correspondence, DOD stated that it concurred with our recommendations and have already initiated a strategy-based assessment of U.S. defense posture to be completed by the end of calendar year 2010 and that the Army intends to develop a central, on line classified site containing Army Stationing and Installation Plan population data that will reflect out-year stationing decisions that are classified due to host-nation sensitivity.

BACKGROUND

Since 2004, as part of DOD's Integrated Global Presence and Basing Strategy, the Army has drawn down its forces in Europe and consolidated remaining forces and infrastructure at fewer locations. As a result, according to Army officials these efforts have resulted in significant recurring savings. As shown in figure 1, the Army's plan called for reducing the number of permanent, or enduring, major installations in Europe to six located in Germany at Wiesbaden, Baumholder, Kaiserslautern, Grafenwoehr, Stuttgart, and Ansbach, and one located in Italy at Vicenza. Figure 1 also shows installations located in Germany at Schweinfurt and Bamberg that the Army originally planned to close; however, the status of these installations is now uncertain because of the February 2010 Quadrennial Defense Review tentative decision to retain forces in Europe pending a global force posture review.

From fiscal years 2004 to 2009, the Army spent approximately \$1.3 billion dollars to support its infrastructure transformation and consolidation plans in Europe. The majority of this investment was used to undertake two main efforts: (1) the consolidation of operational forces close to Europe's training facilities at Grafenwoehr, Germany and (2) the consolidation of the U.S. Army Europe's Airborne Brigade Combat Team in Vicenza, Italy. In and around Grafenwoehr, the Army spent about \$473 million on facilities. These included new or renovated operational complexes, maintenance and operations centers, and barracks to support Army brigade combat teams and other units. Other work at Grafenwoehr included upgrading a medical and dental facility and constructing a new post exchange and commissary, dining facility, physical fitness center, as well as numerous other facilities to

support unit operations, the soldiers, and their families. Looking forward, the Army is planning military construction to build barracks facilities at Grafenwoehr to meet the current barracks standard, though this was not part of the original transformation and consolidation plan. At Vicenza, Italy, the Army has spent about \$424 million on facilities to accommodate an expected increase in the forces stationed in Italy. The Army's construction and renovation projects include headquarters and maintenance buildings, barracks, child development centers, and schools at various locations around Vicenza. The remainder of the Army's investment, including Payment-in-Kind and Sustainment, Restoration, and Modernization funds, were used to support transformation and consolidation-related projects throughout Germany, including at Ansbach, Heidelberg, and Kaiserslautern, among others.

In addition to the Army's projects at Grafenwoehr and Vicenza, the Army and TRICARE Management Activity have plans for two major infrastructure projects to support forces in Europe at a cost of almost \$1.4 billion. These include construction of an Army headquarters facility at Wiesbaden, Germany and construction of a replacement regional medical center adjacent to Ramstein Air Base near Kaiserslautern, Germany. Moving and consolidating several Army headquarters from Heidelberg and other locations to Wiesbaden is the last step in the U.S. Army Europe's transformation and consolidation plan that began in 2004. According to U.S. Army Europe officials, consolidating the headquarters would optimize command and control, intelligence, and signal capabilities; provide a more responsive organizational structure; offer better force protection options than at the current location in Heidelberg; and provide access to a nearby Army airfield. The Wiesbaden location would include a theater-level command and control center, a consolidated intelligence center, and a network warfare center at a cost of approximately \$240 million. The first increment of \$59.5 million was appropriated for fiscal year 2009 to build the command and control center and the U.S. Army Corps of Engineers began design work for the facility in the first quarter of the fiscal year 2010. DOD's second project is to replace the regional medical center located in Landstuhl and the Medical Clinic at Ramstein Air Base in Germany with a new consolidated medical center adjacent to Ramstein Air Base near Kaiserslautern, Germany at a cost projected at \$1.2 billion. According to DOD, this project is being driven by the effort to recapitalize medical facilities worldwide, and was not part of the effort to transform and consolidate Army forces in Europe. The medical center is a major hospital that provides primary care for more than 40,000 military personnel and 245,000 beneficiaries in the European Command. The facility also provides medical support for casualties that are air-evacuated from Iraq and Afghanistan: wounded personnel are flown into Ramstein Air Base and then taken by bus to Landstuhl Regional Medical Center, approximately 20 minutes away. According to TRICARE Management Activity officials, a 2002-2003 Army Medical Department study recommended that DOD renovate and add to the existing hospital in Landstuhl. However, in 2009, the Senate Appropriations Committee directed DOD to complete a site assessment for this approach and the Office of the Deputy Under Secretary of Defense (Installations and Environment) conducted a new analysis that included consideration of alternative sites. One of the reasons officials decided upon the new construction adjacent to Ramstein Air Base was because it allows for easier access to the airfield where wounded personnel arrive from combat zones.

Many defense organizations are involved in force structure and basing decisions. According to Army, Joint Staff and DOD guidance, unit commanders, U.S. Army Europe, and European Command are responsible for providing analytical support and coordinating proposed basing actions. For example, for stationing actions and unit moves, commanders of units stationed in Europe will review the mission, operational facilities, base support, available resources, potentially including available funds, and political and environmental effects of the proposed basing action. For force structure changes, Army Headquarters or U.S. Army Europe obtains input and comments from affected commands, including European Command, the functional combatant commands and the component commands. Army Headquarters transmits the resulting proposal to the Joint Staff and requests approval by the Secretary of Defense. European Command conducts an assessment of the implications of potential force structure changes, to inform the Joint Staff and Office of the Secretary of Defense of the relative values or benefits and costs or risks. The assessment includes political-military, operational risk, force structure, infrastructure, and resource implications of the proposed change, and it should address alternatives considered, where applicable.

**FUTURE PLANS FOR ARMY FORCES IN EUROPE ARE UNCERTAIN, BUT COSTS ARE LIKELY TO BE HIGHER THAN EARLIER ARMY ESTIMATES**

Keeping the four brigades in Europe will require the Army to seek funds to keep installations open in the near term (fiscal years 2013 and 2014) and future decisions about force structure could result in \$1 billion to \$2 billion in incremental costs in the long term if four combat brigades, rather than two, are retained. The Army's force structure in Europe is subject to the results of several pending reviews including a comprehensive review of U.S. defense posture worldwide. To date, however, DOD has not announced the details of the scope and timing for the completion of this comprehensive review.

*Retaining forces in Europe will require the Army to spend additional funds, lowering anticipated near-term savings*

Delays and changes in decisions will require the Army to seek hundreds of millions of dollars more annually than planned to support facilities in Europe that they originally intended to close. As part of its plans to return two brigade combat teams stationed in Europe to the United States in fiscal years 2012 and 2013, U.S. Army Europe intended to close installations located at Bamberg and Schweinfurt, Germany. However, the decision to retain these brigades in Europe delays or eliminates these savings and, according to Installation Management Command-Europe, will require the Army to seek funding of roughly \$176 million annually beginning in fiscal year 2013 to support base operations at these two communities.

In addition, U.S. Army Europe planned hundreds of millions in savings by closing Heidelberg and consolidating in Wiesbaden by 2013 and did not program funding to operate this installation beyond 2012. However, because of uncertainty for the funding of construction in Wiesbaden, Heidelberg will remain open longer than originally planned and the previously estimated savings will be delayed by 2 years or more. As a result, the Army estimates it will need approximately \$150 million annually to support continued operations.

Both our review and the subsequent analyses performed by the Army found gaps in the support used to justify the decision to close Heidelberg and consolidate forces in Wiesbaden. The original analyses were poorly

documented, limited in scope, and based on questionable assumptions. Army and DOD guidance describing economic analyses to support military construction projects or decisions about the acquisition of real property indicate that reasonable alternatives should be considered when contemplating projects. For example, DOD Instruction 7041.3 indicates that the analyses should address alternatives that consider the availability of existing facilities and estimated costs and benefits, among other factors. Similarly, Army Pamphlet 415-3 identifies the consideration and evaluation of alternatives as sound economic principles underlying the economic analyses to be performed in support of military construction projects. When we asked to see the original analyses for the 2005 decision, U.S. Army Europe officials provided us with an information paper that had been prepared in response to our request but did not produce documentation to support the original decision. Little detail was available about the alternatives that had been considered, or how quantitative criteria (like cost savings) and qualitative criteria (like force protection and access to airfields) were weighed in the decision. Army officials told us that alternatives to Wiesbaden had been considered in discussions, and that these were rejected in favor of Wiesbaden. In addition, although they noted that estimated cost savings was one of the key reasons for the decision, they also told us that the decision was primarily based on judgment. Furthermore, according to DOD officials, the analysis was not rigorous or documented. Department of the Army officials also deemed the analysis inadequate to defend the operational and business needs for the consolidation and as a result called for additional cost analysis to be conducted by officials from the Assistant Chief of Staff-Installation Management. A subsequent, more robust cost analysis completed in 2009 reduced the estimated annual cost savings to less than half of the original estimate, but affirmed the decision to consolidate in Wiesbaden. DOD has updated its plans and has announced that its current plan is to close the facilities in and around Heidelberg by 2015, but has not yet obtained all the funding to build the new headquarters complex in Wiesbaden.

*Keeping more forces in Europe than originally planned could cost up to \$2 billion in the long term*

DOD has not yet made a final decision on the number of brigades that will remain in Europe for the long term; however, the Army's Office of the Deputy Chief of Staff for Programs (G8) estimates that the long-term incremental costs for keeping the two brigades in Europe will be between \$1 billion and \$2 billion for fiscal year 2012 through 2021. The projected costs will vary depending on whether forces are sent from the United States to Europe for training to maintain a constant presence in Europe. Figure 2 compares the Army's annual estimated cost for fiscal years 2012 through 2021 for keeping the two additional brigades in Europe versus returning them to the United States, assuming no rotational costs. As shown, in years 2012 and 2013 the need to construct facilities in the United States to house the returning brigades would cost more than retaining the brigades in Europe at existing installations. However, Army analyses show that for fiscal year 2014 through 2021 it will cost on average \$360 million more per year to retain the brigades in Europe.

Several factors make keeping the two additional brigades in Europe more expensive than returning them to the United States. These include the cost to provide schools and commissaries overseas, increased personnel

costs due to overseas allowances, and additional funds for needed infrastructure projects to continue operations at Bamberg and Schweinfurt. For example, the Army estimates that for fiscal years 2016 to 2021 it will need approximately \$370 million to improve facilities at Bamberg and Schweinfurt to meet quality of life standards because improvements had not been planned for either of these locations as they had previously been scheduled to be returned to the German government.

Even with the potential significant long-term costs, senior military officials in Europe have argued that the larger force structure is necessary. In March 2010, the Commander of European Command stated in written testimony that without four brigade combat teams and certain headquarters capabilities European Command assumes risks in its capability to conduct steady-state security cooperation, shaping, and contingency missions and that deterrence and reassurance are at increased risk. He also stated that the loss of certain headquarters combined with significant force requirements in support of Overseas Contingency Operations outside the European Command region makes retaining four brigade combat teams critical to the United States Army Europe's and European Command's mission.

*DOD's plans for reviewing U.S. global defense posture are unclear, but alternatives under consideration are limited*

The Army's force structure in Europe is subject to the results of a pending review of the North Atlantic Treaty Organization's Strategic Concept and an accompanying U.S. assessment of the U.S. European defense posture network. The new North Atlantic Treaty Organization strategic concept is scheduled to be unveiled at a November 2010 meeting in Lisbon, Portugal. The 2010 Quadrennial Defense Review announced plans for a comprehensive review of U.S. defense posture worldwide and the Secretary of Defense issued a memorandum in May 2010 identifying global posture as a critical issue to be scrutinized in preparation for the fiscal year 2012 budget process. To date, DOD has yet to announce the details of the scope and timing for the completion of its comprehensive review of global posture.

DOD and Army guidance should prompt the department to consider alternatives when contemplating basing decisions. In our past work, we have found weaknesses in the department's process for adjusting defense global posture and linking it with current strategy. And, even though DOD has stated that it plans to conduct a comprehensive review of global posture, DOD and Army officials told us their review of Army forces in Europe will focus on whether four combat brigades will be retained in Europe. Additionally, until the North Atlantic Treaty Organization new strategic concept is unveiled, it is not known if DOD and the Army are making basing decisions that will support the new strategy.

#### INCONSISTENT PROCESSES TO DEVELOP FACILITY REQUIREMENTS HAMPERS VALIDATION OF FACILITY NEEDS

Once DOD determines its force structure and basing plans for a specific region, it then needs to determine the types and quantities of facilities necessary to provide operational and quality of life support to its soldiers and families; however, we were unable to validate whether completed and planned facilities in Europe meet Army facility planning criteria because U.S. Army Europe planners use inconsistent processes to generate facility requirements. The Army in Europe does not consistently use official Army facility planning tools to calculate its requirements. The Army's official tools for determining fa-

cility requirements do not use the most current and accurate information for European locations, such as installation population data and, in some cases, planners have used alternative or workaround methods to develop facility requirements.

Army guidance directs garrison planning staff to use an Army-wide system, known as the Real Property Planning and Analysis System, to conduct facility requirements analyses which determine requirements for the number, type, and size of facilities needed to accommodate forces stationed at each installation. The planning and analysis system uses installation population data from the Army Stationing and Installation Plan and Army standardized facility criteria needed to support the population and meet mission requirements and quality-of-life standards. For example, the system uses installation population data to determine the required number and size of headquarters and administrative buildings, maintenance facilities, barracks, medical and dental clinics, commissaries, and other support facilities needed at each installation.

According to Army officials, the force structure and installation population data used by the Real Property Planning and Analysis System are not current and thus not accurate. Army officials stated that its facility planning systems do not always include current force structure and installation population data because overseas basing decisions are sensitive and not reflected in the systems before public announcements are made. For example, we found in the case of Vicenza that the facility requirements in the planning and analysis system did not track with anticipated increases in the installation population. Specifically, the Army's force structure is expected to almost double in Vicenza, Italy for fiscal years 2010 to 2014, yet the planning and analysis system was not edited to reflect a corresponding increase in facility requirements.

Because the stationing data do not always reflect current or planned force structure decisions, U.S. Army Europe planners often use alternative methods to determine facility requirements. However, such methods use spreadsheets that are not linked to the planning and analysis system or the criteria database. And, because the alternative requirements determination methods are not linked with the official planning system and its resident facility criteria and standards, it is unknown if planned facilities will meet Army quality-of-life and other facility standards contained in that system. We found that planners were not using consistent methods to calculate facility requirements. To illustrate, key U.S. Army Europe officials told us that because accompaniment rates for troops in Europe are different than in the United States, Army installation planners in Europe were not using the Army's facility planning criterion for determining barracks and family housing requirements; instead, they are using their own subjective estimates that vary among the installations. Planners explained that it was a challenge to develop these rates because the documents available to them that provided details on installation population were not always up to date and did not accurately reflect future Army force structure decisions. This lack of consistency in the methods used by planners in Europe and not knowing to what extent the planners are using current information to determine facility requirements precluded us from validating whether completed or planned facilities in Europe would satisfy its infrastructure needs.

Our inability to validate infrastructure requirements reflects systemic issues that have been brought to the Army's attention, but have not yet been resolved. A 2006 Army

Audit Agency report on military construction requirements in Europe noted that Army systems for planning construction projects often contained conflicting or inaccurate information and planners sometimes generated incorrect requirements when they used the systems. Although the Army Audit Agency found that planned military construction projects were adequate to support U.S. Army Europe's installation plans, it also identified concerns with the accuracy of the information used to determine facility requirements in Europe. The report noted that project planners often did not maintain adequate documentation supporting how they determined requirements and, as a result, often had to recreate the information to support their analysis. In addition, in a June 2010 report that examined facility requirements for Army installations in the United States, we found that the Army's Real Property Planning and Analysis System did not always produce reliable results for some types of facilities because the system has often relied on data that are not complete, current, or accurate. For instance, we found that the facility design criteria had not been updated to reflect current standard designs for 47 of the 58 facility types in the system. As a result of our findings, to improve the accuracy and completeness of the Army's Real Property Planning and Analysis System as a tool for generating facility requirements, we recommended that the Secretary of Defense direct the Secretary of the Army to develop and implement guidance that requires the Army Criteria Tracking System which feeds standardized facility criteria into the Army's Real Property Planning and Analysis System to be updated to reflect changes to facility designs as they are made. DOD concurred with our recommendation and stated that the Army has already taken action to enhance the accuracy of its planning systems to better respond to changing requirements.

#### CONCLUSIONS

With over \$1.3 billion invested since 2004, another \$1.4 billion in infrastructure investments planned for the Wiesbaden consolidation and the recapitalization of medical facilities, and the potential to increase costs by up to \$2 billion over the next 10 years if all four Army brigades are kept in Europe, the financial stakes are high for DOD as it considers its future posture. Existing guidance should prompt the department to consider analyses of alternatives when contemplating basing options; however, previous Army analyses have not been well documented, and the plans being pursued are based on a previous strategy developed in 2004 and may not be aligned with a new strategic concept that has yet to be determined. In addition, the Army's approach to managing its facilities thus far has resulted in uncertainty concerning whether completed and planned facilities will meet infrastructure needs. Until facility requirements reflect quality-of-life and other standardized facilities criteria, there is inadequate assurance that the Army's facilities in Europe will fully meet the needs of soldiers and their families. Without a comprehensive review the Army may lack sufficient information to determine the most cost effective approach to maintaining a continued presence in Europe.

#### RECOMMENDATIONS FOR EXECUTIVE ACTION

To take advantage of the pause before final decisions on the Army's European force structure are made and determine the best course of action for its European posture, we recommend that the Secretary of Defense direct the Secretary of the Army to take the following two actions:

- 1, Conduct a comprehensive analysis of alternatives for stationing forces in Europe. At

a minimum, the review should be done as expeditiously as possible upon the completion of the North Atlantic Treaty Organization's strategic concept announcement and consider the costs and benefits of a range of force structure and basing alternatives.

2. Develop a consistent process to determine specific facility requirements associated with the various options.

We are sending copies of this report to other congressional committees and interested parties. We are also sending copies to the Secretaries of Defense and the Army. In addition, this report will be available at no charge on our Web site at <http://www.gao.gov>. If you or your staff have any questions about this report, please contact me. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in enclosure II.

JOHN PENDLETON,  
*Director,*

*Defense Capabilities and Management.*

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

#### SMALL BUSINESS LENDING

Mr. CARDIN. Mr. President, I take this time, first, to thank Senator LANDRIEU for her persistence in bringing forward legislation that is going to help small businesses. We are on the verge, I hope this week, to finally pass in the Senate legislation that will help the small businesses in our country—H.R. 5297 that is now before us. Hopefully we are going to be able to get this legislation through the Senate.

What this bill does is create jobs. I am proud to serve on the Small Business Committee. We have been working long and hard, and many of the provisions we have supported in our committee on a strong bipartisan basis are included in the legislation that is now before us.

This bill is about helping small businesses so we can create more jobs for our communities. I think my colleagues will all agree and acknowledge that more jobs are created through small companies than through large companies. If we are going to be able to grow our economy, we have to be able to help our small businesses.

It is also known that innovation is more likely to come from the opportunities from small companies. So we need to pay attention to and help our small companies help our economy grow. The bill that is before us incorporates many of the provisions that have been voted on in a bipartisan way by the Small Business Committee. But let me tell you this: I traveled the State of Maryland during our August break when we are back in our States. I had a chance to visit all parts of the State of Maryland and visited many small business owners. The No. 1 issue they continued to raise with me is the ability to be able to borrow money, to get credit for their businesses to expand.

We spent a lot of time trying to help the Wall Street bankers, but, quite frankly, it has not gotten to the small

business owners. They are not able to get the type of loan at an affordable cost so that they can expand their businesses. This bill will help. This bill provides strength to the SBA.

I think all of us agree, the Small Business Administration has the tools to help small companies. But we need to give them the tools that can work in the current economy. So this legislation extends the 7(a) loans under the SBA from \$2 million to \$5 million, the 504 loans from \$1.5 million to \$5.5 million, and the micro loans. They may not seem like a lot of money, \$35,000 to \$50,000, but that could be the key piece of the puzzle necessary for a company to start or expand and create more jobs in our communities.

The legislation also extends the SBA guarantees to 90 percent and waives the costs so we can make it affordable. The legislation sets up an intermediary lending program so that we encourage banks to make more loans to small businesses. In all, it is estimated that it will generate \$5 billion of credit for small businesses, creating 300,000 jobs. That is quite a step forward, quite an important step forward to help our communities.

In addition, the legislation includes help to our States. In the State of Maryland, we have our own program. Governor O'Malley has a program that is aggressively helping small companies in Maryland. The problem is, as you know, State budgets are strapped. This bill provides \$1.5 billion more for the programs our States are operating in order to expand those programs. That will be leveraged to far more than \$1.5 billion of new credit to small companies. It will provide substantial help in Maryland and all of the States of our Nation.

The bill also deals with the continuing problem of contracting. If you are a small company, you are trying to get a contract with the Federal Government—you do not have a lot of contract officers in your business, you are trying to be very efficient, you need help so you can get a fair shake in bidding for a Federal contract.

Unfortunately, today there have been abuses known as bundling where agencies have bundled together a lot of small contracts into a large contract, making it very difficult for a small company to get any part of that Federal contract. In addition, there is prime contractor abuse in not paying the subcontractors on time, which are generally more likely to be the smaller companies.

This legislation incorporates the work of our committee to make it easier for Federal procurement officers to enter into contracts with small businesses. The proposal is estimated to create another 100,000 jobs in our communities.

This is what we need to do. These are not partisan issues. These are bipartisan. I do not know of anyone who disagrees with our efforts to try to help small businesses with more credit or

make it easier for them to deal with the Federal Government.

One other major part that will create jobs in our communities is to make it easier for small companies to be exporting goods to other countries. We all talk about keeping jobs in America. Let's not outsource. Let's keep the jobs right here in America. Well, again, if you are a small company, and you are trying to get through the bureaucracy of exporting, it can become very difficult. This legislation makes it easier for our small companies to be able to participate in international trade, keeping jobs here in America, creating more jobs, helping our economy, reducing the balance of payment problems we have with other countries. It is a win-win situation for the U.S. economy.

In addition, this legislation provides tax relief for small companies. Tax relief. We all talk about that. You get higher deductions for startup costs so small companies can get help from the Federal Government as far as tax relief.

It provides tax equity for small companies in the deductions of their health insurance costs, and allows for the continued writeoff of capital expenditures that were included in the Recovery Act. So there are a lot of tools to help small companies grow. But here is the good news: It is done without adding any money to the deficit of the country. It is totally paid for. We all understand we have to energize the growth of jobs in our economy, but we cannot do it at the cost of raising the deficit. This bill provides the tools but makes sure that we do not add to the deficit of the country, again, strengthening the underlying economy so that we get true job growth.

I thank all who have been responsible to help bring this bill together. I think it is an important step forward in creating new jobs and helping our economy grow and helping small companies help our country. I am proud to support this legislation and hope we can move it quickly this week and get the tools out there helping our small companies grow, creating more jobs for the people in our communities.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Washington State.

Mrs. MURRAY. Mr. President, over the last several months I have been pushing very hard for this legislation that would help small business owners in my home State of Washington access the capital they need to expand and create jobs.

I stand here today to urge all of our colleagues to put politics aside and finally allow this critical legislation to pass. I spent the last month crisscrossing my home State of Washington talking to families and small business owners about ways that we can create jobs and grow the economy. What I heard again and again from so many of these small business owners is that one

of the major factors that prevented them from growing is their inability to access credit. Banks were not lending their money to the small businesses that were doing better than they have ever done before.

I recently spoke with a small business owner named Alton McDonald who owns a grocery store in Tacoma. He told me he wants to hire new employees. His business is primed to grow. But when he went to the bank to get a loan he was turned down.

I spoke with a small business owner named Peter Aaron, who owns the Elliott Bay Bookstore in Seattle which has been a local institution for decades. He is doing his best to keep his head above water in these tough economic times. But he told me that finding a lender to lend him the money he needs to stay in his business is an ongoing challenge. Right now he is struggling to get the financing he needs to put books on his shelves for the holiday season so that when people come in to buy there is something for them to buy.

I had the opportunity to speak with Timothy Robinson. He owns a small manufacturing company in Snohomish County. His small business today employs about 14 people and he is doing well. But he told me that despite his best efforts, he simply cannot get access to the credit he needs to expand. If he could get a bank to give him a loan, Timothy told me he could add 30 people right away, 30 new jobs in Snohomish County.

What I heard from these small business owners and dozens more over the last several weeks was clear: If small businesses were given access to credit, they would be able to expand their operations and add new jobs—as simple as that. Small businesses such as the ones I visited in Washington State can be the engines that drive our economic recovery. But that engine needs fuel in the form of credit to run, and that fuel is not flowing right now.

In communities across my home State of Washington, it has been community banks that have taken the lead in providing that fuel for small business growth. They understand the communities they work in, and they work closely with local small business owners to make sure that their needs are met. But the sad fact is that for far too long our community banks been ignored in our economic recovery. Since this recession began, we have seen banks fail one after another, lending drying up to our small businesses, and job growth suffering. Meanwhile, Wall Street institutions such as AIG and Goldman Sachs were deemed too big to fail. The collapse of our community banks has apparently been too small to notice.

That is why last year I introduced the Main Street Lending Restoration Act, which would direct \$30 billion to help jumpstart small business lending.

It is why I spoke directly to Secretary Geithner about this several

times. It is why I have been pushing my colleagues hard to make small business lending a priority. It is why, when President Obama came to Seattle last month, I introduced him directly to several small local business owners and we specifically talked about this issue. I believe strongly that we need to focus more on community banks if we are really going to make progress and bring true recovery to Main Street businesses.

I am proud to stand here today in support of the small business lending legislation now before us. This bill takes the most powerful idea from my Main Street Lending Restoration Act. It sets aside \$30 billion to help local community banks—those under \$10 billion in assets—get the capital they need to begin lending money to small businesses again. It would reward banks that are helping small businesses grow by reducing interest rates on capital they receive under this program. It would help support small business initiatives that are administered by States across the country struggling today because of budget cutbacks. It does all this while saving taxpayers an estimated \$1 billion.

When I met with small business owners across my State, I spent a lot of time talking with them about this bill. I talked about how it would help them create jobs and grow their businesses. Every single small business owner with whom I spoke thought this was a very important idea. Many of them had a question for me—a question to which I wish I had a better answer. Their question: Who would oppose this bill? Who would oppose a bill that seems to be such a commonsense solution to a most pressing problem, a bill that would create jobs and help small businesses grow, boost our economy at a time when it is so desperately needed? Who would stand up and say no? I was asked that constantly. Unfortunately, I suspect it comes down to some old-fashioned political games. I fear too many of our Republican colleagues are afraid that a victory for small businesses is a victory for the Democratic Party. They don't want that to happen this close to an election. I think that is truly a shame because I believe the challenges small business owners face today transcend partisan politics.

The truth is that this is a non-partisan bill. It is a bill that puts credit back into the hands of small business owners. It is a bill that puts people back to work. It is a win for small business. It isn't a win for a political party. It is a win for the economy, our workers, and our country. I urge my colleagues to put partisan politics aside, listen to the voices of their constituents, listen to small business owners, and support this critical legislation.

I yield the floor.

The PRESIDING OFFICER (Mr. BURRIS). The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, are we still in morning business?

The PRESIDING OFFICER. We are.

Mr. BAUCUS. Mr. President, on behalf of the leader, I yield back our time so we can get to the bill.

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

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

#### SMALL BUSINESS LENDING FUND ACT OF 2010

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 5297, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5297) to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

Pending:

Reid (for Baucus-Landrieu) amendment No. 4594, in the nature of a substitute.

Reid (for Nelson (FL)) modified amendment No. 4595 (to amendment No. 4594), to exempt certain amounts subject to other information reporting from the information reporting provisions of the Patient Protection and Affordable Care Act.

Reid (for Johanns) modified amendment No. 4596 (to amendment No. 4595), to repeal the expansion of information reporting requirements for payments of \$600 or more to corporations.

Reid amendment No. 4597 (to the language proposed to be stricken by amendment No. 4594), to change the enactment date.

Reid amendment No. 4598 (to amendment No. 4597), of a perfecting nature.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, the Book of Ecclesiastes says: "A worker's sleep is sweet." Because of the great recession that started in 2008, millions of Americans have lost sleep. Why? Because they lost their work. That is why, throughout this Congress, we have been working to create jobs. That is why today, with this small business jobs bill, we are continuing to work to create jobs.

One of the first things this Congress did was to pass the Recovery Act in February of 2009. The Recovery Act cut taxes for Americans by \$326 billion. That is right. The Recovery Act cut taxes for Americans by \$326 billion. In their latest report on the Recovery Act, the nonpartisan Congressional Budget Office once again reports that the Recovery Act is working.

That office, CBO, says in the second quarter of this calendar year; that is, in 2010, the Recovery Act "raised real . . . gross domestic product by between 1.7 percent and 4.5 percent"—raised gross domestic product by between those amounts. CBO also says—and I am quoting from them—the Recovery

Act “lowered the unemployment rate by between 0.7 percentage points and 1.8 percentage points.” That is right: The Recovery Act lowered the unemployment rate. CBO also says the Recovery Act “increased the number of people employed by between 1.4 million and 3.3 million” people. Continuing, CBO says the Recovery Act “increased the number of full-time-equivalent jobs by 2.0 million to 4.8 million compared with what would have occurred.”

Just think of that. That is CBO’s estimates of the effect of the Recovery Act—all positive in all those respects.

In March, Congress passed the HIRE Act; that is, the Recovery Act last year, the HIRE Act this year. The HIRE Act includes a payroll tax exemption for new hires. The HIRE Act cut taxes by a further \$15.5 billion. That law has also helped to bolster job creation.

I might add that this summer the Treasury Department found:

From February to May of 2010, an estimated 4.5 million workers who had been unemployed for eight weeks or longer were hired by employers who are eligible for the HIRE Act payroll tax exemption.

These actions that Congress has taken, therefore, are working.

August was the eighth consecutive month of private sector job growth—the eighth consecutive month. Coming out of the 2001 recession, it took 28 months before we had 8 straight months of private job growth.

Since last December, the American private sector has created 763,000 net new jobs. Contrast that with the previous 8 years under the previous administration. During that 8 years, America’s private sector lost 673,000 jobs.

This chart I have in the Chamber shows that. If you look at the chart, beginning in January of 2008, the red bars show the job loss. The job loss got greater from January of 2008, April 2008, July 2008. As you see the longer red bars, that shows the greater job loss.

Then, beginning with the Recovery Act in 2009, what happened? Look at this chart. This chart shows it. The black bars show action since the Recovery Act. The red bars to the left are job loss before the Recovery Act. Once the Recovery Act passed, according to the black bars on the chart, job loss decreased, steadily decreased in April 2009, July 2009, and October 2009. Then, guess what. We start getting positive numbers where job creation exceeded job loss. Those are the blue bars in January 2010, April 2010, and July 2010.

So just to repeat broadly, beginning in January 2008, job loss grew dramatically, unfortunately, for all those folks. The Recovery Act passed in the beginning of 2009, and then job loss got less and less and less and less until about October, January of this year, and now we have a net increase of private jobs. The Recovery Act and the HIRE Act worked.

We still have more to do. We still need to do more to help create new

jobs, and we will not rest until every American who wants to work can find it.

We are doing more today. The small business jobs bill we are working on right now is about helping Americans get back to work. This bill helps by helping small businesses especially hire more workers.

Small businesses are the backbone of America’s economy. We say that many times because it is true. They are the principal engine of job growth. Over the past 15 years, small businesses have created two-thirds of all new jobs. It is not big business that creates most of the new jobs. Two-thirds of new jobs are created by small businesses. That has been the case for a long time, and I daresay it will continue to be.

But the great recession hit small businesses especially hard. Since December 2007, small businesses lost more than 6 million jobs.

This small business jobs bill would help create the right economic conditions for job growth. This small business jobs bill on the floor now could help small businesses create as many as 500,000 new jobs.

The great recession’s credit crunch starved America’s small businesses’ access to the capital they need. We hear that all the time. I say to the Presiding Officer, I know you do back home in your State. In response, this small business jobs bill will provide small businesses with access to capital, robust incentives for investment, and support for innovation and entrepreneurship.

How? Well, this small business jobs bill would give small businesses \$12 billion in tax cuts—\$12 billion in tax cuts aimed at small businesses. It would increase small business lending. It would help small business owners get private capital to finance expansion and hire new workers. It would reward entrepreneurs for investing in new small businesses. It would help Main Street businesses compete with large corporations, and all these things would help small businesses create as many as half a million new jobs.

Creating jobs is what people want us to do. I might say, I have a hard time understanding why some on the other side of the aisle have been holding this bill up for weeks and weeks. That is their business. I do not understand it, but that is their business. This is the kind of commonsense legislation we have before us today that Americans sent us here to do.

At last, the end is in sight, thanks to the courageous votes of Senator GEORGE VOINOVICH and Senator GEORGE LEMIEUX. I thank them. I thank Senator VOINOVICH and I thank Senator LEMIEUX on behalf of Americans and on behalf of all the folks, especially small businesses, who want to find jobs.

I thank, as well, every other Senator on this side of the aisle for their votes. I thank those two Republican Senators and the Democratic Senators who

voted for this bill. Because of all of you, we are finally bringing this debate to a close, and it is certainly time to.

It is time to pass this bill. It time to help small businesses. It is time to help create up to half a million new jobs. So let us bring this debate to a close. Let us send this targeted tax relief to small businesses without further delay, and let us pass this commonsense legislation.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, while we are talking about taxes, I wish bring up something that is significant to about 26 million Americans. It doesn’t deal only with small businesses, but obviously a lot of small businesses are affected by the issue I bring to my colleagues’ attention. I do this several times a year. It deals with the alternative minimum tax, a tax that I am sure that out of the 26 million people who might be hit this year if we don’t do something, a lot those are small businesspeople.

The AMT was first enacted by Congress in 1969. The alternative minimum tax was created in reaction to some very wealthy and very high income individuals paying no income tax. These high-income individuals were able to do this because they were able to claim a huge amount of tax credits and deductions legally.

Probably the sensible way to have dealt with this problem would have been to curtail the proliferation of those tax credits, tax deductions, and tax expenditures at that time. Unfortunately, that was not the course Congress took when the alternative minimum tax was set up, now 40 years ago. Instead, Congress created this alternative tax system that we call the alternative minimum tax. With the alternative minimum tax, an individual must first calculate his regular income tax, and then he must calculate his alternative minimum tax. The taxpayer compares the two numbers and pays the highest figure of tax owed. I know this is complicated, figuring one’s taxes twice—as if the regular income tax all by itself isn’t complicated enough—but it has gotten much worse over the decades.

The alternative minimum tax has not merely added complexity; it has ensnared tens of millions of Americans in its clutches. What was originally intended for fewer than 200 very wealthy taxpayers back in 1969 because they didn’t pay any income tax—legally didn’t pay any income tax—now has grown to ensnare tens of millions of middle-class Americans.

What is really worse is that it was supposed to get everybody to pay some income tax under the theory that if you live in America, even if you take legal advantage of everything the Tax Code allows you to do and still pay no tax, you ought to pay something, so the alternative minimum tax. But now the IRS tells us that there are a large

number of people—not tens of thousands but thousands—who don't pay either the regular income tax or there are ways they don't legally have to pay the alternative minimum tax. So it isn't even accomplishing its original purpose of making sure everybody pays some income tax.

The reason it has grown to include many middle-income Americans is because the exemption amount has not been indexed for inflation. Congress has increased the exemption amount so it would be targeted toward those people it was meant to hit—very wealthy people.

We keep talking around here about patching the AMT. We have done it every year since 2001. Congress has passed the AMT so that only 4 million taxpayers have been subject to it in the past few years. At this point, however, the AMT is not patched for 2010. So unless Congress acts to patch the AMT, rather than only about 4 million Americans being subject to the AMT, more than 26 million will be.

The chart I have here shows my colleagues a breakdown of the number of families and individuals State by State subject to the alternative minimum tax. These families and individuals should be paying the alternative minimum tax right now because Congress hasn't acted so far this year, after 9 months, to do the patch. That means that about 22 million families and individuals are currently scheduled for quite a surprise come April 15, 2011. Roughly 4 million Americans are presumably used to paying the AMT, but the additional 22 million families and individuals currently subject to it may not have realized they are standing in a hole dug by this Congress. Until Congress patches the AMT in 2010, these individuals should either have their wages withheld at a higher rate and/or pay estimated taxes to take into consideration the fact that the AMT has not been patched. But we would have to figure that very few of these 22 million Americans are, in fact, paying the higher estimated taxes in anticipation of Congress not acting on the AMT. They probably do not know.

The third quarterly estimated tax payment is due today. Literally right now, taxpayers across the country are under the legal requirement to pay their estimated tax. They should be using the form depicted on this chart, the form 1040-ES. I hope I am not here in January when the final estimated payment is due.

It is disappointing that Congress has created a situation where law-abiding citizens who still trust in Congress to look out for them are at odds with the law, even if only temporarily. The betting money is that Congress will get this job done before the end of 2010, but in the meantime, confusion reigns.

In many ways, people simply do not know what to do about this. As I said, taxpayers don't know how much estimated tax to pay. The IRS doesn't know what forms to be preparing for

publication. Tax software firms don't know how they should program their software. Tax professionals are not sure what to advise their clients. Government revenue estimators don't know whether to count the AMT patch in or out. And most important, our fellow Americans don't know how to plan their financial affairs. Can they afford that vacation or can they afford a new car? Can they afford some additional gift to charity? Should they contribute more or less to their 401(k)? The answers to these questions turn in part on whether Congress patches the alternative minimum tax.

So what is to be done? The 2005 bipartisan tax reform panel had two different tax reform options: the simplified income tax and the growth and investment tax. But under either option, the bipartisan tax reform panel said that Congress should simply repeal the AMT. I think that is what has to be done.

Don't forget the philosophy behind it 40 years ago, not indexed. That is why we have to patch, is because 200 people, maybe only 150 at that time, were not paying any income tax. Progressives thought: Well, everybody living in this free country, even if they legally don't have to pay any income tax, ought to pay "some tax." So that is the philosophy behind it. We have not argued so much with that philosophy over the last 40 years. But we are in a situation where the IRS says there are some people in America who legally don't have to pay income tax or the alternative minimum tax. Does that make sense? Why would we have that law on the books if it is not fitting its original intention?

That is what I would favor—complete repeal of the AMT. If that isn't to be done, I would favor then a permanent patch of the AMT. Given Congress's actions in this area, it seems likely we will patch it year after year after year, so wouldn't it help with everyone's plans to simply do that once and for all? That is the question. That would be the way to do it. It is predictable.

But allow me to address the AMT in the context of statutory pay-as-you-go. The statutory pay-as-you-go was enacted earlier this year as part of the majority party's debt limit increase. Some on the other side of the aisle have described statutory pay-as-you-go as a fiscally responsible way in which to address the 2001 and 2003 tax relief extensions.

Statutory pay-go provides that all the regular tax relief for taxpayers under \$250,000 is permanent. Statutory pay-go, however, only provides for a patch to the AMT just for 2 years: 2010 and 2011. So what is going to happen in the next year, come 2012? There are at least four possible options.

Option 1 would be: In 2012 and after, AMT will not be patched. But I do not really think that is an option Congress would seriously entertain—then or now—to add another 20 some million people paying this tax that middle-in-

come taxpayers were never supposed to pay in the first place.

Option 2: In 2012 and after, AMT will be patched and paid for with new taxes. That would be consistent with what we call statutory pay as you go, but does anyone think that would make sense, pay for tax relief with new tax burdens?

Option 3: In 2012 and after, AMT will be patched and paid for with spending cuts. In general, I believe that we need to use spending cuts to tackle our deficits and debt. But we know our friends in the Democratic leadership are allergic to spending cuts. So, as much as we would like to reign in the record spending spree of the last 18 months, I don't see my friends on the other side agreeing to cure their allergy to spending restraints. They've rejected roughly \$270 billion in spending restraints since adopting the much ballyhooed statutory pay-go regime.

But then there is option 4: In 2012 and after, AMT will be patched and not paid for. That certainly is an option I am very open to and quite possibly what Congress will ultimately do and has done in the past. Money that wasn't supposed to be collected in the first place shouldn't be relied on as revenue and so doesn't need to be offset.

However, if the AMT is patched and not paid for, then there is a hidden \$1 trillion revenue loss in the package. This means the deficit impact of the so-called fiscally responsible package is understated by \$1 trillion. The so-called fiscally prudent statutory pay-as-you-go legislation likely has a \$1 trillion understatement of the deficit impact.

If fiscally responsible is understating an increase to the deficit by \$1 trillion, I wonder then what fiscal irresponsibility would be. The AMT is a serious problem and needs to be addressed in a comprehensive, permanent, prompt, fiscally prudent fashion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, first, I thank the chairman of the Senate Finance Committee, Senator BAUCUS of Montana, who just spoke about the bill before us. If you go to any State in America and ask those who own small businesses what their challenges are today, I will guarantee you that in the top one, two or three items, it is access to credit.

This bill, this small business jobs bill, will give access to credit to thousands of businesses across America so they will have money to expand inventory, to expand their business, to expand their employment.

Many of us believe, as Senator BAUCUS has said, small businesses are key to job growth in America. I cannot explain—I cannot explain—why the Republican Party decided to filibuster this to try to stop us from even bringing this bill to the floor over and over and over. We should have passed this bill months ago. It should have been

passed on a bipartisan basis. The Small Business Committee is one of the most bipartisan committees in the Senate. Yet they have resisted it.

I wish to join Senator BAUCUS in thanking two Republican colleagues who had the courage—and it took political courage—to step up and say: Put an end to this filibuster. We have to help small business. Senator GEORGE VOINOVICH of Ohio and Senator GEORGE LEMIEUX of Florida both stepped up, and because of their courage, we passed this bill yesterday with 61 votes—at least moved it forward, I should say, toward passage, and that is dramatic, positive progress for us when it comes to dealing with this recession.

I also wish to say there was a statement made yesterday. I listened to it in my office. It was the stakeout of the Republican leaders after their luncheon, and I listened carefully as Senator MCCONNELL, the Senate Republican minority leader, as well as Senator KYL of Arizona, and others in their leadership, came to the microphones right outside this Chamber and said there should be no tax cuts in America—pardon me—there should be no tax increases in America. They came and said there should be no tax increases in America for anyone. They were focusing on the Bush economic policies that gave tax cuts to the wealthiest Americans, and these Republican leaders said: There should be no tax increases in America.

I wish to say that from my point of view, yesterday the Senate Republican leadership, in front of microphones right outside this Chamber, filed for bankruptcy for the United States of America. If we cannot, in the midst of this recession and with our Nation's deficit, ask for a sacrifice from the wealthiest people in America, then I am afraid we have lost our way.

Let me quote someone who knows a little bit about policy in Washington. His name is David Stockman. I remember David Stockman when I first came to Congress because David Stockman was the budget adviser to President Ronald Reagan. He was the man who guided the President in his thinking about budgets. So, certainly, he has a Republican resume that is pretty strong.

What did David Stockman say about the current state of the Republican Party when it came to these issues of deficits and tax cuts? Here is what he said:

If there were such a thing as Chapter 11 for politicians, the Republican push to extend unaffordable Bush tax cuts would amount to a bankruptcy filing. The nation's public debt . . . will soon reach \$18 trillion.

Stockman said it screams "out for austerity and sacrifice." But, instead, the GOP insists "that the Nation's wealthiest taxpayers be spared even a three-percentage-point rate increase."

Well, I know what the Republicans are likely to say in response. They are likely to argue what they have argued for 10 years; that is, if we give a tax break to the wealthiest people in

America, then this economy is going to prosper. These wealthy people will spend their money and invest their money in a way that will create jobs, which leads to one very basic question. After 10 years of tax cuts for the wealthiest people in America, where are the jobs? After 10 years of tax cuts for millionaires and those at the highest levels of income, where are the jobs? Eight million Americans are out of work. Another 6 million have basically given up looking for work. We have 14 million unemployed in the worst recession we have ever faced because of Bush economic policies—we have to go back to the Great Depression to see anything worse—and it was based on 10 years of tax cuts for wealthy people. This did not create jobs; it created the biggest debt in the history of the United States.

Let me digress for 60 seconds or so for history. President William Jefferson Clinton left office, turning over the keys to the White House to George W. Bush. What was the state of the economy in America? Well, we had created some 22 million jobs in the previous 8 years. We had a national debt that had been accumulated—a national debt from George Washington through President Clinton of \$5 trillion—\$5 trillion—and the President said—President Clinton said to President Bush: Welcome to Washington. Good luck in your administration. Let me give you as a starting gift from my administration a \$120 billion surplus—surplus in the Treasury—not a deficit but a surplus.

Now, fast-forward 8 years. Now President George W. Bush has had his chance to use his economic policies, and where are we? Well, the national debt has risen from \$5 trillion over an 8-year period of time to \$12 trillion—more than double during that period of time. How does one more than double the national debt of America in 8 years? Well, let me count the ways.

First, wage two wars and don't pay for them—wars in Iraq and Afghanistan. Secondly, do something no President has ever done in American history: give tax cuts in the midst of a war. We have all the ordinary expenses of our government, and then we have the added expense of war, and President Bush and his Republicans in Congress said: Well, the answer to that is to cut people's taxes.

Guess what. When you cut taxes, you take money out of the Treasury that otherwise would come in and add to the national debt. Then add a few major programs that President Bush passed and didn't pay for. Medicare prescription Part D is a classic example. Though we in health care reform were required by President Obama to pay for it, the Republicans, facing a change in Medicare, did it without paying for it. They added to the national debt.

So President George W. Bush left office. The \$5 trillion debt under President Clinton is now \$12 trillion, and he said to President Obama: I won't be able to hand you that surplus that I

was given when I took office. Instead, I am handing you a \$1.2 trillion debt in the next year. Ten times more than the surplus offered him, he offered to President Obama. President Obama took his hand off the Bible being sworn in as President, and in the first month faced 750,000 Americans newly out of work. Welcome to Washington, President Obama; a little gift from the previous administration. That is what we have.

So now come Senate Republicans, and they say: Well, to get out of this recession, clearly what we need to do is do everything over again that got us into the recession, and the first thing we need to do is cut taxes on the wealthiest people in America. As David Stockman says: If you can't ask a millionaire to give up a 3-percent tax cut in the midst of what we are facing in this Nation—a millionaire—if you can't ask for a sacrifice from those who are most well off in our country, how can you possibly govern in a responsible way?

Senator MCCONNELL introduced a bill this week which spells out exactly what he thinks about the deficit. His bill—a tax cut bill—will add \$4 trillion to the national debt. That is \$4 trillion unpaid for. Did he raise taxes to give tax cuts to others? No. Did he cut spending to give tax cuts to others? No. He just said \$4 trillion of debt, here it is, unpaid for. This is the party of fiscal conservatism? These are the deficit hawks? These deficit hawks have had their wings clipped—clipped by the richest people in America, and that is their position.

If I can transition to another question of debt, it isn't just the debt of our national government, as large as it is, that ought to concern us. There are other debts across America. Americans have \$826 billion in credit card debt. Naturally, people are struggling to make ends meet, and they are going to put more debt on their credit cards. They are going to owe more. So \$826 billion in credit card debt.

The debt I want to focus on is even larger. The Federal Reserve recently revealed that we passed a milestone in American economic history in June of this year. For the first time in history, American consumers owe more on their student loans than on their credit cards. We have \$826 billion in credit card debt and \$850 billion in student loan debt. The total national student loan debt is increasing at the rate of \$3,000 per second. The average college student in 2008 graduated with over \$23,000 in student loans. By the time the students start college this fall, when they graduate, they could easily owe more than \$30,000 at graduation.

Growing student loan debt creates a tremendous burden on recent college graduates. Recent graduates have a hard enough time finding a job in today's economy, but they need a job that pays enough to cover their monthly student loan payments. Young adults delay decisions to pursue advanced degrees, buy a home, start a

family, because of student loan debt. We want young Americans to be an active engine for our economy, but too many graduates trapped in debt have to worry about the first paycheck and making the first payment on their student loans.

This week, Education Secretary Arne Duncan announced the 2008 student loan cohort default rates. Default rates on student loans across America were 7 percent—up from 6.7 percent last year. The cohort default rate is a snapshot of one group of students, those whose first loan repayments came due between October 1, 2007, and September 30, 2008, and who defaulted on their loans before September 30, 2009. During that time, over 200,000 borrowers defaulted on their student loans within 2 years of leaving college.

I was the beneficiary of a student loan when I went to school. It was called the National Defense Education Act. I couldn't have gone to college and law school without it. My understanding was—at least I felt an obligation to pay off that loan so that future generations could borrow that money and other students would get a chance to go to college. Now we find in this cohort 200,000 students already defaulting within 2 years of leaving college. This shows difficult economic times and the trouble young people are having finding jobs after school.

But a closer look at the data reveals another growing problem. Default rates at for-profit colleges are already far too high and rising. The 2-year default rate at for-profit colleges was 11.6 percent in 2009, up from 11 percent the year before. In comparison, public colleges had an average default rate of 6 percent; nonprofit colleges, 4 percent.

So let's put the numbers in perspective. The default on student loan payments from those graduating from nonprofit colleges nationwide, 4 percent; public colleges, 6 percent; and the default rate at for-profit colleges, 11.6 percent in 2009.

More than one out of every nine students who take out a student loan to attend a for-profit college will default on that loan within 2 years of leaving school, and the results are even worse after 2 years. Since 1995, two out of every five—40 percent of students who attended 2-year, for-profit colleges—defaulted on their student loans. Students at for-profit schools represent less than 10 percent of postsecondary students in America but one-quarter of student loan borrowers and 43 percent of all student loan defaults. Defaulting on a student loan is not just a bad economic experience; it can be a disaster.

For-profit recruitment officials, however, take it very lightly when they explain to young people what the consequences are of default on a student loan. The Government Accountability Office investigated 15 for-profit colleges and found that all 15 colleges misled students, including making false statements about student loans and defaults. One recruiter told a potential applicant:

I owe \$85,000 to the University of Florida. Will I pay it back? Probably not . . . I look at life as tomorrow's never promised. Education is an investment. You're going to get paid back tenfold no matter what.

Another recruiter taped by a government investigator said, when the student asked about student loans:

But it's, workable, you know, it's really workable. And the . . . a lot of people have student loans . . . but the best thing about it, it's not like a car note, where if you don't pay they're gonna come after you.

That is a lie, and it is that kind of lie that is leading students into debt that they cannot repay.

Defaulting on a Federal student loan can have dire consequences for these students for the rest of their lives.

Here is what happens if students don't pay back their student loans. First, the loan will be turned over to a collection agency and they will be charged collection costs over and above the loan up to 25 percent. Their wages can be garnished, their tax refund intercepted, and their Social Security benefits withheld. Their defaulted student loan will be reported to a credit bureau and remain on their credit history for 7 years after they pay it off. That means they may not be able to buy a car or a house or take out a credit card. It might even mean they don't get a job if an employer looks at their credit history. They can't take out any more student loans or receive Pell grants to go back to school. They are no longer eligible for HUD and VA loans. They can be barred from the Armed Forces and they might be denied some jobs in the Federal Government.

That recruiter was right about one thing, though: a student loan is not like a car loan. Car loans can be discharged in bankruptcy but not student loans. A borrower can never escape a student loan, whether it is federally guaranteed or a simple private loan for school.

I had a hearing in Chicago about 3 weeks ago on these for-profit schools. I never saw such a crowd in my life. Do you want to know why? This is a big, profitable business. These schools are dragging in billions of dollars in Federal money that is then being loaned to students so they can go to school online or at these so-called for-profit schools. They end up with a worthless degree, if they graduate, deep in debt. They default on the loans and the government loses.

So I went to this hearing with 450 people showing up at this hearing on for-profit colleges.

I didn't expect an amazing turnout. There were picketers on the sidewalk outside the Federal court building. Lo and behold, they were there for me. I went up to the students and said to them: Hi, I am DICK DURBIN. I am going up to the hearing. What are you kids doing here? They said: We are students at the Illinois Institute of Art, which is a school in Schaumburg, a suburb of Chicago. They were dressed similar to

the people you see on "Top Chef." I don't know the name of the white tunic they wear. I said to them: So you are at this for-profit college. What are you studying? They said: Culinary arts. One said: I want to be a cook and own a restaurant. I said: How much does it cost you in tuition to go to this school?

Well, it is a 2-year course in culinary arts, and the tuition is \$54,000. Do you know what the starting pay is for people in a restaurant, a cook? It is about \$10 an hour. So I said: Are you concerned about paying back this student loan? The answer was: Yes, but someday I may own a restaurant. Well, they may. These students were misled into believing they were going to get a job to pay them enough to pay back that student loan, but very few will be able to do so. There just isn't that much money in that line of work. I wish we could suspend all the "Top Chef" shows on the cable networks for a couple years so kids will stop signing up for \$50,000 training courses and borrowing student loans they can never pay back to become the "top chef."

For some, I wish them the best, but it is going to be impossible—difficult at least—for them to pay their loan back. For another school that was upstairs, it was \$41,000 for the culinary arts degree.

I say to the Presiding Officer, who is also from Illinois, we have something called the City College of Chicago. Do you know what the same culinary arts course, over a 2-year period of time, which is just as good, same course, same training—what it costs in tuition for 2 years? It is \$12,000. It is \$12,000 to go to a city college, a community college, for culinary arts. But it is \$54,000 to go to the Illinois Institute of Art—whatever that is—out in Schaumburg. You may say to yourself that these students are dragging themselves deeply into debt that they may never get out of, and the default rate at for-profit colleges is outrageous. It is double what it is for many other schools across America.

The growing levels of student loan debt and the increase in defaults are undermining our economic recovery. Instead of contributing to the economy, many graduates and former students are doing all they can to dig out of debt.

While high tuition levels and student debts are a problem across higher education, I am particularly troubled by these for-profit colleges. Low-income students come to these colleges in droves, lured by promises of high-paying careers and flexible courses. Did you see that ad on cable TV saying you can get a college degree in your pajamas? It shows this beautiful young girl in her pajamas saying: I am going to college in my pajamas.

Here is an alert to young people across America: You are not going to earn a college degree in your pajamas. You have to dress up and be part of the world and go to school. I understand that you can go online, and for many

people that is a great way to go to school, but it takes more than lounging around the house and going online and ending up with a worthless degree. One of the persons who testified in our hearing was a young girl who is a graduate in law enforcement from the Westwood College. Ever heard of it? I haven't. She went to school there in Chicago; it took her 5 years. She got a bachelor's degree in law enforcement because she wanted to work for the Chicago Police Department or the Sheriff's Department. She wanted to be a professional there and she would have a bachelor's degree. They laughed at her when she showed them that degree. Westwood College? They didn't even accept or recognize it. There she sat, after 5 years of education, with a worthless degree. Do you know what it cost her? It cost \$86,000 in student loans. That is how much she owed for that worthless degree. Now she cannot get a Federal student loan to go to a community college. She cannot get a Pell grant. She is paying \$600 a month and living in her parents' basement.

That is the reality of life for these young people who are lured into these for-profit colleges. What are the biggest recipients of Federal loans in America today when it comes to those colleges? No. 1, University of Phoenix, the Apollo Group. How many undergraduate students do they have? They have 480,000 undergraduate students—more than the combined undergraduate enrollment of the entire Big Ten schools. No. 2, Kaplan; No. 3, DeVry; No. 4, Penn State University, which offers online courses. They are taking out the lion's share—25 percent—of all Federal student loans for education help to for-profit colleges and have 43 percent of the student loan defaults. It tells the story.

Low-income students don't know any better. They are signing up for courses with promises that can't be kept. I went to the Web site of Roosevelt University, an established college in Chicago, to look up some information, and I was bombarded with ads from these for-profit schools. I called the President of the school and said: Chuck, have you looked at your own Web site? You can't find Roosevelt on there. There's Argosy and Corinthian and all these things thrown at you. Imagine a young person who is trying to decide where to go to school.

It is time to look at risk sharing when it comes to student loans. These for-profit colleges ought to be on the hook. If they are going to lure young people into debts they can't pay, they ought to have some skin in the game and say: If there is going to be a default, we are going to pay a price too. Secondly, I am sick and tired of these schools that are not accredited and are being given money for Federal student loans. If your school is not accredited and if your hours cannot transfer to another school, you should not receive Federal loans. Students should not have to go through a research inves-

tigation to decide whether a school is accredited. That is not their job and should not be. It ought to be our job as a requirement. We ought to say that if you want to qualify for Federal aid for education, you have to be an accredited school. If it is a phony school, you don't get Federal money. That ought to be the basics.

Today, school officials are working with incentives, incidentally, that push companies to bring in the highest volume of financial aid, which means they will sign up anybody who can qualify. They don't care if you can read or write. Literally, they will put you on as one of their students earning a baccalaureate degree, and they will get the money from the Federal Government. Incidentally, they complained recently because we capped how much Federal money a for-profit college can receive of their revenues at 90 percent—and they complained. Colleges that have burdened students with this debt, without giving them the skills and credentials, should share a piece of this default risk. Maybe then the colleges would focus less on bringing in as many students as possible, at the highest tuition as possible, and focus more on preparing students to succeed. We need to seriously consider this risk sharing, as well as other ideas to bring student loan debt defaults under control. I look forward to working with my colleagues.

Look at your own States. For those of us who have voted reflexively for Federal student loan increases and Pell grants, the party is over. I will not stand by and watch billions in taxpayers' money funneled into for-profit schools that heap debt on the students and fail to give them the training and degree they need to succeed in life. It is time to bring this to an end.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. THUNE. Mr. President, the legislation before us is the small business bill, which includes a number of provisions. I have stated before in comments on the floor that there are a number of concerns I have about the \$30 billion lending fund that is included in what is now the Baucus-Landrieu substitute amendment to the small business bill.

I simply say, in reaction to the comments of the Senator from Illinois, because a suggestion was made that somehow Republicans were trying to block this bill, I think everybody should know this is being debated under a procedure that is very unique. The Democratic leader filled the tree, which blocks Republicans from offering amendments. So it should come as no surprise that the minority party would react negatively to not being able to have any of their amendments considered or voted on in a debate about legislation such as a small business bill, which we happen to think is very important.

The suggestion was made by the Senator from Illinois that, again, somehow

Republicans are being resistant to or blocking this, I think, misses the broader point, which is that there are a number of us who have amendments we would like to offer to try to improve the bill and make it better. But the majority party has filled the tree, and that means, in layman's terms, that they are not going to allow any amendments. This is being considered under a procedure that doesn't allow us to offer amendments, and I have a couple that are filed at the desk. If I were permitted to do so, I would offer them. I think they address what are some of the fundamental shortcomings in this underlying legislation.

I don't think we ought to be using taxpayer dollars to establish this new fund—this \$30 billion lending fund or what I like to refer to as "TARP III"—and there is a section 103 of the substitute amendment that creates this small business lending fund. Part of that section allows a bank that received TARP funds to refinance into the newly created small business lending fund. Obviously, there are advantages to this refinancing because this new lending fund was created specifically to avoid the negative association with TARP.

While I have serious concerns with allowing these banks to refinance into this new program, at least the legislation prevents those banks that are behind in dividend payments from refinancing into this new fund. I would give the underlying legislation credit in that regard. What the legislation fails to do, however, is provide a similar prohibition on those banks that are behind in their TARP payments from applying to receive even more capital from the Treasury to this new fund. They can't refinance, but they can get more funds from the Treasury, even though they are delinquent in their payments already to the TARP fund.

According to the most recent report, on July 21, 2010, there were 105 TARP recipients who took funds through the Capital Purchase Program that missed their scheduled dividend payment. That is \$157.7 million in outstanding obligations to the Treasury through TARP.

Keep in mind, there were over 70 banks under \$10 billion in assets that have received TARP funds through the Capital Purchase Program. Of the six largest banks over \$10 billion, all but one have paid back their obligation. Of the 701 banks under \$10 billion in assets, there are 625 banks with outstanding investments.

If you are a bank that took money from TARP and are behind in what you owe the taxpayers, you should not be allowed to take more money from the Treasury. This is a major loophole in this legislation.

My amendment, No. 4614, would make sure those banks that are non-paying TARP recipients would not have access to more capital through this fund.

A bank would not extend a second loan to a customer who is behind in

their first loan. Why wouldn't we, as the American taxpayers, provide the same restrictions when it comes to a loan through the Treasury? It seems to me that is a fairly straightforward understanding that we ought to have. If you are delinquent on your first loan, you should not be able to get a second one. As I said before, that is a shortcoming in this legislation.

My amendment would correct that. I think this is an important safeguard that ought to be included. Having said that, that is not enough to make this legislation stronger and better.

At the end of the day, I still believe the small business lending fund will be a reincarnation of TARP. This is not something I can support.

While I am opposed to the inclusion of this fund in this small business bill, I am particularly concerned that we are not adequately measuring the cost of this provision. When I say that, I point out that the CBO, Congressional Budget Office, scored the small business lending fund, and when they did that, the analysts produced two estimates, which is a rare departure from their standard procedure.

One cost estimate was based on a cash-basis method of cost accounting. The other was based on fair market value. The former estimated that the small business lending fund would save taxpayers \$1.1 billion over 10 years. That is using the cash-basis accounting method that I mentioned earlier. The fair market value estimate suggested this fund would result in a \$6.2 billion net loss in taxpayer money over that same period.

You have a \$7.3 billion difference on a \$30 billion fund, and I think that is due to the inadequacies in the cash-basis method of accounting, which does not include adjustments for market risk. That is why I think the CBO submitted two different cost estimates, which, as I said, is a sort of departure from their common practice.

To quote the Congressional Budget Office—and this is important:

... cost estimates made under the Federal Credit Reform Act [which is what we use in terms of making estimates of what things will cost] do not provide a comprehensive measure of the cost to taxpayers primarily because the Federal Credit Reform Act methodology does not include costs that stem from certain risks in lending—risks that private investors would require compensation to bear.

CBO goes on to say:

In particular . . . it does not recognize a cost for the risk that losses from defaults will be higher during periods of market stress when resources are scarce and most valuable.

That is from the Congressional Budget Office pointing out the flaws in the traditional way in which the cost of a program such as this would be accounted for.

Phrased differently, with this fund taxpayers are assuming an uncompensated level of risk as lenders of last resort, and this risk is not accounted for in the cash-basis cost estimate.

While I believe the movement of the Federal Government to ownership of private companies in and of itself is a disturbing trend and is one that needs to be stopped and rolled back rather than promoted in advance, it is critically important that these programs include a proper accounting of their costs—something that is lacking in this small business bill.

What my amendment No. 4610 would do is require the Congressional Budget Office to score Federal Government purchases of equity purchases or capital investments on a fair-value basis that considers market risk. In other words, it would use the convention that was used in the original TARP bill that was passed back in 2008. This change would be consistent with what private companies are doing in terms of moving toward a fair-value method of accounting because of its superiority to a cash-basis method of accounting.

This is not the first time this more accurate method of scoring would have been used by the Congressional Budget Office. As I said, when the original TARP program first moved through Congress, it included an important provision that the cost of the bill be calculated using a discount rate adjusted for market risk. Yet, despite all the similarities between this bill we are debating today and TARP, this bill does not have any such provision. Because of this, many Senators and Members of Congress believe this bill will save money for the taxpayers, when, in fact, the opposite is true. If you use the fair-value method of accounting, as I said earlier, according to the Congressional Budget Office, this provision—this \$30 billion mini-TARP program—has a net cost of \$6.2 billion as opposed to a savings of \$1.1 billion if you use the cash method of accounting. The most comprehensive estimate we have from the CBO is that the \$6.2 billion will be more reflective of the actual cost, but because the cash-basis method of accounting is used, this cost is not going to be added to the pay-go scorecard.

One of the most important duties we have as Senators and Members of Congress is to be vigilant in watching the taxpayers' money and how it gets spent. This duty has taken on increased importance as the Federal Government and Federal spending has exploded and our national debt has now surpassed \$13 trillion.

A quick point on that point. Before I got up to speak, the Senator from Illinois was talking about the Federal debt. Of course, as is typically the case around here, when one of my Democratic colleagues gets up, they think that all that happened is all Bush's fault. Anything bad in America today, it is Bush's fault. What he did not mention, of course, is the fact that on January 2007, the Democrats took control of both the Senate and the House of Representatives. Since that time, they have been writing the budgets. We all know that under the Constitution, the President cannot appropriate a single

dime. It is Congress that appropriates money. Since January of 2007, it has been the Democrats who have been writing the budgets around here.

Even if you give them the benefit of the doubt and say when the President came to office in January 2009 and you measure it from that point forward to where we are today, we have added almost \$3 trillion to the Federal debt—almost \$3 trillion since January of 2009 when this President took office. If you were breaking that down into terms people can understand, if you are a child under the age of 18 in America today, when the President took office in January of 2009, the debt for a young person under the age of 18 was \$85,000. Today, it is \$114,000. Since this President has taken office, the share of the Federal debt for an average American under the age of 18 has increased by \$29,000. By the year 2016, that number will be \$196,000. Mr. President, do you want to know why? Because the debt is projected to explode over this next decade. In fact, it took 232 years and 43 Presidents to rack up the first \$5.8 trillion in debt. In the next 5 years, we are going to double that and triple it under the President's budget.

I will be the first to admit that Republicans are not perfect, and when we were in charge of the Congress, there were certainly things we should have done better in terms of getting our fiscal house in order in Washington. But to say for a moment, as the Senator from Illinois tried to imply when he was on the floor, that somehow this was a function or a problem that was created by the Republicans or somehow by Bush is just absolutely inconsistent with the facts. As I said, Democrats took control of this Chamber in January 2007. The President became President of the United States in January 2009. Since January 2009, the Federal debt has grown \$3 trillion.

There is a whole lot of spending going on around here that is being routinely ignored by Members on the other side when they get up to speak, such as a \$1 trillion stimulus bill that was designed to keep unemployment under 8 percent. We all know unemployment today is well north of 9 percent. In fact, with no end in sight, the amount of spending and borrowing that continues today, in my view, puts in jeopardy the opportunity for this economy to recover and begin to create jobs, which is what all of us want to see happen.

But when you spend \$1 trillion and borrow it and you hand the bill to your children and grandchildren, when you create a massive new expansion of health care which, when fully implemented, will cost the taxpayers \$3.2 trillion and at every turn continue to spend more and more, at some point you have to say, when you are in a hole, you ought to quit digging. That is precisely where we are. We are in a deep, deep hole.

The first rule should be: do no harm. When it comes to spending and the

debt, the administration and the current leadership of this Congress have taken that to a whole new level. That is a comment about this debt and one of the reasons this legislation is so important and why it is important that we get it right in terms of accounting for the true costs of the underlying bill.

It is my belief that the fair-value method of accounting provides a much more accurate, much more transparent, and much more comprehensive way of accounting for the costs and benefits of these programs. To ignore the risks these programs pose to the hard-earned money of American taxpayers is simply to stick our heads in the sand and hope. This is not a responsible strategy for governing, and I hope my colleagues will work with me to update this outdated method of scoring with regard to this \$30 billion mini-TARP that is included in the small business bill.

While I have many concerns with this bill, some of which I just outlined, we are debating what I think was a well-intended bill with a lot of good provisions and many I support. There are a number of provisions in this bill which, left to themselves, I think will be good. I am a member of the Small Business Committee. We made adjustments in the small business lending program, increasing loan sizes and guarantees for SBA 7(a) and 504 loans and temporarily reducing the fees for some of those loans. It updates SBA's very outdated size standards and provides much needed tax relief through bonus depreciation, section 179 expensing, and allowing business credits against the alternative minimum tax.

There are provisions in this bill that I think do get at providing assistance to small businesses, but I cannot support a new program that puts more taxpayer dollars at risk. The American taxpayer is expected today—this is with the most recent estimate—to lose \$66 billion thanks to the original Troubled Asset Relief Program, the TARP, and this current legislation reincarnates that TARP through a \$30 billion Treasury fund that will be used to inject capital into banks that are then directed to lend to small businesses.

Treasury and the administration have tried various programs through TARP to increase small business lending without any success, mostly because of a lack of interest on the part of the banks. Again, this lack of interest is likely attributed to the fact that many banks recognize the negative stigma that accompanies accepting TARP money, and that is why I think the Democrats and the administration are trying to create a new fund and call it something other than TARP. The actual language in this amendment provides assurance to banks that by accepting this money, they would not be TARP recipients. That is actually specified in here because they want to get rid of the original stigma that comes with the original TARP. In their talk-

ing points, even the White House admits the "program would be separate and distinct from TARP to encourage participation." Essentially, what they are saying is, We are not going to call it TARP. We are going to call it something different. If we call it TARP, banks will not participate, and we want to encourage banks to participate.

The administration goes on to say that "the administration's proposal would encourage broader participation by banks, as they would not face TARP restrictions." These "restrictions" the White House is referring to include limits on executive compensation and warrant requirements—many of the restrictions included in the original TARP program.

I wish to point out for the benefit of my colleagues that Elizabeth Warren, who serves as the chairwoman of the Congressional Oversight Panel, has criticized the manner in which TARP funds have been provided to smaller banks—15 percent of which cannot even make payments to the Treasury regarding TARP funding they received. The new fund relies on the same problematic lending structure that has been deemed a failure under TARP.

I wish to quote what this Congressional Oversight Panel said about the Small Business Lending Fund.

The small business lending fund prospects are far from certain.

The small business lending fund also raises questions about whether, in light of the Capital Purchase Program's—

That was the program under the main TARP—

poor performance in improving credit access, any capital infusion program can successfully jump-start small business lending.

It goes on to say:

Banks are subject to a stigma for accepting government money no matter the name of the program.

The small business lending fund looks uncomfortably similar to the TARP.

Like the Capital Purchase Program—

In the original TARP—I continue to quote from the Congressional Oversight Panel's report—

the small business lending fund injects capital into banks, assuming that an improved capital position will increase lending—despite the lack of evidence that the Capital Purchase Program—

Again, the original TARP—  
did so.

This lending fund does not affect the capital issues affecting banks "nor any of the issues affecting small business credit demand." It goes on to say that such a fund "runs the risk of creating moral hazard by encouraging banks to make loans to borrowers who are not creditworthy."

That is all from the Congressional Oversight Panel's report about the very Small Business Lending Fund—the concept we are debating as part of the small business bill.

I am ready to close, but the point I am trying to underscore with this amendment is that the same flawed

structure for repayment that is not working for small banks under the current TARP is included in the legislation before the Senate. Knowing this, we are purposefully removing some of the safeguards created through the original TARP, allowing TARP recipients who are behind in their payments—people who are delinquent in their payments—to participate in the new program and get even more funding under this new mini-TARP program.

I believe there are more responsible methods to support our small businesses than through a \$30 billion Treasury line of credit for banks. Let's focus on the programs we know work. As I said, some of them are included in this bill, such as the SBA 7(a) and 504 loan programs. Let's not create a new Treasury fund and hope somehow in the end it is going to pay off. History has proven otherwise.

We all know small businesses are the economic growth engine in our economy. They are what keeps this economy growing. Two-thirds or three-quarters of the jobs in our economy are created by small businesses. Despite spending hundreds of billions of dollars on a stimulus bill, the Nation's unemployment rate is still at 9.5 percent. How many more billions are we going to have to spend before we realize that might not be the correct solution to this problem?

Let's pass a good bill that helps small businesses grow and prosper, not another version of a failed TARP program. I think we, as Members, ought to be able, in the context of this legislation, to offer amendments. These two amendments I have spoken to this morning are examples of amendments that would make this bill stronger and that we are being blocked from offering because of the procedure under which the leader has determined this bill ought to be considered.

That is unfortunate. It goes against the very nature of the Senate, which is a place that tends to be free-flowing and open to debate and where all Members have an opportunity to speak to legislation and to get their amendments voted on. That has not been the case here. And I regret that, but we are where we are. We are going to have a vote later, and I hope my colleagues will vote to defeat this bill.

I thank the Presiding Officer.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. FRANKEN. Mr. President, I want to say one thing to my esteemed colleague from South Dakota. I went all around the State of Minnesota during this recess. I had 118 meetings. Many of them were economic development meetings all around the State. Over and over and over I heard from small businesses that they can't get access to capital, and I heard from commercial bankers that they can't lend capital because their regulators are saying: Well, we are going to have to write that all off.

Small businesses want this. This is not toxic asset relief, as TARP was. This is small business lending. Small businesses create 70 percent of new jobs, and this is something that Minnesota's small businesses want and the Small Business Administration in Minnesota wants.

Mr. President, I ask unanimous consent to speak for 15 minutes as in morning business.

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

FDA FOOD SAFETY MODERNIZATION ACT

Mr. FRANKEN. I rise today, Mr. President, to speak in support of food safety legislation. Food safety is a topic that affects every single American. Food safety is something we all care about because we all eat. American consumers spend more than \$1 trillion on food each year, and each year there are an estimated 76 million cases of foodborne illness, including at least 5,000 deaths a year in our country. That is why it is time that this important piece of bipartisan legislation be brought to the floor. We have waited far too long to do our job and to complete our work on the issue. We have waited too long to pass a bill that will save lives.

In November, we unanimously voted S. 510, the bipartisan FDA Food Safety Modernization Act, out of the HELP Committee—unanimously. At the time, we were talking about the recent outbreaks of *E. coli* in spinach and salmonella in peppers and peanut butter. But months have passed and we have still not brought the bill to the floor. In the months since we have passed the bill out of committee, we have already had more outbreaks of salmonella—from black and red peppers in 44 States and frozen tuna in 6 States. Seven states have been affected by raw milk outbreaks, including my home State of Minnesota. Eighteen states have been affected by salmonella in frozen dinners. And this summer, we have seen one of the worst outbreaks in recent history. From May to September of this year, 1,519 illnesses were reported that are likely to be associated with contaminated eggs. That includes at least 14 Minnesotans. And we may still see more cases before this awful situation has been resolved.

With all these cases of illnesses and the recalls taking place, I think we all understand the serious threat contamination poses to our food supply. We have heard repeatedly, and correctly, that our current food safety system is broken. The system relies too heavily on reacting to outbreaks after they have occurred instead of preventing their occurrence in the first place. This is why we need to pass Federal legislation now. We must stop more Americans from getting sick and bring our country's food safety system into the 21st century.

S. 510 will provide FDA with the resources and authorities it needs to properly oversee that safe food comes to our table. There are a lot of great

provisions in this bill, and I want to highlight a few that are most important to us in Minnesota.

First, the bill would give FDA the authority to require certification of imported food and verify that the food coming from foreign suppliers is safe. Our food safety system was set up in the early 1900s, and a lot has changed since then. The key difference is that we have a lot more imported food than ever before. The truth is that even if we do everything right with our food products here in the United States, about 15 percent of our food comes from other countries. S. 510 gives the FDA new authority so we can avoid situations such as the 2007 melamine contamination in the infant formula and pet food coming from China.

Secondly, S. 510 would get the FDA out and inspecting food producers more often and require them to keep better records. Right now, FDA visits a given food facility every 10 years, on average. A lot can change in 10 years. Ten years is not frequent enough to assure safety.

The issue is primarily one of lack of resources. As the number of food producers has increased, FDA's capacity has remained stagnant. This bill would provide FDA with the resources to inspect more frequently and target the facilities with the greatest risk for outbreaks. FDA would also have the authority to require better recordkeeping and access records if there is a reasonable probability that a problem is occurring.

Lastly, S. 510 would also make sure the FDA is equipped to trace and recall food quickly when it needs to. Right now, there are a lot of processed foods with a lot of different ingredients and there are no requirements for anyone to track where they come from, and when there is a problem, FDA can't force a company to recall its product, even when there is overwhelming evidence to do so.

Let me give an example of why these traceback and recall provisions are particularly important. In late 2008, the Minnesota Department of Health noticed an elevated number of salmonella cases. My State has one of the best surveillance systems in the country, and after comprehensive investigations, the Minnesota scientists identified the King Nut brand of peanut butter as the culprit, produced by the Peanut Corporation of America, or PCA.

Minnesota folks worked with the FDA and the CDC, and in January companies began to voluntarily recall products with potentially contaminated products. But it was difficult for the company to know exactly where the contaminated peanut butter had ended up. So the recall was expanded three different times to try to get hold of the outbreak.

Most companies complied. But on March 23, 2009, the FDA asked the Westco Fruit and Nut Company to voluntarily recall all of its products containing peanuts from PCA because of the contamination threat. Westco re-

fused. This company willingly put American lives in danger. And since the FDA doesn't have mandatory recall authority—now—it wasn't until April 27, 2009—36 days later—at the request of the FDA, that U.S. Marshals seized about \$35,000 worth of PCA peanuts and products containing PCA peanuts at Westco because of possible salmonella contamination. So even after the tainted products were identified, it took almost 5 weeks to get the salmonella-laced peanut products off the shelves and away from where they could harm people.

This contamination and the subsequent investigation led to weeks of multiple company recalls of more than 2,000 different products from the shelves. But if the FDA had been able to immediately trace foods back to their producers and demand they be recalled, it could have withdrawn the contaminated foods much more quickly, saved lives, and prevented illness. Because so much tainted peanut butter got into our markets, the whole debacle was estimated to have cost the industry nearly \$1 billion and led to the loss of innumerable jobs.

But the greatest cost was to American families. Because of the tainted products that PCA sent to market, over 700 Americans became ill, half of them children. Nine people died, three of them from my home State of Minnesota.

One of those who died was Shirley Almer, a Minnesota mother of three sons and two daughters. She had survived brain cancer and was in good health at the time of the outbreak. There was Clifford Tousignant of Duluth, a Korean war veteran, father of six, grandfather of 15, and great-grandfather of 14, who died. And Doris Flatgard of Bergen, MN, who had been married to her husband John for 65 years before she died from eating peanut butter on her morning toast.

I wanted to recount this outbreak because there are lives that were lost because we failed to protect the American people.

The bill we referred out of the HELP Committee takes some steps to improve the traceback infrastructure, but I think we can do more. I decided to work on this issue when Shirley Almer's three sons came and met with me and told me about how their lives had changed since they lost their mother; how their family would never be the same. They told me about the contaminated peanut butter, about how it had been included in countless products across the country, but we couldn't track the problem down fast enough since we don't require companies to keep track of where ingredients come from.

That is why I have been working closely with my colleague Senator BROWN of Ohio to strengthen the traceability provisions in S. 510. I think we have made some good progress and I am hopeful the bill will be even better because of our efforts.

S. 510 includes a lot of other great provisions too and there is not enough time to talk about them all. But I do know that many elements of the bill were inspired by the great food safety work we do in Minnesota. We are a national leader, especially in early detection of foodborne disease. I am pleased that my colleague from Minnesota, Senator KLOBUCHAR, has a great provision we hope will be in the final bill to enhance our Nation's foodborne illness surveillance.

Mandatory recall authority, traceability, more frequent inspections, better recordkeeping, and safer imported foods—these are just a few of the reasons why we need to get the food safety bill to the President's desk, and we need to get it there now. Not later, but now.

This is legislation that every member on the HELP Committee, on both sides of the aisle, voted to favorably report. Every Member of this body recognizes the importance of food safety to the American people. The FDA Food Safety Modernization Act will finally give the FDA the tools it needs to do its job and keep Americans safe. So I urge the majority leader to bring this critical legislation up before we head home in October. We can't afford to wait any longer.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. LEMIEUX. Mr. President, I come to the floor today to talk about job creation and what this Congress needs to do in order to make sure that our businesses have the best chance of succeeding in what is a very difficult business climate.

I have the privilege of representing the great State of Florida—18½ million people. The economic difficulties we are having now are as difficult as anybody can remember. We are No. 1 in being behind on our mortgage payments; No. 1 on mortgage foreclosures for the first half of the year, and unemployment is at record highs—near 12 percent. No one can remember a recession as difficult as the one we are experiencing.

I think it is our job, as Members of Congress, to do what we can where we can be helpful to try to get people back to work. In Florida, our small businesses are struggling. When I drive down the State roads of Florida, down Federal Highway in southeast Florida, or I am in Tallahassee on Monroe or I am over in Pensacola or in Jacksonville or wherever I am in the State—and I spent a lot of time in the State during our work period in August visiting with business owners—I see more and more doors that are shut, small businesses that have been closed.

I talked to a woman today who owns a small strip shopping center. She said in the past 3 years they have gone from being 95 percent occupied to 55 percent occupied. Businesses are struggling. That is why I was proud to work with Senator LANDRIEU and others to fash-

ion a small business bill, a bill I believe is going to help our small businesses get back to work.

The small business bill does three things, principally, that I think are going to help small businesses. First, it is going to cut taxes on small businesses by \$12 billion—a tax cut for small businesses. Among those tax cuts is a 100 percent exclusion of capital gains tax for those who invest in a small business. There is a provision to allow firms to immediately write off 50 percent of the cost of new equipment, and there is a doubling of the tax deduction for expenses for start-up businesses to \$100,000. These will allow businesses to pay less taxes, to buy new equipment, hopefully hire new people, and get Floridians and Americans back to work.

The bill also has a lending facility, a \$30 billion lending facility that is going to bring money to small community banks to get loans to them—not Goldman Sachs, not Citibank, not Wall Street but the banker down the street, the banker who knows the small dry cleaners, the local paint shop, those small businesses that employ our friends and neighbors. If these banks do not loan the money, they will have to pay a higher interest rate back. They cannot just keep the money on their books to make their balance sheets look better. If they want to participate in this program—and it is voluntary, by the way—if they want to participate and get these dollars out to small businesses, they have to lend them out.

All over Florida small businesses tell me they cannot get a loan, that their credit line has been frozen. If they are some of the few businesses that have a chance to expand, they cannot do so because they cannot get the needed capital.

I visited one of those businesses this past week in Florida, a business by the name of UniQueso. They are a family business, two brothers, and they make dairy products, principally focused on the growing Hispanic community in Florida. They have had great success because this is a market that wants more of these wonderful products. They are moving their business from Cocoa to Orlando, FL. They are building a new plant. I had a chance to tour it. They are going to open in about a month, and they are growing their business. They are doubling the number of their employees. They are going to produce 10 times more product than they did at their previous location—just the kind of story we want to hear.

But even though they have a good business plan, even though they are making money, 10 banks denied them loans. What did they do? This family-owned business had to sell off a majority share in their company to get an investor so they could expand. At least they were able to find a private investor, but they should not have had to give up control of their family business just to succeed in the marketplace when no bank would give them a loan.

I believe this small business bill, while it will not cure every problem, is a good start. It is not going to cure all the troubles we have in this economy. That is why I am proud to support it. Frankly, there are not a lot of folks on my side of the aisle who support this bill. But I have to look at this bill for what it means for Florida and the country. It does not increase the debt, it does not increase the deficit, it does not increase taxes—it cuts taxes—and it is going to help small businesses with tax cuts and the credit they need to build their small business and, hopefully, put people back to work. That sounds good for Florida. It sounds good for America.

But we need to do more. Where I do differ with my colleagues on the other side of the aisle is that we have taken steps in this Congress in the past year and a half that have been chilling to business and job creation. When I talk to business folks in Florida, they tell me this new health care law is keeping them from hiring new employees. They do not understand it, it is complicated, it is thousands of pages. They understand if maybe they hire that next employee, they will come within the confines of the bill and will be fined if they do not offer the type of health care the Federal Government has mandated.

The financial regulation bill we passed in this Congress has caused confusion and anxiety among businesses in Florida, some of which have told me they are going to move a portion of their business to the Bahamas so they will not fall under these regulations. That is jobs that will leave Florida.

Small business in Florida is frozen in its tracks because of an uncertain regulatory burden from Washington and now the specter of new taxes. At the end of this year, the tax cuts that were put in place nearly a decade ago are set to expire. If those tax cuts expire, we are going to raise taxes during a recession, and we are going to raise taxes on small businesses. As many as three-quarters of a million small businesses in America will be impacted by higher taxes at the end of the year if Congress does not act.

Look, I walked across the aisle to work with my colleagues from the other side on something that made sense for job creation. I know now that there are four or five or six of my colleagues on the other side who are saying let's not raise taxes on anybody during recession. We need to work together. We need to work together to be problem solvers. It does not make any sense to raise taxes during a recession. It doesn't make any sense to raise capital gains taxes, which will stop investment. It doesn't make any sense to raise the taxes on dividends, which will hurt seniors, which will hurt people who invest in companies, which will chill business. It doesn't make any sense to raise taxes on small businesspeople who, we know, create two out of every three jobs in this country—more than that in my home State.

I hope we will work together to extend the current policy for everyone and not raise taxes in the middle of a recession.

Let me say there is one more thing this Congress can do right now to help job creation. We have three pending trade agreements—with Panama, with Colombia, and with South Korea. The President of the United States said in his last State of the Union Address that he wants to pass these free-trade agreements. He wants to promote trade and exports with foreign countries.

Why haven't we taken them up? Why haven't we passed them? Colombia and Panama are huge trading partners of my home State of Florida. If we pass these free-trade agreements, we will create jobs in Florida almost immediately. Let's get out of the business of pulling huge levers on this economy, imposing new restrictions, and burdens and taxes on businesses. Let's promote trade. Where we act, let's act judiciously, with the surgeon's knife and not the bureaucrat's bludgeon.

Business is hurting in this country, small business especially, hurting very much in my home State of Florida. I think there is a way for us to work together to do these things which will put Americans back to work.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KAUFMAN. 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. KAUFMAN. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business.

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

#### FEDERAL EMPLOYEES

Mr. KAUFMAN. Mr. President, I rise today to express my concerns about the continued disparagement of our Federal workforce. I also want to speak about the opportunity we have for long-term investment in making our government work better for all Americans.

Earlier this month, people across the country took time to mark Labor Day. It is a moment to celebrate one of the chief American values that has helped make this country so great, that is, hard work. Employees in every industry tirelessly each day not only realize their own share of the American dream, but also because it is part of our culture to strive for success in every task we undertake.

I have seen the same quality every day throughout my career, exemplified in all the outstanding government employees with whom I have met and worked. That is why I have been coming to the floor each week to honor a great Federal employee. All of those I have so honored work extremely hard and serve with dedication.

In June, I spoke from this desk about how efforts to scapegoat government workers with threats to freeze their pay or cut hiring are counter-productive and how proponents of such measures use flawed analysis of compensation data to make their argument.

I was dismayed and upset to see once again an article in USA Today making the claim that Federal employees earn more than double that of private sector employees. USA Today based their article on the newly released data from the Bureau of Economic Analysis, and, quite frankly, they did a very poor job of it.

Unfortunately, their findings have been circulated to other papers and on television and are being used as fodder for political attacks directly against those who work in government jobs. The article's lead statistic is based on 2009 BEA data that shows the average amount spent by the Federal Government—not the average salary, the average amount spent by the Federal Government—on salary and benefits for each worker, is \$123,049. For the average private sector employee in this country, they figure \$61,051. This statistic would truly be shocking if it were true.

The newspaper also points to a trend, a growing pay gap, between Federal employees and those in private companies. That trend is also based on a flawed reading of statistical data.

In my remarks of June 17, I went through their early analysis of Federal compensation data from 2008 and explained the flaws in their methodology and how they drew spurious conclusions. This latest study simply repeats the mistakes they made last time.

Let me list several common analytical errors. No. 1, the analysis did not consider differences in experience and education. The data does not measure similar populations sometimes, even USA Today concedes. The article says that with regard to the gap in pay between Federal and private sectors: "The analysis did not consider differences in experience and education."

The analysis does not take into account the statistically significant fact that the private sector workforce is 52 times larger than the Federal workforce. There are 101.3 million private sector workers. Simply put, there are far more people proportionally in the private sector earning low wages than the Federal sector, only 1.9 Federal civilian employees, because the government has outsourced so many of its low-paying jobs.

This is like matching apples and oranges. Our Federal workforce has also become far better educated in the last 20 years, which translates into greater earning power. The most egregious mistake made by USA Today in its last analysis, which I spoke about in June, was trying to compare data from two different Bureau of Labor Statistics studies. The numbers the paper used for private sector salaries comes from

the BLS's National Compensation Survey, while the numbers used for its Federal employee salaries are from another data set, the Occupational Employment Statistics Program.

Even the BLS has warned against comparing data from these sets against one another. On its Web site it says:

Occupational wages in different ownership groups (the private sector, and state, local, and federal governments) are influenced by many factors that the [Occupational Employment Statistics] measure cannot take into account. It goes to list examples, such as "level of work performed," "age and experience," and "cost of living" adjustments for large urban areas.

For many of the occupations being compared, the total number of Federal employees in a given category is miniscule compared to the total employed in the private sector; therefore, leaving the statistical analysis in the lurch.

For others, the job categories in the private and public sectors are simply not comparable. One great example is broadcast technicians. According to USA Today, broadcast technicians in the Federal Government earn an average of \$132,000 a year, while those in the private sector earn only a little more than \$88,000.

However, what USA Today does not tell its readers is that according to the very same data set they use, there are only 110 broadcast technicians working in the entire Federal Government. In the entire national workforce, according to the same data, there are 33,550 broadcast technicians. This means the broadcast technicians in the Federal Government represent three-tenths of 1 percent, three-tenths of 1 percent of the total.

One can hardly compare them, especially since, according to the OPM, 99 percent of broadcast technicians in the Federal Government work for the Broadcasting Board of Governors here in Washington and are broadcasting throughout the world.

I know very well from personal experience that BBG technicians require much more experience and education than the average private sector broadcast technician working at radio and television stations across the country, many of which are very small.

The same is true for clergy. Most of the 810 clergy in our Federal workforce are employed by the Veterans Health Administration. I think it is reasonable to take a guess at what clergy might be doing at the VA—working as chaplains and counseling our wounded warriors. There are 42,040 clergy employed in this country, many of them with small congregations that cannot afford to pay much salary. It is impossible to draw conclusions by comparing 800 Federal clergy to over 42,000 clergy based on compensation alone.

Let's take a look at another one. Highway maintenance workers are said to make an average of \$11,344 more each year in the Federal Government than in the private sector. However, if we look at the data, we find there are only 50 highway maintenance workers

in the entire Federal workforce. When USA Today compares this to the total number in the private sector, how many highway maintenance workers are they looking at for an average? The answer is 5,190. That is 104 times more.

But this brings us to the other problem. Some of these jobs, like highway maintenance worker, do not have truly comparable positions in the Federal Government. When searching through the Office of Personnel Management's human resources data, one cannot even find such a category. The 50 who work in the Federal Government, who were listed in the BLS survey under this category, are likely performing very different, and quite possibly more highly specialized work, than most of the highway maintenance workers in the private sector.

The Federal Government is not like any private industry. Federal employees perform functions directly relating to public health, national security, and financial stability. Jobs in the Federal Government routinely involve decisionmaking that affects millions of lives.

Over the past 20 years, after calls in the 1980s and early 1990s to streamline government, many Federal jobs not directly related to "inherently governmental functions" have been outsourced. This is a good thing. As a result, the demographics of the Federal workforce have been transformed perhaps even more dramatically than most realize. That is the subtext behind the data chosen by USA Today.

By far, most of the jobs now performed for the government by private sector contractors are entry level and low wage. This includes maintenance workers, customer-service agents, security guards, and other jobs that typically receive smaller salaries.

Correspondingly, a larger share of the jobs still held by Federal employees is higher wage, supervisory, and professional—such as physicists, doctors, and highly specialized IT experts.

At the same time, the size of the Federal Government is virtually unchanged since the 1960s, even though our Nation has grown by 40 percent in the same period. According to the OPM, in 1960 there were 1.8 million Federal employees. Today, there are 1.9 million. Looking at this chart, one can see that the Federal workforce has shrunk drastically compared to the number of Americans its serves on a per capita basis. The total population of the United States was 180 million in 1960, and it has risen to over 300 million today.

These days, Federal employees are working harder than ever. In fact, and I have said this before, the USA Today is right about one thing. There is a public-private pay gap, but it goes the other way.

The Federal Salary Council reported last October that civilian Federal employees are making, on average, over 26 percent less than private sector workers in comparable jobs. This gap continues to widen.

I am thrilled that there are so many outstanding individuals who have chosen to work in public service knowing that they could probably make more money in the private sector. But the pay gap has certainly continued to discourage many talented Americans from making that choice.

Like all important decisions we make about government, our mission to recruit and maintain the best possible workforce must feature a strategic approach.

I think Linda Bilmes, of Harvard's Kennedy School, and Max Stier, the President and CEO of the Partnership for Public Service, put it best when they wrote:

The fundamental mistake . . . is to think of the federal workforce as a cost rather than as a resource that delivers specific benefits to the nation.

That was from an op-ed in the Boston Globe in February.

The great Federal employees I have honored from this desk over the past 16 months are just a few examples of government workers who are an asset and make great contributions to the government but, more importantly, to the country.

As Director of the Office of Public Housing Programs at HUD, Nicole Faison inherited a rental assistance program rated as "high-risk" by the GAO for 13 years due to rampant waste, fraud, and abuse. She quickly turned it around, eliminating over \$2 billion—that's billion with a "B"—in fraudulent payments what is that worth?

Eileen Harrington and the Federal Trade Commission's "Do Not Call Team" brought peace of mind to dinner tables around the country when they designed and implemented the national registry to stop telemarketing calls. Tens of millions have benefited.

Dr. Gareth Parry, who retired last year after a long career at the Nuclear Regulatory Commission, worked to create risk assessment models for our Nation's nuclear facilities. His efforts significantly improved the safety of communities near nuclear plants and those who work there.

I could go on and on and on.

But the example of Dr. Parry leads me to an important point we here in Congress must consider. There is a lot of data on the demographics of our Federal workforce. While some choose to point to compensation, the statistic I think is most pressing and needs the most attention is that of retirement eligibility.

Currently, there are two retirement systems for civilian Federal employees. Those who began work before 1984 fall under the old civil service retirement system, or CSRS. All employees hired after 1984 participate in the Federal employees retirement system, or FERS. In 1997, the number of employees eligible to retire under CSRS was 12 percent. In 2006 it had climbed to 37 percent. That is over a third of the workforce. That is over a third of the Federal workforce. For those eligible

to retire under FERS, the number climbed from 7 percent to 13 percent.

As I said in June, the OPM today estimates that a fifth of the Federal employees will leave the workforce by 2014. That is almost 400,000 people. Many have already been postponing retirement for years because they know we need their talents and experience.

Today our civil service finds itself at a crossroads.

We could choose to listen to those who continue to disparage public employees and cut salaries or cap hiring. We would, however, undoubtedly see more failures to regulate Wall Street because we didn't have regulators or those who drill offshore, failures to secure our borders and keep our communities safe, failures to ensure that all citizens have fair access to resources they need to pursue the American dream.

We can do that, but there is an alternative. Actually, I would say, it is a necessity.

We can choose—now at this critical moment—to renew our investment in a strong, vibrant, and successful Federal workforce. The return on such investment promises to be high—indeed, if we fail to devote ourselves now to building a top-notch civil service, the next generation of Americans will have to spend even more to fix the problems that will result.

In his book, "Excellence," former Health, Education, and Welfare Secretary John Gardner—who founded the public interest group Common Cause—wrote that:

The society which scorns excellence in plumbing as a humble activity and tolerates shoddiness in philosophy because it is an exalted activity will have neither good plumbing nor good philosophy: neither its pipes nor its theories will hold water.

In the same way, if we don't value our government workers and the jobs they perform, we're going to end up with a Federal workforce—and a government—that isn't the best it could be for all of us. I have never known Americans to settle for second-rate.

What does a sound investment in our Federal workforce look like? First, we will need to redouble our efforts to recruit new hires, and I hope many will be young graduates. We have so many young people right now who are eager to give back to this country and make a difference.

According to the Partnership for Public Service, the Federal Government will need to fill 273,000 full-time, mission-critical jobs over the next 3 fiscal years. By mission-critical, they mean jobs considered essential for agencies to fulfill their obligations to the American people: doctors and nurses at the VA, counterterror analysts, lawyers, high-tech specialists, contract administrators. These are very special jobs. We have high unemployment now, but the kind of jobs we need are not readily available.

So how can we attract the best and brightest of the new generation into

public service? We need to pursue policies and enact legislation that will enable a work-life balance competitive with the private sector. This includes programs like parental leave, loan repayment, and telework. I am glad that some departments are already making strides on work-life balance, and I commend Chairman AKAKA of the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia for being a leader on these issues.

We should also be launching programs to help train managers and supervisors, since more and more Federal employees are taking on these roles. With so many lower wage jobs outsourced to contractors, we need to ensure that those managing contracts remain Federal employees and that they have the skills and experience to make sure contract work is being performed according to the public interest. Just think how much it has cost us because people were not monitoring contracts. Think about the problems we have had monitoring contracts.

Now some of my colleagues are probably starting to shake their heads and say: Wait a minute; Americans do not want bigger government.

Indeed, these recent charges that Federal employees are somehow overpaid evoke the perpetual claim that the most desired government is always the smallest. That cuts and outsourcing are ends in themselves. We hear it every day, that government is too big. However, it was precisely this ideology of reduction that left our key regulatory agencies unable to prevent disasters like the financial crisis and the gulf oilspill and so many other things over the last 8 to 10 years where agencies did not follow up—whether it was FDA, the Consumer Protection Agency.

I think they have it wrong. It is not that Americans want smaller government. They want better government. They want government that works.

Let me share some interesting findings from a survey conducted in May by the Center for American Progress and Hart Research Associates. The study found that 62 percent of Americans have an unfavorable view of Federal Government, a 22-percent rise since 2000.

However, it also found that Americans would rather improve the efficiency and effectiveness of government than reduce its size. The same number—62 percent—preferred better government to just smaller government. Among those who identified as political moderates, the figure was even higher, at 69 percent.

Furthermore, when asked about specific aspects of government involvement, a majority of Americans believe the Federal Government should be more involved in solving problems. 60 percent want the government to do more to improve schools; the same number want Federal help to make college more affordable; and 57 percent

would like the government to do more to reduce poverty.

Investing now in building and developing the next generation of Federal employees will go a long way in making sure that government works better for everyone. It will help us tackle problems such as these—developing clean energy, expanding educational opportunities, reducing poverty—and avoid the next financial crisis or major oil spill.

It is time to ask ourselves what kind of government we want for the next century. We can not afford to let this important debate about our Federal workforce and its future be hijacked by those who prefer to scapegoat and distort the facts. We have all seen what happens when we make important policy decisions based on incorrect information.

I am encouraged that the OPM has joined with the Office of Management and Budget and the Labor Department to study the actual pay gap, in order to determine how best to compare Federal and private-sector jobs. Once we have that data, then we will be better able to figure out how to make Federal jobs competitive with their private-sector counterparts and attract the very best talent into government.

Again, I want to stress, everybody cares about money. Most Federal employees I meet are here because they want to make the world a better place and they are concerned about making the world a better place, and they want to make a difference for their lives. That is one of the things we do not talk about nearly enough; that is, how great it is when you get to my age to see that you actually tried to make the world a better place, and you worked on making the world a better place.

That is important, and that is the kind of people we have in the Federal Government. They are willing to make the financial sacrifices because they care about and make the special extra effort to give of themselves in order to make this country the great country we know it is.

By looking forward, by ceasing the “blame game,” and by making a commitment now to building the best Federal workforce possible, we can ensure that the next generation is well poised to tackle its greatest challenges.

Lincoln called on his fellow Americans to cherish and safeguard our greatest strength: “government of the people, by the people, and for the people.” We must also strive to maintain a civil service of the same kind for the long term. Our children and grandchildren deserve the same type of great Federal employees we have today.

I yield the floor.

I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Louisiana.

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

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

Mr. VITTER. I ask unanimous consent to speak as in morning business for up to 12 minutes.

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

DREAM ACT

Mr. VITTER. Madam President, I was very disappointed to learn recently that Senator REID intends to bring up a very significant amnesty proposal next week known as the DREAM Act. It is disguised as an education initiative, but it will provide a powerful incentive for more illegal immigration by allowing States to grant in-state tuition to illegal alien students. This is a bad idea at any time, but this is a bad idea right now, at the worst possible time.

Unfortunately, this announcement isn't shocking given Senator REID's and this administration's record of pushing policies on the American people that the people oppose. In these difficult economic times, it is really an insult to legal, taxpaying citizens that the President and Senator REID would want to use their hard-earned money to pay for in-state college tuition for illegal aliens.

This horrible economy has increased the demand for enrollment and help at public universities. As a growing number of families are unable to afford an education at a private university, they turn to public universities in increasing numbers, and they turn to that help, including in State tuition, in increasing numbers. At a time when many Americans cannot afford to send their children to college at all, this bill would allow States to provide in-State tuition to illegal aliens who would displace legal residents competing for those taxpayer subsidies.

I am opposed to this proposal because of that—because it would unfairly place American citizens in direct competition with illegal aliens for very scarce slots in classes at State colleges and universities. The number of those coveted seats is fixed, so every illegal alien who would be admitted because of this through the DREAM Act would take the place of an American citizen or legal immigrant. It makes no sense to authorize Federal and State subsidies for education of illegal aliens, when our State schools are suffering, as higher education budgets are slashed, admissions are curtailed, and tuition is increased.

Enactment of the DREAM Act would do just that, and it would be bad policy under any circumstances, but in the current economic climate it would be a catastrophe.

Again, the DREAM Act would grant amnesty to millions of illegal aliens who entered the United States as minors and who meet loosely defined so-called educational requirements.

Specifically, the bill grants immediate legal status to illegals who have merely enrolled in an institution of higher education or received a high

school degree or diploma. The bill's sponsors described the beneficiaries of this legislation as "kids," boys and girls. In reality, the DREAM Act is far broader than that. It would allow illegals up to the age of 35 to be eligible to receive this amnesty and qualify for Federal student loans.

The American people have made it very clear that they want to see the government fulfill its responsibility to enforce the laws on the books, take steps to control illegal immigration, not to reward bad behavior with tuition breaks.

Amnesty and economic incentives, such as taxpayer-subsidized tuition, only encourage more illegal immigration. This is certainly not the answer to our current immigration crisis and will only worsen our current economic crisis.

If Senator REID does move forward with this proposal, I plan to file a second-degree amendment to strike the provision that allows States to grant in-State tuition for illegal aliens. It will be a very clear choice: Do you want these limited resources, this limited help, to go to U.S. citizens and legal immigrants or do you want illegals to compete for those and take some of those slots away from U.S. citizens and legal immigrants?

As chairman of the border security caucus, I will be fighting this overall measure tooth and nail and also advancing this second degree proposal. This is common sense. This is certainly the sentiment and the will of the American people.

I encourage all of my colleagues—Democrats and Republicans—to talk to Senator REID to dissuade him from the bill overall and, if it comes to the floor, to support this second-degree amendment so that American citizens and legal aliens are not having slots taken away from them by illegals in this matter.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REED. Madam President, we have been debating for weeks now a needed solution to our economic recovery in the United States. We have seen some progress, but it is a long and difficult journey for American families. The depth of the crisis that materialized in the last few years of the Bush administration can't be overcome in just 18 months, although I believe we are headed in the right direction. The legislation we are considering will help us in that journey to recovery.

We have seen, in fact, over the last several months, an increase in private sector jobs. We didn't see that in the last several years of the Bush administration. When President Obama took

office, we were losing 750,000 jobs a month and we had 22 straight months of job losses. Now we need to turn that dynamic around by creating private sector jobs, but we have to do much more.

The great engine of private job creation is small business in America. These provisions are aimed to aid small businesses throughout the country. Small business is an engine of growth. It is the place where people will, I think, find employment as we go forward. Our small business community has been hit very hard by the economic crisis, the financial crisis, and the collapse of the credit bubble. Small businesses have lost more than 6 million jobs since December 2007, and we have to start restoring those jobs.

The legislation we are considering—the Small Business Jobs Act—will provide \$12 billion in fully paid-for tax breaks for small businesses to bolster confidence in the economy by unlocking frozen credit markets, spurring job creation, and fostering our Nation's burgeoning recovery. These tax incentives will allow small businesses to make investments to help with job growth, purchases, and expansion. I emphasize that these are fully paid for because we have multiple challenges.

I have served long enough to recall in 2000, when we were looking at strong employment growth and a Federal budget surplus, and, in 2009, when President Obama took office, we were looking at a job collapse in many parts of the country and a huge deficit, which is still going on. So we have to consider both as we move forward.

The particulars of this legislation are important to note because they will contribute, I believe, very significantly—and one would hope very quickly—to increased job opportunities throughout the country. The legislation will incentivize investors by giving 100 percent exclusion from capital gains taxes on small business investments. It will create a targeted \$30 billion small business lending fund to provide small community banks with the capital to increase their ability to lend to small businesses. This is particularly notable. I must commend Senator LANDRIEU for her tenacious advocacy of this position, along with Senator MERKLEY and others. In fact, this is a bipartisan effort. This proposal will put money in the hands of small community banks that want to lend, that have clients, and that do it the old-fashioned way. They look at the books, they know the borrower, they have faith and confidence in that individual, and they are constrained now because they do not have sufficient capital to expand their lending. With this capital, they will be able to expand lending and go right out to the heart of small businesses throughout the country. Madam President, just as in North Carolina, in Rhode Island I have numerous businesses that will come in and say they are very successful, they want to expand, they can hire a few people, but

they just can't get the loan from the bank. This will help.

Another provision reduces the tax burden of small businesses by allowing them to carry back general business tax credits to offset their tax burdens from the previous 5 years. Small businesses will also be able to count the general business credits against the Alternative Minimum Tax. That will free up capital for expansion and job growth.

The legislation also increases Section 179 expensing—permitting up to \$500,000 in capital investments that businesses can expense to immediately get some tax credit for it. It also extends bonus depreciation, allowing taxpayers to immediately write off 50 percent of the cost of new equipment. We hope that this will have the small businessman or woman buying a piece of equipment which will require, we hope, a manufacturer or assembler somewhere in the United States to call people back to work to meet this new demand.

This is going to increase demand for goods and services, and that is one of the key deficiencies in this current economy. We have a lot of money locked up. It is said, quite authoritatively, that there is about \$2 trillion on the balance sheets of corporations throughout the United States that they are not spending. We hope these incentives will produce increased demand which will get them to start spending and provide the kind of private capital investment and momentum that will carry us forward.

As I mentioned before, this Small Business Jobs Act has a \$30 billion lending fund that is so critical. More than 10 community banks in Rhode Island, for example, are eligible to receive these funds. I have spoken to many of the bank leaders and they are ready to lend right now. They have customers whom they have great faith in, who have a good business plan and are profitable. In fact, many times business owners are willing to guarantee or to put up even personal collateral to get the loan. Yet the bank says: We can't do that because we have reached the limit based on our capital of what we can lend to small business. This raises those limits, and it is absolutely necessary to do that.

One other important aspect is that this legislation will raise the limits on loans that the Small Business Administration can make and guarantee. Again, another source of tremendous and important funding is being capped now because they can't make big enough loans because there are certain loan limits. It will also extend the elimination of the fees borrowers pay to the SBA. Now we have businesses that may be ready to hire, but they just can't generate the cash to pay the fees. Now they will be able to get the loan, hire the workers, and move forward.

The legislation also supports States because there are many State initiatives. There is \$1.5 billion in grants to

States that will help in their efforts. There are many States that have programs very much like our Small Business Administration at the Federal level—innovative programs that will be supported.

This legislation has bipartisan support, and that is absolutely necessary. Again, I wish to thank particularly my colleagues who were supportive of the cloture motion that has us now on a path to passage. I thank them very much for their efforts. They made a decision that will benefit American businesses across the country, small businesses in particular.

We need to move forward. We need to get this legislation done—I hope this week—as soon as we can. Then we have other legislation we can and should consider. For example, we have a tax extenders bill that will hopefully provide R&D tax credits and other provisions that will help businesses, both large and small but particularly small business.

I urge all my colleagues, now that we feel confident we have the votes, let's move to final passage. Let's give American businesses, particularly small businesses, the help they need to move the economy forward.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

#### POLYCYSTIC KIDNEY DISEASE

Mr. BENNETT. Madam President, I am rising today because this is PKD Awareness Week. People say: What is PKD and why do we need to be aware of it? PKD is the acronym that stands for polycystic kidney disease. Polycystic kidney disease is the leading cause of kidney failure from a genetic disease in America. Every year, we have PKD Awareness Week, as we try to bring people a better understanding of it.

Let me outline how serious it might be and how it affects the Federal Government. For those who do not know, it is a silent killer that stalks more than 600,000 Americans. That is greater than the number of Americans who are afflicted with cystic fibrosis, Huntington's disease, sickle cell anemia, hemophilia, muscular dystrophy, or Down syndrome. That works out to be about 12,000 PKD sufferers in each State. Every one of them is at risk for kidney failure and the ravages that come with that.

I became aware of it particularly when my daughter was diagnosed with it. It is a disease that is carried as a genetic disease. We had no idea it was anywhere in the family until she was diagnosed with it. We have now tried to go back to find out who may or may not have had it. But this means that not only is she at risk and is losing kidney function, but so are her children and perhaps so are others in our family. So it becomes a very significant personal thing for me, but I wish to reach out and express my gratitude to my colleagues in the Senate, who do not have the same kind of personal connection, who have joined in cospon-

soring the resolutions on PKD Awareness Week—Senator HATCH, Senator KOHL, Senator SPECTER, and Senator HARKIN. Over the years, they have cosponsored the annual PKD Awareness Week resolution. They have joined in securing PKD-specific appropriations report language, and they have helped pass the Genetic Information Non-discrimination Act, which has been very important with respect to this disease and others where, for a variety of reasons, they have not had the kind of attention they have needed.

This has an impact on the Federal Government because the annual cost of PKD exceeds \$2 billion for kidney dialysis, kidney transplants, antirejection drugs, and related therapies. That, of course, affects those who have government money going into their health care support. End-stage renal disease is the fastest growing expense of Medicare. This causes a huge financial, emotional, and physical burden on the Americans who are affected by it.

The good news is that the field of PKD research is robust, the therapy is ripe, and I ask my colleagues to look favorably on a forthcoming public-private partnership initiative that is known as the Regional PKD Diagnostic and Clinical Treatment Center, designed to increase application of new diagnostic methods and therapeutic regimens for PKD patients, conduct pilot studies and clinical trials, and, finally, coordinate data and streamline the appropriate clinical application of effective treatments.

I am pleased to have the opportunity to once again call attention to the disease of polycystic kidney disease and the ravages and challenges it has. I thank my colleagues for their continued support over a 20-year period of PKD Awareness Week and the work they have done in the Senate and hope that all of us can continue to support an activity to keep the research going forward. The consequence will be, if it is successful, tremendous benefit for those families who suffer from PKD and financial benefit for the government as a whole through reduced Medicare costs.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. UDALL of New Mexico). Without objection, it is so ordered.

Mr. KYL. Mr. President, I would like to speak to the bill pending before us briefly, first to respond to a criticism that Republicans had been filibustering this bill, and, therefore, that somehow revealed an antagonism on the part of Republicans toward small business.

The charge is so ludicrous that one would think it does not even need to be responded to. Republicans have been

the champions of small business in this debate about taxes. I will have more to say about that in a moment.

Why was it that the majority of Republicans did not want to proceed with the proposal that the majority leader put before the Senate? A very simple reason. The majority leader, once again, precluded Republicans from offering any amendments. The entire history of the Senate is a history of tradition and comity and the opportunity for the minority to be able to offer amendments and debate.

When repeatedly the majority leader does what they call, in the Senate parlance, filling the parliamentary tree, which means he precludes the minority from offering any amendments, naturally Republicans are going to object to that.

We said repeatedly we would be delighted to debate this bill, just let us offer some amendments. No, was the answer; you cannot do that. Well, we are on the bill now, and I think it is pretty clear that what this debate boils down to is what is the best way to help the small businesses who are the job creators. In fact, about one-quarter of all of the jobs in this country are created by small business, and what we know is that especially the small business folks are the first ones to hire in bad economic times, hoping to bring the economy out of a recession.

Why are they not hiring today? Well, on Monday I came to the floor and I pointed out one of the reasons. One of the entrepreneurs in our country wrote an op-ed in the Wall Street Journal in which he totaled up all of the expenses that he has every time he hires someone. I believe, if memory serves me correctly, it cost him about \$78,000 every time he hired somebody who had a \$44,000 salary. That is in the extra taxes that he would have to pay and the cost of regulations just to comply with Federal law for hiring one additional person. It is no wonder that small businesses do not hire at this point.

So what is the Democratic response? Let's raise their taxes. Let's make it even more difficult for small businesses to hire people. We believe that is the wrong solution, and rather than looking at the kind of bill that is on the Senate floor today that creates yet another kind of TARP bank lending authority, something the American people are a little bit fed up with, we believe we should leave tax rates where they are so that businesses have some certainty that they are not going to be raised. At least do not make it worse.

I noted that the distinguished assistant majority leader earlier this morning inadvertently confused tax cuts with tax increases. I have done the same thing many times. But the reason I wanted to point that out is because I think there has been so much talk on the Democratic side about tax cuts for the rich that the Members on the other side have almost gotten to believe that. The truth is, nobody is proposing

tax cuts for the rich. Nobody is proposing tax cuts for anyone.

My colleague from Illinois corrected himself and said: No, I mean tax increases. That, of course, is what the question is. Should there be tax increases on anyone? The Republican position is no. At least in times of recession or bad economic times, do not raise taxes on anyone. Do not raise taxes on families who are struggling to make ends meet, and do not raise taxes on businesses, especially the small businesses that are the best job creators.

So our view is, do not raise taxes. But the Democratic view is, well, let's raise taxes on some but not on others. That is this class warfare concept that I was critical of Monday. In America we do not believe in class warfare. We think everyone ought to have a chance to succeed, and if someone succeeds, we applaud it and we hope we are in the position the next week or the next year. But, instead, there seems to be a view that, well, rich people can afford it, so let's raise their taxes.

Again, economists generally—including Peter Orszag, the immediate past Director of OMB under President Obama—have made it clear that raising taxes on anyone, including the entrepreneurs, those people who pay in the higher tax brackets, is a bad thing for job creation especially in bad economic times.

So why would we do it? Well, the concern is we have to be worrying about the deficit. Well, this is a fine time to be worrying about the deficit and a fine way to do it. We spend \$1 trillion on a new health care bill, we spend \$1 trillion on a stimulus bill, we spend all of this other money bailing out this and that in our economy, and now another new TARP lending program spending trillions of dollars, a budget that doubles the national debt in just 5 years, doubles all of the debt accumulated from George Washington through George Bush, we are going to double that in 5 years under the Obama budget.

I would suggest that we ought to start worrying about the spending. If we are worried about the deficit, let's stop the spending spree. Let's do not try to make up a little bit of that by deciding to tax a bunch of people who are the very folks who are going to hire the employees that are going to help bring us out of the recession.

Am I just sort of fancifying this or do real small businesspeople have this view? Well, let me just read about—I think there are three, maybe four folks here. These are some of the folks, some of the 750,000 small business owners in the United States whom we are counting on to create jobs and who would see an increase in their marginal income tax rate under the Democratic proposals.

I just want to quote from what a few of these folks say. Here is the chief operating officer of a company called Logical Advantage in North Carolina.

His name is John Fread. He says marginal tax rates will mean his company will not be able to hire the new sales representative it needs, and it may force layoffs. He says:

We founded Logical Advantage in 2003 with a couple of card tables and laptops and a staff of three. We've been successful and have since expanded our business. One of the keys to our growth has been our determination to reinvest our profits in our firm. We're organized as a pass-through business, (meaning the company's taxes are paid at the individual income tax rate),—

That is why this marginal rate is so important—

and if our marginal income tax rates go up, we'll be left with less money to put back into our company. This would mean we would not be able to hire an additional sales representative.

Then he also closes with this:

Also, since our employees bill their services hourly, we use profits to keep our employees employed between projects and avoid layoffs. Without this additional cash, we'll have no choice but to do layoffs. My advice to Congress would be to keep the current tax rates in place and do all they can to avoid raising our taxes because that will lead to fewer jobs.

So here is an entrepreneur, a small business owner, who says he wants to create jobs, save the jobs he has. He wants to expand, but an increased tax burden will prevent him from doing so. No, we are not talking about tax cuts for the rich. Nobody is talking about tax cuts. We are talking about keeping his taxes from going up. That is what we want to prevent.

Kevin Linehan of Bravadas Fairfax, LLC, a small clothing and accessories business, says—and I hope I am pronouncing that correct—Bravadas is the way I see it here. Anyway, he says the shaky economy has forced him to cut his staff and payroll by 40 percent and slice his inventory by 30 percent, not an uncommon situation in this economic downturn. He wants Congress to know that if the top two marginal rates increase, he will not be able to hire the new employees he needs, increase his inventory, or take the risks that would lead to innovation in his business. I am going to quote him.

If Congress goes through with the plan to increase the marginal income tax rates for the top two brackets, my business will be hurt. We've already been battered by the recession and had to cut staff and payroll by 40 percent. I have also cut both my advertising and inventory by 30 percent each, and have had to downsize and change locations to save on rent.

If Congress raises my taxes, it will be more of the same rather than being able to grow my business, attract new customers and hire new staff. In fact, in this economy I have had to cut back on essentially all new business activity, meaning I've stopped trying to innovate and instead have been forced to focus on only those activities that are the most profitable because I cannot afford to take risks. The more and more the government takes, the more difficult it is for small businesses like mine to be successful and do the things they want us to do, which is to create jobs.

Here is a third small businessperson, Ray Pinard. He owns a printing busi-

ness in Boston. He says if tax rates go up, he would not have the resources to expand his business operation to new areas, and, therefore, to create new jobs. Here is what he wants Members of Congress to know:

Keeping the tax burden low is so critical to our business, 48HourPrint.Com. . . . With the economy where it is, now certainly isn't the time to play games by extending tax relief for some but not others.

For example, if Congress fails to keep all of the current income tax rates in place and we take a hit, then that will mean we have left capital to grow our team and our operations, not only in the Boston area but at our other facilities in Ohio, Arizona, and New Hampshire, as well. There are thousands of other small businesses out there that will react similarly if their tax burdens increase. I am worried that it will take much longer to get our economic ship righted if our elected officeholders in Congress fail to show leadership on this issue. [Raising taxes] is a job killer. Leave the money in the private sector where it will be put to good use.

Despite what the President says, these tax increases will have a very negative impact on job creation, especially for the small businesses, the entrepreneurs I have quoted. These are the people who are on the ground, running businesses, trying to weather the bad economy, hoping to hire new workers. They are telling us that their businesses cannot tolerate new taxes.

As this debate continues, I will share more stories from small businesses and other folks who are opposed to the tax increases.

It is critical that we appreciate the fact that even the talk about this, even the potential for an increase in taxes, has created a kind of uncertainty that has caused businesses to lock up and not want to make any kind of big decisions because of what they think could happen. I remind my colleagues that this money is not the government's money. It doesn't belong to the Congress or the President. When we talk about taxing people, we are talking about taking their money. It is not the government's money. It is their money.

The question is, Will the government do more good spending it or will the private sector, the people who have that money, who earned that money? Will they do more good with it? I think it is obvious that these small business folks I have talked about will put that money to good use for their families and their employees. They will create more jobs with it. That will help more folks.

The irony is that will eventually help the economy and will even help the U.S. Treasury, because we have more people paying more taxes at the existing rates, and that means more revenue for the Federal Government.

This is a very aspirational country. Almost everybody here looks at opportunity. We all think we can do better. If we work hard, we have a system that will reward hard work. These successful small business folks never cease to amaze me. They come up with an idea, a service, or a product to sell. They go through all the difficulties of doing so,

sometimes mortgaging their home, borrowing money. They are the lifeblood of the economy. They are not some bunch of fat cats. They are the people who make the economy work.

It bothers me when folks on the other side of the aisle denigrate them as if they are somehow evil people because they end up making enough money to pay taxes in the top tax brackets when, as we pointed out, the reason for that is that as business people who are not corporations, they are subchapter S or other partnership or small business legal entities, they pay taxes as individuals. And because of the income of their businesses, therefore, they are put in the top bracket and somehow, therefore, they deserve to be punished—they can afford it; they are the rich.

They are not the rich. They are folks like all of us, struggling to make ends meet, who will hire more people and who don't deserve to be punished for their success. We are supposed to be creating incentives for people to do exactly this. Ironically, the bill we are debating now is a bill that is supposed to help small business folks. We will give these TARP-like funds to the banks and make them lend a certain amount of it to small businesses, and everybody will be better. My guess is, if we let the small businesses keep their money and not raise their taxes, they would be perfectly happy and be able to get along, and they would have the ability to borrow money from the banks without the effect of the legislation before us.

I hope we both begin to change our rhetoric, not to attack those people who are the backbone of the economy, people who cannot afford another tax increase, who want to help the economy recover and like to hire more people, and that we would also recognize the most productive way to help them is to simply not raise their taxes. We are not talking about a tax break. I would argue that this TARP-like lending thing is an idea that may be well motivated, but it is not the way to help most of the businesses we are talking about. Just don't raise their taxes.

I will return to where I started. Some of us get a little confused. Sometimes we say tax cut when we are talking about tax increases. It may be that we have gotten so used to this rhetoric that somehow somebody is asking for a tax cut for the rich when, in fact, I don't know of anybody who is asking for a tax cut for the rich. Not a single Republican is asking for a tax cut for the rich. All we are asking is don't raise taxes on anybody; it is usually not a good idea, and it is certainly not a good idea in this time of economic downturn.

I hope as time goes on, I will have the opportunity to reflect on what more small business folks have written to us, and we will take their pleas to heart. The three people I have talked about today all say: Don't raise my taxes. I am having a hard enough time

as it is. If you leave me alone, I might be able to begin hiring more people.

Let's take those stories to heart and listen to our constituents and not take the attitude that Washington knows best. It reminds me a little of what the President and one of our colleagues said in a townhall meeting in August when somebody asked about the health care bill. One of our colleagues said: Well, you may not like it now but over time I think you will get to appreciate it.

It is the attitude that we know best here; we will make the decisions; you may not like them now, but you will come to think they are okay over time. I think Americans have understood what it takes to make a successful business. They understand what taxation is all about. They understand this isn't the time to raise taxes on anybody, and we ought to get away from this idea that Washington knows best. Let's listen to our constituents. Let's listen to what they are telling us. Don't raise our taxes.

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

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

#### RECESS

Mr. KYL. I ask unanimous consent that the Senate stand in recess under the previous order, which means that we would return at 3:30.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 3:30 p.m.

Thereupon, at 2:38 p.m., the Senate recessed until 3:30 p.m. and reassembled when called to order by the Presiding Officer (Mr. MERKLEY).

#### SMALL BUSINESS LENDING FUND ACT OF 2010—Continued

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise to speak on behalf of the bill.

I rise to strongly support the pending bill, the Small Business Jobs and Credit Act. I do it because it will help small business create jobs in Maryland. I spent much of the last several months visiting worksites in Maryland, and it was an exciting time. Maybe orders and customers are not up, but enthusiasm and entrepreneurship is up, and absolutely, in many areas, consumerism and customers are up.

I visited bakeries, microbreweries, factories of small machine tool companies wanting to retool. During that time I visited Main Street, small streets, rural communities. I talked with small business owners and their employees.

What was loud and clear and visible was that small businesses are stressed

and strained. Small businesses said: Hey, BARB, it is sluggish out there. There is uncertainty, but we believe we can expand. We believe we can grow our business, but we need help.

They continually talked about their problems in having access to credit—not because they were not good risks but because there was not good money out there for them to borrow. Even though these businesses are thriving, they could not expand because they could not get the loans they needed to grow.

I visited a startup green energy business whose demand is skyrocketing, but they need credit to expand their business and, I might add, certainty in an energy bill.

I visited a wonderful family bakery which reminded me so much of my own grandmother's bakery. Well, they just do not bake bread, they build community and create jobs. They want to expand. They need access to credit.

I visited a machine tooling business in Baltimore which does precision metal work for many of the components for our military, the space program. They, too, want to retool.

These are "good guy" businesses, working hard, playing by the rules. They have jobs right here in the United States of America. They want to expand. They want to hire. They want to upgrade their equipment. They want access to credit. They need a government on their side and at their side.

I believe that is what the Small Business Jobs and Credit Act will do. It will help businesses be able to get that much needed access to credit to be able to strengthen our economy.

I know people are anxious about the economy. Many are worried their middle-class life is slipping away. But in Maryland we know we can count on small businesses to create jobs, to help people who are in the middle class stay there, and those who want to get there be able to do so through hard work.

From beauty shops to biotech, there are family-owned businesses, small businesses in Maryland that need help. What they need is not a guaranteed outcome, but they do need to have access to credit.

I am no Janey come lately on this issue of small business. My grandparents owned a local bakery shop. My father ran a small grocery store, alongside with my mother. I often watched him open very early for local steelworkers and automobile workers, people who worked making the famous National Boh beer right down the street. They would come and buy their lunches before going to the morning shift.

We know what it is like to have a small business and to be able to meet a payroll and to be able to grow. I saw what it means to be able to provide service to the community, lend a helping hand, provide a good customer value for a hard day's work. I believe it is through these small entrepreneurial efforts that we will get our economy going and growing.

We have bailed out banks. We have even bailed out other countries. Now we have to bail out the people who are building the United States of America—the people who are building jobs in the United States of America. That is what I think this bill will do.

What I like about it is, it gets credit flowing to small business. It creates a Small Business Lending Fund at the Department of the Treasury to help those community banks at the local level lend to small businesses. It creates incentives for private businesses to invest by making the capital gains from small business stock tax free. It provides tax breaks that will help small businesses grow by making it less expensive to purchase new equipment. We help small businesses get started by doubling the amount of startup costs small businesses can deduct from their taxes.

So let me repeat. No. 1, we create a Small Business Lending Fund at Treasury that guarantees access to credit. We make capital gains tax free. That will help small business investment. We will help make sure small businesses grow by making it less expensive to purchase new equipment because of the tax breaks we give, and we are going to double the amount of startup costs small businesses can deduct from their taxes to help make sure they can get a jump-start on getting underway. I believe we have practical, affordable solutions.

Some people say: Is this a baby TARP? No, this is not a TARP. We do not bail out Wall Street. We help Main Street. We help all those people with a dream in their heart, with a small business underway, with the grit and determination to be able to create a job for themselves and for others and add a product and add value to the United States of America. These are jobs that will stay in the United States of America.

So let's say goodbye to tax breaks to send jobs overseas, and let's say hello to tax breaks to make sure our small businesses can grow. I hope we pass this bill. I hope we get it done this week. I hope we get our economy rolling in the way we need to do so.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

The PRESIDING OFFICER. The Senator from North Dakota.

#### UNFINISHED BUSINESS

Mr. DORGAN. Mr. President, I wish to speak today for a few moments about the unfinished business of the Senate, but I will focus on only one issue.

We come now to September of an even-numbered year. We will have an election in November, and then we will have a lameduck session, apparently, and the Congress will end its session. Then the question is, What is left on the table? What is the unfinished busi-

ness? What has not been done that needs to be done for this country? It is a very long list, unfortunately. I would say the reason, in most cases, is we have experienced in this Congress less cooperation and more determination to block almost anything than at any time I have seen in the 30 years I have served here. It doesn't matter what the issue is. We have had issues that are noncontroversial, that get 94 or 98 votes in favor of the issue, that have been blocked when brought to the floor on a motion to proceed. We have a noncontroversial issue, a motion to proceed brought to the floor on something on which there is no controversy, and it is subject to a filibuster, and then a cloture motion has to be filed. Then 2 days have to pass before it ripens. We have a cloture vote, and then following the cloture vote, the minority says: Well, we insist that the 30 hours postcloture be used. So 30 hours has to be burned off. Only then can you get to a vote on a noncontroversial issue. Then you have the vote, and it is 98 to 1. That has happened throughout this year—continual efforts to block everything; deciding that the best strategy politically, apparently, for the minority here in the U.S. Senate is to block everything.

The result is that the list of unfinished business in this Senate is unbelievable. Not one appropriations bill will be done when we break for October. An energy bill which I intend to speak about today is critically important for this country's future and has not been done. Extending the tax extenders, the research and development tax credit, and so many other issues that are important have not been done. It is not because Senator REID hasn't tried as majority leader. He has tried in every way to make progress on these issues. We have just not been able to get it done.

Let me speak for a moment about one issue that will represent the unfinished business, regrettably, unless there is a change of heart somehow and perhaps at the end of this session, in a lameduck session, we are able to get it done; that is, energy.

Energy affects everyone's lives. They don't think about it, but they get up in the morning and perhaps take a shower. That is energy coming from a hot water heater. They turn off an alarm clock first. That is energy coming from electricity. They then go down and perhaps have a slice of toast. That is energy from the toaster. They have some coffee, which uses energy from a stove. They put a key in the ignition and drive to work—energy from the gas tank of that vehicle. Almost every waking moment is blessed with abundant energy resources in this country. We don't even think about it. We do all of those things in the first hour of our day and never think about the fact that energy played such a central role.

Here is the dilemma. Our country, in large part, runs on oil—not exclusively but in large part—oil and natural gas.

Coal is a very important part of producing electricity, but oil is 70 percent of our transportation, and here is the circumstance we face. Nearly two-thirds of the oil we use in America we have to get from somewhere else. We use one-quarter of all the oil that is sucked out of this planet every single day. We put straws in this planet, called drilling rigs, and we drill holes very deep into the surface of this planet, and we find oil and we suck oil out of the planet, and one-fourth of it must come to this little spot on the globe called the United States of America. That is the prodigious appetite we have for energy, and it enhances our lives in every way. But it doesn't add up. We use one-fourth of all the world's energy in our country, but we produce only 10 percent of the world's energy, and we have only 3 percent of the world's energy reserves. That is not an equation that adds up.

So if two-thirds of our oil comes from outside our country—some of it from countries that don't like us very well—what are the consequences of that? Does that represent adequate national security when we are dependent on that amount of oil from others? It does not. It represents a very deep vulnerability that one day that supply of oil could be cut off from our country, and our economy would be flat on its back.

What do we do about that? Well, we should produce more, to the extent we can, and we are, and I will talk about that in a moment. We should conserve more. We should be concerned about the efficiency of its use. We should find new sources of energy. We should convert the automobile fleet, to the extent we can, to an electric fleet. We should continue to invest in the longer stream strategies such as fuel cells and hydrogen. All of those things are necessary. We should have a renewable electricity standard that drives the production of electricity from renewable energy that says: Here is where America needs to go. Here is what we want to produce in our future. Count on it, believe in it, invest in it, because this is America's policy for the next decade. We should do that. It is called a renewable electricity standard. We should build a transmission capability around the country, just as we did interstate highways—an interstate transmission grid that allows us to produce energy where the wind blows and the sun shines and move it to the load centers that need the energy. All of these things are necessary. Yet the prospect is that they will all be left on the drawing table at the end of this session of the Congress.

Let me describe, if I might, what we have done and what we threaten to lose. A year ago last June, we passed on a bipartisan basis out of the Energy Committee here in the Senate a piece of legislation that reduces our dependence on foreign energy; increases our domestic production of energy from virtually all sources; establishes a renewable electricity standard; helps create a transmission superhighway; electrifies and diversifies our vehicle fleet;

enhances our energy efficiency; expands clean energy technology; and will train the energy workforce of tomorrow. We did all of that, passed that out of the Energy Committee and did it on a bipartisan basis. And we threaten to lose all of that progress at the end of this session unless we get some cooperation on the floor of the Senate.

I have described a bit of this, but let me do it by chart. Our dependence on foreign energy—and this translates mostly to foreign oil by sector. You can see that the most significant sector that increases our dependence on foreign oil is the transportation sector. We use 70 percent of our oil in the transportation fleet. Seventy percent of our oil is used in transportation. That is why all of us understand that we have to convert.

By the way, moving to an electric transportation fleet—and I will talk a bit about that later—it is not new; it is back to the past in many ways. When President Taft decided that the horse and buggy had outlived its usefulness as a mode of transportation outside of the White House—he ordered an electric vehicle, the Baker electric vehicle. So the fact is, it is not as if electric vehicles haven't been around; they have.

When Henry Ford decided that the Model T shall have an internal combustion engine because Thomas Edison suggested that was the way to go, that determined for the future what we were going to be doing for a long, long time. Then in 1916 our country said: You know what we want to do, we want to reward anybody that goes and finds oil and gas because we are building this automobile fleet with the internal combustion engine that needs to use gas stations every week or two, so we need to have gasoline at these gas stations. In 1916, we decided as a country to say: If you are looking for oil and gas, God bless you. We want to reward you. We are putting in place deep, permanent tax incentives to say: You go look for oil and gas because that is good for the country.

So here we are nearly a century later, and the problem is that we now know that being dependent on others for two-thirds of our oil—70 percent of which is used to run our transportation fleet—holds America hostage. It holds our economy hostage and holds our future hostage. So what do we do about that?

Here is a chart that shows the use of energy in this country. At this point, coal fuels about half of the electricity generated in our country. That comes from coal. There is a problem with coal, and that is, when you burn it to produce electricity, it puts carbon into the atmosphere, and we now know that contributes to climate change and global warming, putting more and more carbon into the atmosphere is troublesome.

So now we come to an intersection that is different from any other intersection we have been at before: trying to ensure a better energy future and at

the same time address climate change. That is a pretty difficult proposition but not impossible.

By the way, our energy future will not be a future without coal, so the question is, How do we deal with the fact that burning coal produces carbon? Well, the energy legislation we have produced begins to address that by saying that there are a lot of ways to separate carbon when coal is burned and to use that carbon in a lot of different ways, one of which is to put it underground to enhance oil recovery from an oil well. If you put carbon deep into the ground in an oil well that is almost depleted, you can move oil out of that oil well. That is called enhanced oil recovery. Another way is just storing this carbon underground. Another is to understand there are uses for carbon that can produce additional fuel. You can take the carbon from a coal plant, strip the carbon from the emissions, and use it to feed algae. Algae is that single-cell pond scum that you see—the green scum on top of water. But if you grow algae—and how does algae grow? In water, sunlight, and CO<sub>2</sub>. To grow algae, you take the CO<sub>2</sub>, grow algae with it and then harvest the algae, and you then get diesel fuel. So you create something—you have a problem that creates a solution. Solve a problem by creating a product. That is another approach. There are more. There are other ways to address this.

There is a patent by a guy in California who says he has the silver bullet. You can use coal and get rid of the CO<sub>2</sub>, because he mineralizes the entire effluents from a coal plant and turns it into a product that encompasses all of the CO<sub>2</sub> that is harder and more valuable than concrete. So that brings the cost of capturing and containing CO<sub>2</sub> down to near zero, he says. I don't know whether that is accurate; all I know is there are a lot of interesting ideas out there about how to continue to use coal and protect this country's environment at the same time.

I would say one other thing about this. A woman scientist from Sandia National Laboratory testified before a subcommittee that I chaired, and she said: You think of carbon, CO<sub>2</sub> emissions, as a problem. Why don't you think of carbon as a product? Then she described what you can do with carbon as a value-added product. She is absolutely right.

I believe that in 5, 10, 15, 20 years, if we make the right investments, we will almost certainly be able to continue to use coal, our most abundant resource, and do it in a way that protects this country's environment by sequestering and providing a beneficial use for carbon.

So 48 percent of the fuel used for electricity comes from coal. As you see, some comes from natural gas, some is hydroelectric, and that represents a descriptive use of the various kinds of resources in this country.

I mentioned a while ago that the Energy bill had what is called a renewable

electricity standard—RES. Why is that necessary? Because you have to decide where you are headed. You have to drive toward a goal. I support a 20-percent renewable electric standard. If I buy a kilowatt hour of electricity, I want 20 percent of that to come from renewables. Twenty percent of that, by 2020, would create 100,000 more new jobs. But much more important than that is it would put us on the road to what we should be doing; that is, maximizing the production of renewable energy.

The fact is, taking energy from the wind makes a lot of sense. It is not polluting. Somewhere in this country, the wind blows almost all the time. Perhaps I have a vested interest because the Department of Energy says the State of North Dakota is the windiest State in America. We are born leaning to the northwest. There is just a lot of wind in our State. So we have the capability all across this country to produce substantial amounts of wind energy.

This picture shows what we are doing these days in sunflower fields, where we grow sunflowers and harvest energy from the wind. It is really pretty simple and works very well.

This chart describes how dependent and how addicted we are to oil. The top oil consumers in 2008—you can see the green line is the United States. It far exceeds the use of oil by anyone else on this planet.

China is next but, of course, China has, I think, 1.4 billion people.

Tomorrow there will be, on Capitol Hill, a Nissan LEAF. I am not advertising for Nissan, I have never driven one. I will drive one tomorrow, because they have a new electric car coming here for people to test drive. I have described a bit about the electric vehicle future, and I, along with Senators ALLEXANDER and MERKLEY, from Oregon, have introduced legislation that would move this country toward an electric drive future. I think it is a great piece of legislation.

This country needs to decide where it is headed and then create incentives and a roadmap to get there. There is an old saying that if you don't care where you are going, you are never going to be lost. It is true for this country as well. I believe it is far better for this country to set a course, create a destination, and then say to people and investors—to everyone—here is where we are headed. You can count on it, believe in it, and invest in it, because here is where America is going. That is what we ought to do.

There is not a lot of time left in this legislative session. One of the very important pieces of unfinished business reflects what I have described in general form; that is, energy production, conservation, excessive dependence on foreign oil, a concern about the environment, energy conservation and efficiency, and all of this is critically important.

I come from a State that is producing a lot of energy, no question about that.

When I was a little boy, in my hometown of 300 people, there was never much going on. So we would drive up and down Main Street forever seeing if something was going on, and it never was. Sometimes we would go to an adjoining town 20 miles away to see if there was anything going on there, because that was a town of about 800 people—much larger—and there was never anything going on there either.

What happened one day is that news reached our town that somebody was going to drill an oil well 2 miles west of Regent, ND. We thought this was unbelievable, something is going to go on. So they hauled in these big rigs with a truck, and lots of metal, and they built this little pyramid, and all these strange, new people were in our town, and then this oil rig went up—a drilling rig. Then they put lights on it. At night, in a town where there was nothing to do, we would drive out and park our cars and look at the lights on the oil rig because there was something happening. It was so exciting. I can remember as a little boy looking at that oil rig thinking that this is unbelievable, something has come to our town—it and a circus, but they were in different years. It took some while to put it up. They do it now in 30 days. But it took a while to drill this well, and then our town was like a balloon that lost the air, because they discovered it was a dry hole. So that was my acquaintance with oil and drilling and the people who decide to go out and look for a source of energy, and remembering the lights as a young boy.

Now, in my State, I asked the U.S. Geological Survey about 3, 3½ years ago, to do an assessment of what is called the Bakken shale. That is a formation that is in most of western North Dakota and a fair amount of eastern Montana. It is a formation of shale rock that is 10,000 feet, or 2 miles, below the surface of the ground. It is very extensive. They do core samples way down so they know where that shale exists. It is 100 feet thick. When I had the U.S. Geological Survey assess how much oil would be recoverable from the Bakken formation—which you could not have gotten 10 years ago, because we didn't know how—the USGS said: We believe there is up to 4.3 billion barrels of recoverable oil from that. That is the largest amount of recoverable oil, using today's technology, that we have ever assessed in the history of the lower 48 States. We have 120 or 130 oil rigs in western North Dakota drilling wells, and they each drill a new well in 30 days, and then it moves. At each well site, there are 1,000 discrete truck visits back and forth. You can imagine the activity that is going on. They go down 10,000 feet, with 1 drilling rig, 2 miles down, and make a big curve with that rig and go out 2 miles searching for the middle third of a 100-foot seam. That is how sophisticated it is. When they find it, they go out 2 miles, and then they fracture that rock with hydraulic fracturing—water under

high pressure—and the oil drips, and they put a pump in, and they are getting up to 2,000 barrels per day out of this Bakken formation in some of these wells. It is unbelievable.

I didn't intend to describe it at that length, but the point is we are producing more oil in this country. We are producing more, but not nearly enough to make us less dependent, or even close to independent. We are still so unbelievably vulnerable to foreign oil. If nothing else would drive the Congress to decide we have to do better and do more in energy, it ought to be that we are unbelievably dependent. God forbid that some day somebody wakes up in this country and understands that none of their electricity works because terrorists have interrupted the supply of oil, they have brought down the grid system, and somehow we don't have electricity and we don't have oil.

This country needs better security and more energy security than that. That is the reason to have an energy bill. I have said often that I believe in doing everything. I come from a high school class of nine. There were no foreign languages in that class, so I didn't take Latin, but I have always felt these Latin words describe my approach on energy: *totus porcus*. I think that means "whole hog." I believe we ought to do everything we can and do it well. Should we maximize renewables? Yes. Should we drill in areas where there is oil and gas domestically? The answer is yes. Should we proceed with ethanol and the biofuels? You bet your life. Should we continue to work on coal and make the investments necessary to sequester carbon or use it to produce other fuel? The answer is, of course, that we should do all of that.

Should we be more conservation minded? We are prodigious users and wasters of energy. I also think of the words *totus porcus* when I pull up to a stop light in Washington, DC, and somebody pulls up next to me driving a Hummer; it is like driving a tank down the streets of a major American city, and it is getting probably 6 miles per gallon. Now I will hear from them, I am sure.

This country can do better in every single area of energy: conservation, efficiency, energy production, and also distribution, and the pipelines that are necessary, and the transmission lines that are necessary.

I mentioned earlier that the Energy bill we passed has the capability of helping produce an interstate highway of transmission. That is very important. When the winds blow—if you are going to gather energy from the wind and use it, you have to transmit it someplace on transmission lines. We can't build them in this country. We have built 11,000 miles of natural gas pipelines in the last 9 years, and do you know what we have done on high voltage interstate transmission lines? It is 660 miles. Why? You can't build them. There are a dozen ways for people to

say no, and they do: not on my property, not in our State—not here or there. So you have planning problems, siting problems, and price problems.

We are probably not going to be able to get to this bill now, which will represent the important unfinished business this year and addresses these important issues. I may well be the only person who cares. There is not a big fuss here about leaving on the floor an energy bill that was bipartisan and was passed by the Energy Committee a year and a quarter ago now. I think others in this country understand the vulnerabilities of this country. We respond sometimes to catastrophes. We respond sometimes when something awful happens. So some day if, God forbid, we wake up and flip the switch and the lights don't come on, or we get in our vehicle and go to find oil and it doesn't exist, so there is no gas for the cars, then we will understand that somehow, some way, we should have done something that addresses what we know is a vulnerability for this country.

The intersection of better energy policy and policy that addresses the issue of climate change is an intersection we can't ignore. We are at that intersection, and there is about to be an accident unless we make smart choices. I hope in the coming weeks in the Congress we might, all of us, decide let's try to reduce that list of unfinished business by at least doing something that represents a bipartisan consensus out of a committee, a major committee, in this Congress, the Energy Committee. This is a good bill that deserves passage. It will strengthen this country's energy and America's security generally.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. LEVIN. Mr. President, it is very easy to say we need to create more jobs. It has proven much more difficult to get bills passed to accomplish that. On both sides of the aisle we say we are in agreement that small businesses are the engines of job growth. Before us is a bill that would put our words into action by enacting a number of provisions that will help these businesses survive and thrive, keeping current workers on the payroll and creating new jobs. For months this legislation has been bottled up in this Chamber, held up by a filibuster. The filibuster has come despite the fact that business groups have strongly, almost unanimously—in fact, probably unanimously—called for its passage. It promises to help create perhaps half a million jobs that our economy needs so desperately to get moving again.

I am hopeful we will finally end this needless delay and get small businesses the support they need, get capital flowing, and get more Americans back to work. We are on the verge of doing that, and I hope we can do it within the next 24 hours.

This bill is going to do that by addressing a key problem small businesses now face—difficulty in obtaining the capital they need to operate, expand, and grow. One of the most important ways in which this bill will do that is through a State small business credit initiative. I have sought inclusion of this provision along with many Senators, including SHERROD BROWN and Senators STABENOW, WARNER, BAUCUS, SHAHEEN, BEGICH, MCCASKILL, and others, in order to provide badly needed assistance to State and local programs across the country that help small businesses grow. Let me explain how this works.

Just as the recession has battered the value of our homes, it has also battered the value of business property such as real estate, factories, and equipment. That has damaged the ability of small businesses to get bank financing because it has lowered the value of property they can offer as collateral. Businesses with plenty of customers and excellent credit histories have been unable to get the financing they have relied on and need, endangering existing jobs and preventing the creation of new jobs. My State and many others have begun programs designed to deal with this problem. Thanks to our collateral support program in Michigan, companies such as Saline Electronics, an electronics manufacturing company, and Display Pack, a packaging company, have been able to expand production and add workers. Just since 2006, with just \$3 million in State money, Michigan's capital access program has leveraged nearly \$88 million in private lending and saved or created an estimated 13,000 jobs. But the demand for this successful program far exceeds the resources available.

In Michigan and elsewhere, these programs can't help enough of the businesses that could effectively use support. Lack of resources for small businesses is stifling job creation by small business.

The legislation before us includes what we call the State small business credit initiative which will make available \$1.5 billion to State and local programs that help small businesses get the loans they need. It will help provide many times that much in private loans to small businesses.

There are other major provisions of this bill that will help small businesses create jobs. This bill contains \$12 billion in tax cuts for small businesses, tax cuts that will help them put their money into growing their businesses and creating new jobs. It will more than double the limits for two of the Small Business Administration's most important loan programs and provide other enhancements to the SBA loan

programs, enhancements that will increase lending to small business by over \$5 billion in the first year.

The bill also includes a proposal which I suggested for what we call an intermediary lending pilot program which allows the SBA to make loans to intermediary lenders such as business incubators which can then loan that money to growing businesses. The bill also includes the small business lending fund. This provision is very similar to the Bank on Our Communities Act. It will provide capital to local community banks, banks on which small businesses depend, so they in turn can lend that money to small businesses. It does all this in a way which will not add to our budget deficit.

This legislation has the support of nearly 200 business and financial industry groups. If these groups, many of which disagree with one another on many issues, can come together to support this legislation, it speaks volumes about the positive impact this bill is going to have.

I thank our Small Business Committee chairman, Senator LANDRIEU, for her extraordinary leadership in guiding this bill to the Senate floor. She has shown talent, dedication, a willingness to work with Senators of both parties, and a determination to overcome the obstacles that have threatened to prevent us from providing the support small businesses need. The Senate and the Nation are benefiting greatly from the leadership of Senator LANDRIEU.

This body should do everything within its power to help the businesses of our Nation put workers back on the job. We cannot afford to miss opportunities to boost employment because the hundreds of thousands of people in my State and the millions across the country who have lost their jobs in this recession deserve our very best efforts.

All of us, Democrats and Republicans, say we support small business. We have an opportunity in the next few hours to back up our words with actions.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. GRASSLEY. 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. GRASSLEY. Mr. President, we have the Small Business Jobs Act of 2010 before us. For more than a year now, the mantra of my colleagues on the other side of the aisle, meaning the majority party, has been: jobs, jobs, jobs. Unfortunately, the only jobs the policies of my colleagues on the other side of the aisle have created are government jobs. The legislative fixes proposed by the other side have fallen short in creating private sector job growth.

I have a chart here that will show unemployment reaching a high of 10.1

percent in October 2009. The administration promised that unemployment would not go above 8 percent if we enacted their \$800 billion stimulus bill. Moreover, they asserted that 90 percent of the jobs would be in the private sector. The unemployment numbers have come down from their high in October, but this has not been the result of a robust hiring in the private sector. To the contrary, many people are simply no longer counted as being unemployed because they have stopped looking for work. For those who did find work, many found work with the U.S. Census Bureau helping to complete the 2010 census. The unemployment rate reached a low of 9.5 percent in July but once again has ticked up to 9.6 percent as 114,000 temporary census jobs ended. While those who put their faith in the stimulus package believed that this summer would become known as "recovery summer" due to all of the stimulus projects underway, it actually has ended in what a National Public Radio story termed as an "economic pot-hole."

To be fair, the private sector employment number has inched up slightly in the past few months. For August, the Bureau of Labor Statistics reported that private sector employment payroll edged up by 67,000. However, the problem is that around 150,000 jobs need to be added each month just to keep up with the growth in population. So basically, by adding 67,000 jobs, we are treading water too slowly to keep our head above water. Moreover, as pointed out in the September issue of the National Federation of Independent Business Small Business Economic Trends, 45,000 of those 67,000 private sector jobs were in education and health care. These jobs are heavily dependent on government spending, and that means these are not typical small business jobs on Main Street.

It is clear, however, that the small businesses remain pessimistic about the economy and are hesitant to hire new workers. According to the National Federation of Independent Business's most recent survey—and we have a chart here on this point—a net negative 1 percent of business owners plan to create new jobs in the next 3 months. A net negative 8 percent of business owners expect the economy to improve. Only 4 percent of the business owners said it was a good time to expand. A net negative 30 percent of owners reported higher earnings. This last component is especially important for businesses when it comes to hiring new employees since businesses need to know that revenue generated from an additional employee will exceed the costs.

Given the current unemployment rate, it is not surprising, then, that we are once again looking at ways to create jobs. Hence the bill that is before the Senate. The question remains: Are we going to continue to look to the government to be the job creator or are we going to realize that job creation

and real economic growth comes from the private sector? This question also brings to mind that government doesn't create wealth; government consumes wealth. So if we are going to increase the economy in this country, it has to be done through the private sector.

The bill before us appears to recognize the importance of the private sector—in particular, the importance of small businesses and entrepreneurs in getting our economy back on track and getting the employment numbers to move in the right direction. I have been beating the drum for some time now that if we want to get our economy back on track, we need to focus on small business. After all, small business is responsible for creating 70 percent of the jobs in our economy. That is not a Republican percentage put out there by my party. That is also a figure I have heard the President of the United States, our President, say in speeches as well—70 percent of the new jobs are created in small business.

During the debate on the \$800 billion stimulus bill, I pointed out that it contained too little in terms of provisions aimed at small business. In all, less than one-half of 1 percent of the stimulus bill was tax relief for small businesses. Unfortunately, my concern that the stimulus bill provided too little relief to small businesses has proved correct. Since the stimulus bill was signed into law, small businesses have been hemorrhaging jobs. According to the ADP national employment data, since the stimulus was enacted, small businesses, which are those defined as fewer than 500 employees, have lost a net amount of 2.6 million jobs. During this same time, large businesses, which are those with over 500 employees, lost a net amount of 716,000 jobs. According to this data, small businesses have accounted for nearly 80 percent of the decline in employment since the stimulus bill was signed into law.

With the consideration of the small business package before us today, I hope this body is finally starting to get serious about tracking unemployment through a true jobs bill. Compared to previous stimulus or jobs bills promoted by the majority, this small business bill has a rather modest cost, with tax provisions totaling about \$12 billion. It is targeted at job creation by providing small businesses with incentives to invest in new equipment, expand their operations, and ultimately hire new employees. The bill includes provisions that would encourage small businesses to invest in new equipment and real property by increasing the amount of capital expenditures small businesses can expense. For equipment, the amount that can be expensed is increased to \$500,000 and for real property, to \$250,000.

Moreover, it encourages investment by providing additional first-year bonus depreciation. It promotes entrepreneurship in another way by increasing the amount allowed as a deduction

for startup expenditures. It increases access to capital by allowing 100 percent of gain from investment in qualified small business stock to be excluded from income. It also takes the general business credits out of the alternative minimum tax for those sole proprietorships, flowthroughs, and non-publicly traded C corporations with \$50 million or less in annual gross receipts. Another way is increasing access to capital by extending the 1-year carryback for general business credits to a 5-year carryback for small businesses.

Finally, this bill promotes small business fairness by limiting harsh penalties that have been imposed on small businesses by the IRS and equalizing the tax benefits for health insurance that self-employed individuals may receive to those received by employees.

In regard to the Small Business Administration provisions, I strongly support many of the bipartisan provisions included in the bill. This legislation would increase small business lending by lowering small business loan program fees while at the same time raising loan guarantees and lending limits. Specifically, this bill extends the fee reductions and eliminations for the Small Business Administration's 7(a) program and 504 program and the 90-percent loan guarantee limit for the SBA's 7(a) program. I am pleased that these well-established, effective measures have been included in the bill. Raising the 7(a) guarantee rate and reducing lenders' and borrowers' fees in the 7(a) and 504 loan programs has been enormously successful. These modifications, which expired in May, have led to a significant increase in lending capacity and access to capital.

I am a supporter and, in fact, have been a leader of the many bipartisan small business provisions in the current small business package. I am an original cosponsor of S. 3604, stand-alone legislation introduced by Senator SNOWE, the ranking member of the Committee on Small Business and Entrepreneurship, which would extend the same Small Business Administration lending provisions that are in the bill currently before the Senate.

Additionally, many of the small business tax incentives included in the small business package were taken from legislation I introduced last year entitled the "Small Business Tax Relief Act of 2009." Of course, there are differences and additional provisions I would have liked to have been included, but, as with any piece of legislation in the Senate, there is a need to compromise if you want to get anything done. My bill generally would have made the small business tax provisions permanent law. I believe this would have provided small businesses with certainty and promoted job creation over the short run as well as the long run. However, the Senate small business package generally only makes the tax provisions applicable for 1 year.

That gets us back to the point that the word "uncertainty" crops up so often when used by small businesses as well as big businesses—the uncertainty of what Congress is going to do or the fact that when they make policy, they don't make it for a long enough period of time.

That word, "uncertainty," is the one reason jobs are not being created. It is kind of a sin that Congress would bring about this sort of uncertainty—or maybe the executive branch of government is bringing about some uncertainty—when, in fact, corporations have a historically high amount of cash just lying around. The last figure I saw was \$2.1 trillion, and with \$2.1 trillion, one would think there would be a lot of jobs expanded, except the people who could do it don't know what Congress is going to do to them next, so they are taking caution. Well, if we could reduce that caution and encourage them a little bit by letting them know what we are doing over the long haul, it would go a long way to getting this unemployment down.

Getting back to what I said, I would have liked to have seen in this bill an additional provision from my bill included in the final package. This provision would have provided small businesses with a 20-percent deduction off of their small business income. It is unfortunate that this provision was left out. This was the largest and most important provision of the bill I introduced in the summer of 2009.

However, in all, the tax provisions included in the Senate small business package provide real relief to small businesses. They generally have the support from Members on both sides of the aisle. In fact, you would have thought this small business bill would have been a slam dunk. However, the Democratic leadership has used the small business bill as a political football, scoring political points. The majority leader refused to allow the small business bill to be considered under regular order. The majority leader filled the amendment tree, thereby limiting amendments that could be offered. The Democratic leadership and the administration then proceeded to blame Republicans for blocking relief for small business. This is despite the fact that the Democrats were unable to get their own Members in line on the small business package. It still remains unclear whether the Democrats in the House, with their large majority, will pass the small business bill should it pass this body.

Moreover, the waters of the small business package were further dirtied by the inclusion of a controversial lending provision that would create a \$30 billion lending fund. This fund is designed to provide billions of taxpayer dollars to banks for the purpose of making loans to small businesses. To me and to many experts, the fund resembles the TARP bailout program, which has been badly mismanaged.

Elizabeth Warren, head of the TARP Congressional Oversight Panel, expressed skepticism that the fund would be effective in increasing small business lending.

She stated that:

Such a fund runs the risk of creating moral hazard by encouraging banks to make loans to borrowers who are not creditworthy.

The Special Inspector General of TARP stated that:

In terms of its basic designs, its participants, its application process, and perhaps its funding source from an oversight perspective, the [small business lending fund] would essentially be an extension of TARP's Capital Purchase Program.

There is also disagreement about the cost of the program. Proponents argue that the lending fund will raise \$1.1 billion. However, the Congressional Budget Office has indicated that if you score the fund on a fair value basis, the program would score as a cost to taxpayers of \$6.2 billion. The Congressional Budget Office has indicated that the fair value basis is a more comprehensive measure of the cost than estimates done on a cash basis.

Many Members in this body voted for the Emergency Economic Stabilization Act in 2008 because we were led to believe our economy was on the brink of failure. We were told the Treasury Department would purchase toxic assets. But after its passing, the executive branch changed course and picked winners and losers. Where? Not on Main Street but on Wall Street.

We should not be fooled again by the same officials at Treasury who have mismanaged TARP and have been less than transparent with the American people about how the taxpayers' money has been spent.

I compliment my friend, Chairman BAUCUS, for diligently pressing the tax provisions in this bill. There are many good things in this bill, but I believe it could have been better. Unfortunately, the Democratic leadership is more interested in scoring political points than actually providing relief to small businesses. If the majority was actually interested in passing small business relief, a small business package could have been put together that would have garnered 80, 90, or more votes. But instead the majority leader filled the tree, prohibiting amendments being offered to improve the bill.

The small business fund in the bill just doesn't have the safeguards in place to ensure that recipients are creditworthy or that taxpayers may be made whole in the end.

Should this bill be signed into law, I will do my part to make sure the implementation is in the best interest of the taxpayers as well as small businesses.

#### WATCH-DOGGING THE WATCHDOGS

Mr. President, I want to speak about watch-dogging the watchdogs.

I first started watch-dogging the Pentagon in the early 1980s, when President Reagan was trying to ramp up the defense budget. A group of De-

fense reformers were examining spare parts pricing. We found the Pentagon buying a \$750 toilet seat and \$695 ashtrays for military airplanes.

That experience taught me an important lesson: If you are going to watchdog the Pentagon like the inspector general, or IG, is supposed to do, then you better sharpen your wits and have the tools of the trade ready.

One of the most important oversight tools is the simple tool of the audit. The audit is the IG's main weapon for detecting and reporting fraud, waste, and theft. Mr. President, I am sad to report that the IG's Audit Office at DOD is not ready to tackle fraud and waste. The lack of IG audit readiness comes at a time when aggressive audits are sorely needed.

Secretary Gates recently announced that he wants to cut \$100 billion in wasteful spending. But he is relying on the Pentagon bureaucrats to eliminate it. Asking those who created the waste in the first place to then turn around and get rid of it is not a good plan. He needs a better mix of weapons. To win this declared war on waste, Secretary Gates needs the independent backup from the IG. Unfortunately, the inspector general's Audit Office is AWOL doing policy audits instead of financial audits.

Policy audits are not known for exposing waste. Last year, I received a series of anonymous letters alleging mismanagement and low productivity in the IG's Audit Office. This is a huge Audit Office. It has 765 auditors and an annual budget of \$90 million.

In response, I and my staff conducted an indepth review of all the pertinent issues. That oversight report was just completed, and I forwarded it to Secretary Gates with recommendations within that report for corrective action.

My oversight should fit right in with Secretary Gates' plan to cut waste at the Defense Department. My people in Iowa are aching for some commonsense fiscal policy in Washington.

My oversight report puts the spotlight on a good starting point. That oversight report indicates this vital piece of inspector general oversight machinery—the important tool of the audit—has been disabled. It is broken, leaving hundreds of billions of tax dollars vulnerable to fraud, waste, and abuse, outright theft.

The status quo is totally unacceptable. The IG's audit machinery needs to be brought back up to standard.

IG Heddell needs to hit the reset button. He needs to refocus the audit effort on priority areas consistent with the inspector general's core mission, which is to detect and report fraud, waste, and abuse.

The problem identified in my oversight report is twofold. The first big problem is the broken Defense Department's accounting system. That system is incapable of generating accurate and complete financial data.

The success or failure of an audit turns on the quality of data available

for that audit. Unfortunately, the quality of Defense Department data presented to auditors should probably be rated as poor to nonexistent. The consequences are then predictable. Auditors consistently report "no audit trail found." But what does "no audit trail found" mean? It means critical supporting documentation and data are missing. Vital records are not available for audit. Money has been paid out but for what? When there is no audit trail to follow, that question gets no answer.

The "no audit trail" finding is like a bad toothache that doesn't go away. The IG's own audit manuals warn that a "no audit trail" scenario is a red warning flag. It is a very common indicator of fraud. So we have clear-cut indicators of fraud that show up in one IG report after another and, do you know what. Nothing seems to happen. It is like the IG is howling in the wilderness. There is no followup, no corrective action.

Why is this being tolerated? How many more times does the IG need to be confronted by such obvious signs of fraud before decisive action is taken?

Maybe next time the auditors can't find an audit trail on a big contract, they should "lock the doors and call the law"—just drop a net on the place and call for backup.

This brings me to my second audit issue. The IG's Audit Office has allowed itself to be buffaloed by the "no audit trail" scenario. It just backs off and rolls over instead of attacking the problem head on with solutions.

The heart and soul of my financial oversight operation is a contract audit.

In the government, there can be no expenditure of public money without a written binding contractual agreement. That document must specify what goods and services are to be delivered. That is the law. That is where the money trail starts, with a contract. That is where audit work should begin. It is square 1 on the audit roadmap.

Beyond the contract, there are a number of critical data points or, you might say, dots. These should pop up on the auditor's radar screen. These may include contract modifications, recorded obligations, inspection and receiving reports, invoices, and payments, eventually.

To get a handle on fraud and waste, auditors then need to connect all the dots between the contract that starts over here at the beginning and the final payment of money over here. They need to make all of the hookups. For example, when contract requirements can't be matched with payment, well then, bingo; there is a potential problem.

This is what is called a full-scope, end-to-end audit. This is what auditors must do to document and verify fraud and waste. Doing that work positions them to answer two key oversight questions: Did the government get what it ordered at the agreed-upon price and schedule or did the government get ripped off?

Top audit officials repeatedly and consistently told my investigators that doing genuine contract audits was “impossible, we can’t do it, it’s too difficult.”

One audit appears to illustrate and typify the seemingly impassable obstacle, or brick wall, perceived by the auditors. The report is entitled “The U.S. Air Force’s Central War Reserve Material Contract.” It is report No. D-2009-108.

Instead of attempting to verify payments at the primary source, which is the Defense Finance and Accounting Service, the audit team opted for an unauthorized shortcut. When you are following the taxpayers’ money to see if there is fraud involved, you are going to find some shortcut?

They chose, then, to rely on payment data provided by who? The contractor, DynCorp, the target of the audit. Even using this flawed audit procedure, examiners were unable to match contract requirements with payments. Then when they could not do it, they just give up. The report concluded:

The government did not know what it was paying for. . . . It may have paid for services DynCorp did not perform.

The auditors then simply turned a blind eye to the potential fraud here in this instance.

One hundred sixty-one million dollars went out the door, and for what, we don’t know. The report does not tell us. It does not nail down all of the pertinent facts. It is inconclusive and unfinished. The auditors just kicked the can down the road, bucking it to another Defense Department audit agency.

Clearly, auditing large, complicated Defense Department contracts where there is no audit trail to follow is, we have to admit, a daunting task. But that does not mean it is a mission impossible. It can be done. It has to be done. Senior managers refer to this task as “audit trail reconstruction work. It is labor intensive pick and shovel work.”

Today, the inspector general relies on small rinky-dink 5- or 10-member audit teams. That doesn’t cut it. The IG needs to deploy much larger teams consisting of 25, 50, or even 100 auditors or more to tackle the most egregious contract jobs. And I don’t mean hire more than the 675 employees who are already there eating up \$90 million.

Let me make one point crystal clear right now—and I am repeating because I think it is important. I am not suggesting the IG needs to hire more auditors. This should be done within available resources. What I am saying is this: The audit office needs to switch from a large number of small teams to a small number of large teams. That would be a reallocation of audit resources. The top audit office official said it would be possible “to cobble together such an audit team to look at one of the big weapons programs.” However, doing that would “deplete resources needed to meet other priorities.”

The “other priorities” referenced by this top official are probably wasteful reviews of the Department’s policy and procedures—in other words, doing policy auditing instead of doing financial auditing.

In 2009, the audit office did not conduct one in-depth contract audit of a major weapon system or contract. Aren’t major weapon systems an audit priority? The record suggests that it is not an audit priority.

To this Senator from Iowa, this is an astonishing revelation. The inspector general is not doing contract audits. How can this be? If the IG is doing contract audits, then the office of the IG is not or should not be open for business—ought not to be spending that \$90 million.

The core IG mission is to detect and report fraud, waste, and abuse to the Secretary and to the Congress and to recommend corrective action. To detect and verify fraud and waste, auditors need to be on the money trail 24/7. That is where most fraud occurs. They need to be connecting all the dots between contract signing over here and the last payment being made over here.

Instead of trying to do contract audits, the audit office gave up and moved to greener, easier pastures. Most audits now focus on policies and procedures. In moving in this direction, the inspector general has strayed far from a core mission costing \$90 million. Today’s preference for policy audits yields zero benefits to the taxpayers. These reports cost about \$800,000 apiece. Cranking out worthless policy audits may not qualify as misconduct, but it surely is a blatant waste of precious tax dollars, at \$90 million a year.

The current focus on policy audits helps me understand why 765 auditors—with an annual budget of \$90 million—could not root out any measurable fraud or waste last year. The IG there at the Department of Defense needs to hit the reset button and refocus the audit effort on the core IG mission.

First, he needs to resume full-scope contract audits to root out fraud and waste. Second, the audit office needs to aggressively review all the Defense Department’s plans and programs for deploying a modern accounting system. It needs to offer specific recommendations that would help the Department reach the 2020 readiness goals.

I am receiving assurances from the IG at the Department of Defense that he is moving smartly in the right direction. The signals from that office are very encouraging. Yet I remain skeptical. The audit office still seems to think that full-scope contract audits are a nonstarter and policy reviews are highly relevant. We need a change of course.

Mr. President, I yield the floor.

#### MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business

with Senators permitted to speak for up to 10 minutes each.

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

#### REPORT ON FOREIGN TRAVEL

Mr. SPECTER. Mr. President, It has been my custom to make a report to the Congress, my constituents, and the general public when I return from a trip. I have sought recognition to speak about foreign travel I made to Beijing, Hanoi and Taipei from August 6, 2010, to August 16, 2010.

We departed Dulles International Airport on United Airlines on Friday morning, August 6 en route to Beijing, China. This was my sixth visit to China, with the most recent taking place in 2006.

On Sunday, August 8, we had a meeting with Mr. William Farris, Managing Counsel for Google. Mr. Farris had previously served as general counsel for the Congressional-Executive Commission on China, which was created by congressional statute in 2001 to oversee human rights and the rule of law. Especially with his background in these critical issues, Mr. Farris offered his views on the potential for unfettered access to the internet in China, the recent cyber attack against Google, and an overview of the Chinese business environment. Although Google initially censored its search engine in China, I was pleased that it has decided to offer a reroute through Hong Kong servers in order to provide uncensored access. China continues to put pressure on international firms over the nature of content produced. The Chinese government maintains a block on many U.S. Websites, including Facebook, Twitter, and YouTube. The pressure that the Chinese government places on firms has already led to the departure of major foreign ventures. Go Daddy, a leading U.S. Web site registration firm, has recently left the Chinese market. Increasing freedom will facilitate economic growth and attract investment.

In my fiscal year 2011 appropriations request letter to the State and Foreign Operations Subcommittee on the Senate Appropriations Committee, I urged the provision \$50 million from the democracy fund to promote widespread, secure Internet use by individuals residing in countries with Internet monitoring, censorship, and control. This is a low-cost method of allowing people, especially those living under repressive regimes, to access all-source, unfiltered information. This capability enables freedom of thought, expression, and the unimpeded flow of ideas and information. One group, the Global Internet Freedom Consortium—an alliance of several organizations specializing in anti-censorship technologies—has submitted several important proposals. This group has been particularly effective in China, neutralizing the Chinese government’s “Golden Shield” and “Green Dam” barriers.

As I wrote in my July 7, 2009, op-ed in the Pittsburgh Post-Gazette:

The United States must fight fire with fire in finding ways to breach these cyberwalls, which dictatorships use to control their people and keep themselves in power. Tearing down these walls can match the effect of what happened when the Berlin Wall was torn down. No one understands this better than the dictator states.

The Internet has proven to be one of the most powerful tools for cultivating nascent democracies. American companies who have abetted repressive regimes by censoring information should reexamine their relationships and ways of doing businesses.

That afternoon, we met with Ambassador Jon F. Huntsman Jr. and his wife, Mrs. Mary Kaye Huntsman, at the Ambassador's residence. I have known Ambassador Huntsman since his days as Deputy U.S. Trade Representative in the George W. Bush administration as well as the Governor of Utah. Ambassador Huntsman, fluent in Mandarin, brought unique skills to this post, gleaned from studying China for much of his life, serving as a missionary in the Republic of China, and extensive business experience. We discussed different dynamics of the U.S.-China relationship, including international trade, regional security, and human rights.

On Monday, August 9, we began the day with a country team briefing from the U.S. Embassy in China. The briefing was led by Robert Goldberg, the Deputy Chief of Mission, and included Christopher Adams, Minister Counselor for Trade Affairs at the Office of the U.S. Trade Representative, Aubrey Carlson, Political Minister Counselor, MaryKay Carlson, Acting Consul General, David Dollar, U.S. Treasury Economic and Financial Emissary to China, Robert Forden, Acting Economic Minister Counselor, Bradley Gehrke, Defense Attaché, Randal Phillips, Minister Counselor for Plans and Programs, and William Zarit, Minister Counselor for Commercial Affairs from the Department of Commerce. Following the Country Team Briefing, I met John Klena, Julie Schneider, Andriana Wiegand, Sanford Dawson, Frank Joseph, Msg. Simon Price, Msg. Michael Fernald, Msg. Kenneth Hayles, and Megan Kellogg, fellow Pennsylvanians who admirably serve the U.S. through our Embassy in Beijing.

Although the U.S. has many shared interests with China, it is important that we do not shy away from issues of potential conflict. I pushed for the need to gain leverage in our relationship with the Chinese in order to get them to change their behavior. I posed the question whether congressional action on trade issues and other disagreements with China would be helpful in pursuing U.S. policy aims. The country team indicated that congressional engagement helps China understand different stakeholders in the U.S. system. One other way to engage the Chinese is to coordinate with other countries and the business community to apply uni-

fied pressure against China on specific trade issues.

An area of concern is China's commitment to reducing the proliferation of nuclear weapons, especially with regard to Iran and North Korea. Although China initially resisted a new round of sanctions against Iran this year, China seems to have been compliant with United Nations Security Council resolutions. China has significant energy and banking investments in Iran, and is reluctant to undermine its own interests. Iran has a history of using deceptive financial practices to circumvent U.N. sanctions, and it is important that all nations block banking relations with Iranian financial institutions if those transactions could facilitate Iranian nuclear proliferation. I made the point that an Israeli strike on Iranian nuclear weapons facilities could harm China's energy supply, and that China might not have considered the impact of such an armed conflict on their bilateral relationship with Iran.

China is North Korea's most significant economic partner and continues to provide North Korea with food aid. In 2009, trade between China and North Korea surpassed \$2.7 billion. In 2009, North Korean exports to China rose by 4.3 percent to \$793 million. China needs to be more willing to collaborate with the U.S. and international partners on urging North Korea to abandon its nuclear weapons program and destabilizing rhetoric. According to the U.S. Mission, engagement with North Korea is the best bilateral working relationship we have with China.

A recurring issue during my visit to the region was territorial disputes in Southeast Asia. One especially problematic area is the South China Sea, which stretches from Singapore and the Strait of Malacca to the Strait of Taiwan. This waterway includes over 200 small islands, the majority of which are uninhabitable but rich in such natural resources as oil and natural gas. Although projections for energy reserves in the South China Sea vary, a 1994 U.S. Geological Survey approximated that there were 28 billion barrels of oil. Because there has not been any exploratory drilling in the area, estimates for energy reserves in two of the particularly resource-rich island chains, the Spratly Islands and Paracel Islands, are unknown. According to the Energy Information Administration at the Department of Energy, oil consumption in Asia is estimated to rise by over 2.7 percent per year to nearly 29.8 million barrels per day in 2030. Given the strategic importance of the South China Sea, many of its proximate nations have competing claims for territory. Although the 1982 United Nations Convention on the Law of the Sea has not determined specific territorial delineations, it has offered guidelines for the resolution of competing claims through negotiation between nations.

China submitted a map to the United Nations Security Council that depicted

China's claim to over 80 percent of the South China Sea. The map includes a U-shaped line, connected by "9 dots," granting China access to portions of the shores of Vietnam, Indonesia, Malaysia, Brunei and the Philippines. This year, China began referring to this disputed waterway as a "core national interest," similar language used to describe Tibet and Taiwan. China currently occupies several of the Spratly Islands. Vietnam has also claimed the Spratly Islands, occupying a small portion of the chain, as well as the Paracel Islands, despite ceding the latter to China after being forcibly removed by the Chinese military in 1974. China claims a wide-ranging exclusive economic zone, EEZ, an area of a sea zone for which a nation owns rights for use of marine resources including fishing and subterranean energy stores, in the South China Sea, despite the fact that Brunei, Malaysia, the Philippines, Taiwan, and Vietnam all have proximate coastal areas and competing claims for sovereignty. An EEZ, as described in the U.N. Convention on the Law of the Sea, is permitted for certain waterways given their proximity to the coast of a country and other geographic factors.

The South China Sea is host to over one-third of global maritime commerce, as well as more than 50 percent of Northeast Asia's energy supplies. U.S. forces also use the South China Sea to support the war in Afghanistan. China's naval aggression is troubling. China has developed its naval power to an unprecedented extent in recent years. Not only has China provoked U.S. military and aircraft in the South China Sea, but its defense budget has grown by 10 percent per decade, only slowing to 7.5 percent in 2010. China's naval modernization began in the 1990s, integrating such components as anti-ship ballistic missiles, submarines, new weapons acquisition, and surface ships into their forces. China has been known to use the force of its navy to resolve disputes, in opposition to U.N. treaties and internationally accepted norms.

Increased Chinese aggression is also evident in the Yellow Sea. In the wake of a March 26, 2010, North Korean sinking of a South Korean ship, killing 46 sailors, the U.S. and South Korea announced, on July 6, 2010, plans to hold war games. In a July 8, 2010, press report, China came out against any foreign warships or planes participating in military activities in the Yellow Sea or adjacent areas and ultimately hosted its own war games on the same day that the U.S. and South Korea did. The Chinese military conducted a drill of unmanned drone aircraft in coastal areas to test radar and electromagnetic interference. The Yellow Sea is international waters—all nations should have access.

Another contentious issue is the manufacturing of counterfeit products. In 2009, China was the source of 79 percent of the total value of all counterfeit products seized by U.S. Customs,

totaling over \$260 million. Chinese products also accounted for over 90 percent of all intellectual property rights-related seizures. The Business Software Alliance, an information technology industry group, has projected that 80 percent of software used in China has been pirated in violation of international copyright infringement laws, an improvement from 90 percent in 2004. As a growing power, China should make a greater effort to abide by international conventions and respect intellectual property rights. In fact, China stands to greatly benefit from fostering a business environment that protects innovation. A 10-percent drop in pirated software since 2004 corresponded to the addition of 220,000 jobs in China's legitimate information technology sector. Additionally, companies such as Apple, could be more willing to introduce new ventures to Chinese markets with assurances that their products would be protected. Because Chinese companies preemptively registered both the iPad trademark and design patent, Apple has delayed market entry of the iPad in China.

We departed the Embassy for a meeting with the Governor of the People's Bank of China, Zhou Xiaochuan. Many of the economic issues in the relationship between the U.S. and China have persisted for years. Although Chinese officials have met with Secretary Geithner and former Secretaries of the Treasury, the U.S. should continue to develop a frank dialogue with the Chinese. The U.S. Embassy counts 49 formal dialogues with the Chinese regarding financial and economic cooperation, although the Chinese count 60. At the meeting, I pressed the issue of China's currency manipulation. Governor Zhou mentioned that the Chinese economy is transitioning, noting that workers' wages have increased by 20 percent and that China is allowing for increased private sector growth. Although the Chinese economy grew at 7.7 percent in 2009, Governor Zhou expected China's export growth rate to slow over the next 3 to 5 years. I objected that 5 years would be too long to wait as the U.S. is losing jobs, especially in industries such as steel and rubber. I argued that Congress is contemplating legislating on the currency issue to rectify imbalances. Governor Zhou discussed how economic uncertainty has made the Chinese government more careful about economic policy changes and that China has economic challenges of its own, including a 10-percent unemployment rate. I retorted that the U.S. unemployment rate is currently at 9.6 percent.

I informed Governor Zhou about how Chinese subsidies and dumping are unfairly harming the steel and tire industries. According to the most recent data issued by the Foreign Trade Division of the U.S. Census, the annual trade deficit with China stands at \$93.3 million as of May 2010. Employment in American manufacturing has plummeted at the same time that Chinese imports and U.S. trade deficits have set records. The trade deficit with China is

the largest imbalance ever recorded between two countries, in part because of China's deliberate undervaluing of its currency. I brought up two cases I recently argued before the International Trade Commission, ITC, for which the ITC found that Chinese tire imports had disrupted the U.S. tire industry. In December of 2009, I urged the ITC to charge China with dumping of tubular steel and to impose sanctions. I argued that the lost jobs, reduced hours, and plant shutdowns constituted a "severe and intolerable harm." By the spring of 2009, 6 of 11 high grade tubular steel plants in the country, including mills in Koppel and Ambridge, PA, were idle as a result of Chinese imports. While the Koppel and Ambridge plants are back operating at minimum capacity, overall industry operating capacity dropped from 68.5 percent in 2006 to 17.6 percent in 2009. During the same period, China's market share of high grade tubular steel rose from 15 to 37 percent. The ITC determined that the steel industry was materially injured or threatened with material injury, and the Commerce Department issued an AD duty order on imports ranging from 29.94 to 99.14 percent.

I emphasized to Governor Zhou that it is unacceptable for China to continue to dump goods on the American economy. He mentioned that China understands the pressure on the Pennsylvania industries. He said that certain shifts are inevitable and suggested that the U.S. seek settlement from the World Trade Organization, WTO. The U.S. has filed eight cases at the WTO for trade violations. We settled four cases and won four of them. I pressed that the WTO takes too long and that the damage from unfair trade practices is done before there is time for a resolution.

Following our meeting with the People's Bank of China, we departed for a meeting with Vice Minister of Commerce Wang Chao. We discussed the benefit of enhancing the U.S.-China relationship by targeting areas of mutual interest. I argued that the current trade relationship between the U.S. and China has an unfair impact on the U.S. steel and rubber industries. I also pressed the issue of ITC violations and Chinese subsidizing and dumping goods. The U.S. is the largest export destination of China, and China is the third largest export destination for the U.S. There are 58,000 U.S. companies present in China. I told the Minister that both China and the U.S. should review subsidies in a manner where everything is placed on the table.

Our last meeting in Beijing was at Tsinghua University, host of the Temple University Rule of Law Program in China. On this visit, I met with Wang Zhenmin, dean of the Law School and John Smagula, director of Asian Programs at Temple University Beasley School of Law. Since 1999, Temple has educated 1,024 legal professionals. Seventy-nine percent of these participants have been from the public sector, including 370 judges, 151 prosecutors, 88 government officials, 152 law profes-

sors, and 47 Non-Governmental Organization legal staff.

On this visit, I addressed students in the master's in law program. The students included: Judges Jiang Minsong, Su Tuan, Wang Didi, Wang Xiaoqin, Wei Xigui, Xie Aimei, Yang Lingping, and Zhou Junsheng; Prosecutors Feng Guanhua, Lin Bowen, Lu Xiaomei, Tang Shengjia, and Yang Li; Chinese Officials Li Sheng, Ma Ning, Pang Lei, Xiang Hang, and Yang Kefei; Law Professors Abulimiti Ameina, Lu Yao, and Zheng Yanpu; and from the private sector, Dimitrova Deniza, Fan Ping, Guo Qushi, Kuang Lu, Lang Zhuo, Tan Jiakai, Wang Hong, Wang Xin, Xu Changrong, Zhang Hairong, Zhang Xianzhong, Zhang Yitong, and Zhu Wenting. The group asked me numerous questions on topics ranging from Justice Kagan, my battles with cancer, my legislation that would televise Supreme Court deliberations, and health care reform. The students were eager to discuss the benefits of the Temple University Program in China and how the school continues to play an important role in bridging U.S.-Chinese relations and cultivating the development of law.

This trip to China was especially meaningful for me because my last visit in August 2006 was on a CODEL led by my friend, the late Senator Ted Stevens. The Nation has lost an icon of statesmanship and a stalwart public servant. Senator Stevens was an exemplary leader in the U.S. Senate, a champion for military and defense issues, a proud veteran, and friend of mine. His work on behalf of all Alaskans was unparalleled in the U.S. Senate, and his passion for this country will be forever remembered. Joan and I are deeply saddened by this news and offer our most sincere condolences to Catherine and the Stevens family.

I want to note that Senator Stevens was awarded the Distinguished Flying Cross for flying support missions for the 14th Air Force, also known as the Flying Tigers, during World War II. The Flying Tigers, the First American Volunteer Group of the Chinese Air Force, were organized before the U.S. officially entered World War II, designed to fight against Japanese forces. In 1942, the division was officially inducted into the U.S. Air Force.

On Tuesday, August 10, we departed Beijing on Vietnam Airlines for Hanoi, Vietnam. This was my second visit to Vietnam. We were met at the airport by Ambassador Michael Michalak and Control Officer Michael Goldman.

On Wednesday, August 11, we departed for the U.S. Embassy in Hanoi to receive a country team briefing. This briefing, led by Ambassador Michalak, was staffed by Mike Goldman, Acting Political Counselor, Patrick Reardon, Defense Attaché, Justin Taylor, from the Foreign Agricultural Service, Michael Foster, Acting USAID Country Director, Eric Frater, the Environment, Science, Technology, and Health Officer, Yashue Pai, from the

Foreign Commercial Service, Vivian Chao, PEPFAR Country Director, Lloyd Neighbors, Public Affairs Officer, Bruce Struminger, Center for Disease Control Country Director, Jessica Webster, Economic Counselor, and Robert Frazier, Management Counselor and Acting Deputy Chief of Mission. I also appreciate the efforts of Nicole Johnson, Michael Orona, Tim Liston, and Matt Mathews.

At the briefing, we discussed the need to promote education in Vietnam, address climate change in a global way, and deepen trust between the U.S. and Vietnam. Military exchanges could assist the latter aim. The U.S. Embassy is actively involved in locating and returning the remains of U.S. soldiers who were missing in action during the Vietnam war, as well as managing funding appropriated by Congress to clean up Agent Orange. The continued presence of Agent Orange in Vietnam continues to present grave health threats to the Vietnamese. The Vietnamese government requested that the U.S. focus its remediation efforts on Da Nang Airport. USAID has estimated that at least \$24 million is needed to complete this remediation project. I have supported U.S. funding for remediation of dioxin contaminants, one of the harmful components of Agent Orange, including \$15 million in fiscal year 2010 funding. The fiscal year 2010 amount was \$3 million higher than the fiscal year 2009 amount.

The U.S. currently contributes over \$154 million a year in total aid to Vietnam, with \$102 million allocated to the health sector—largely for the President's Emergency Plan For AIDS Relief, PEPFAR, and avian influenza. HIV/AIDS continues to pose a serious threat to the Vietnamese. In the 111th Congress, I voted to appropriate \$48 billion for international HIV/AIDS, tuberculosis, and malaria programs through fiscal year 2013, including \$30 billion for PEPFAR. In my fiscal year 2011 appropriations request letter to the State and Foreign Operations Subcommittee on the Senate Appropriations Committee, I asked for \$1.75 billion for the global fund to fight AIDS, tuberculosis, and malaria worldwide.

Another issue in Vietnam is the continued presence of unexploded ordinance. Since the end of the Vietnam war in 1974, more than 40,000 Vietnamese have been killed from contact with unexploded ordinance and another 64,000 people have been injured. According to Vietnam's Ministry of Defense, over 16 million acres of Vietnam are still contaminated by 350,000 to 800,000 tons of unexploded ordinance, with over 3 million landmines in addition to unexploded bombs. From 2000 to 2009, Vietnam has received more than \$37 million in U.S. assistance for de-mining, mine risk education, survivors' assistance, and landmine impact studies. At the current pace of clearance, it will take 300 years and more than \$10 billion to clear Vietnam of leftover unexploded ordinance.

This year, the U.S. and Vietnam celebrate the 15th anniversary of diplomatic relations. Fifteen years ago, bilateral trade was \$451 million annually, an amount dwarfed by the \$15.4 billion traded in 2009. The U.S. and Vietnam have come very far in overcoming historical animosities, exemplified through joint military exercises held on August 11, 2010. Vietnam currently holds the rotating Chair of ASEAN and the ASEAN Regional Forum, increasing its leadership role in the region. Since adopting a series of economic reforms in 1986, Vietnam has been steadily liberalizing its economy. Vietnam was admitted to the World Trade Organization in 2007. This economic transition has led to a steep decline in the poverty rate, which dropped from 58 percent of the population in 1993 to below 30 percent in 2003. The partnership between Vietnam and the U.S. continues to grow. In 2009 the U.S. imported \$12.2 billion from Vietnam and exported \$3 billion.

With regard to territorial disputes in the South China Sea, in recent months, China has escalated its rhetoric, harassed Vietnamese fishing boats, and objected to potential cooperation between Western energy companies and the Vietnamese government to harness resources. Using the guidelines for EEZs, Vietnam claims sovereignty over all of the Spratly and Paracel Islands. In 2002, Vietnam, along with other ASEAN countries, signed the Declaration on the Conduct of Parties in the South China Sea. The parties of this declaration agreed to settle the territorial disputes in the South China Sea through negotiation and the development of peaceful solutions rather than military force. Accordingly, Vietnam resolved a dispute with Cambodia over the Gulf of Thailand through a 2006 resource-sharing pact. In 1992, Vietnam and Malaysia signed a Joint Development Areas agreement. In 1997, Vietnam and Thailand signed an agreement delineating their respective sea boundaries. Despite all of these agreements, China has not been willing to pursue peaceful arrangements, instead relying on coercion and bullying. Supported by the leadership of Secretary Clinton, a coalition of Southeast Asian nations, at the recent ASEAN Regional Security Forum, publicly challenged Chinese sovereignty over many areas of the South China Sea, seeking a regional solution as opposed to a series of bilateral agreements.

On August 11, we participated in a working lunch hosted by the National Assembly Foreign Affairs Committee Chairman Ngo Quan Xuan. We discussed the importance of the U.S.-Vietnam economic relationship, Agent Orange remediation, as well as the prospect of Chinese regional hegemony. The Chairman also mentioned that there are 13,000 Vietnamese students studying in the U.S.—this student exchange is particularly important given the need for trained doctors and lawyers in Vietnam and for fostering ties

between the U.S. and Vietnam among the next generation of leaders. I explained to him how a lack of progress on human rights threatens progress of many areas of the U.S.-Vietnam relationship, including arms sales.

The next day, we met with Duong Trung Quoc, a member of the Vietnamese Assembly. He is one of the few non-Communist members in the Assembly and shared his views on prospects for liberalizing Vietnam and the future of the Vietnamese political and economic systems. He is a historian and journalist by trade. We spoke at great length about the history of Vietnam and how historical interactions have shaped current regional tensions and security concerns.

On Friday, August 13, we departed Hanoi for Taipei, Taiwan on China Airways. This was my fourth visit to Taiwan, with the most recent one taking place in 2001.

After being received at the airport by officials from the Taiwanese Ministry of Foreign Affairs and the American Institute in Taiwan, we were escorted to a meeting with President Ma Ying-jeou. President Ma was born in Hong Kong and received his undergraduate education from the National Taiwan University. He then received graduate degrees from New York University and Harvard University. President Ma served as mayor of Taipei before being elected President in 2008.

The U.S. and the Republic of China enjoy close ties. President Ma offered his views on North Korean aggression and China's role in the region. I pressed him on the steel industry, tariffs in both our countries, importing American beef to Taiwan, and ways of enhancing the bilateral economic relationship. The U.S. exported over \$18.5 billion to Taiwan, while it imported \$28.4 billion. Taiwan is currently the 11th largest export market for U.S. goods and the U.S. is currently Taiwan's third largest trade partner. The bilateral Trade and Investment Framework Agreement, TIFA, a process designed to enhance economic cooperation and resolve disputes, guides U.S.-Taiwan trade relations.

We spoke about the recent Economic Cooperation Framework Agreement, ECFA, between Taiwan and China, signed on June 29, 2010. The ECFA was preceded by the first direct flight between Taipei and Shanghai, which departed on June 14, 2010, increasing the ease of travel between China and Taiwan. The ECFA will remove tariffs on 539 Taiwanese products and 267 Chinese goods over the next 3 years. This deal permits Taiwan to seek free trade agreements with other nations in the region, and talks with Singapore are currently underway. Because Taiwan would struggle economically without the Chinese market, some are wary that Taiwan is becoming too dependent on the Chinese.

We discussed U.S. arms sales to Taiwan. The Taiwanese Relations Act, TRA, of 1979 calls for the U.S. to supply

Taiwan with capabilities for self-defense and creates unofficial representation in Taiwan through the American Institute in Taiwan. The TRA names U.S. policy as being oriented towards resisting coercion of the unofficial U.S.-Taiwan relations. Although the U.S. must provide for the sale of arms to Taiwan, the TRA does not specify the types of armaments, requiring only that Taiwan should be able to maintain "sufficient" defensive capabilities. Under the purview of the TRA, the U.S., on August 25, 2008, announced its intent to sell 60 Harpoon missiles, worth approximately \$89.8 million, to Taiwan. On October 3, 2008, the Defense Security Cooperation Agency notified Congress of the possible foreign military sale of six different types of defense articles and equipment, which could have totaled a maximum of approximately \$6.4 billion. After increasingly tense relations between the U.S. and China, President Obama decided to defer the arms deal until 2011. Taiwan will still be able to purchase minor parts and upgrades.

We discussed the Taiwanese request, submitted in November 2009, to upgrade F-16A/D fighters which were initially sold to Taiwan in 1992. The Taiwanese request noted that the upgrades would render the fleet parallel to the new F-16C/D fighters, reducing the need for a substitute fleet. American contractors have estimated that this retrofit would take approximately 6 years to complete.

On August 15, we attended a working lunch hosted by Dr. Lyushun Shen, Deputy Minister of Foreign Affairs. The meeting was attended by Benny T. Hu, Chairman of CDIB BioScience Venture Management, Maj. Gen. Mike Tsai-Mai Tien of the Republic of China Air Force Academy, Mrs. Tien, Lawrence S. Liu, Senior Vice President of China Development Financial Holdings, Johnson S. Chiang, Section Chief of the Department of North American Affairs at the Ministry of Foreign Affairs, Ms. Grace Ya-hung Lin, Assistant to Deputy Minister Shen, Eric Madison, Deputy Director of the American Institute in Taiwan, Ms. Judy Kuo, Deputy Chief from the Economic Section at the American Institute in Taiwan, and Ms. Astrid Ai-yun Chen, Officer, Department of North American Affairs at the Ministry of Foreign Affairs.

On Monday, August 16, we met with Wang Jin-pyng, president of the Legislative Yuan, before departing for Taipei International Airport. We flew on Eva Airlines from Taipei to Newark, NJ, for 16 hours leaving on August 16 and arriving on August 16 crossing the international date line.

I would like to recognize Major Lance Burnett and Dan Eisenberg of my staff for their support of this CODEL.

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#### NATIONAL PROSTATE CANCER AWARENESS MONTH

Mr. SESSIONS. Mr. President, I rise today to discuss the significant threat

prostate cancer poses to the male population in the United States.

The American Cancer Society estimates that more than 217,000 American men will learn that they have prostate cancer in 2010, and 32,000 American men will lose their lives to the disease this year, making prostate cancer the second most common cause of cancer death among men.

One out of every six American men will be diagnosed with prostate cancer, and an estimated one in 36 men will die from this disease.

African-American men experience a significantly higher incidence rate of prostate cancer than White males, and more than double the mortality rate.

This disease is also affecting young Americans. Thirty percent of those battling prostate cancer are under the age of 65, prime years of productivity for families and for this Nation.

Doctors across our country agree: early detection presents the best chance for a cure. However, this motto is more than good public policy for me.

As a 10 year prostate cancer survivor myself, I know the value of early detection and surgery, and it is painful for me to know that many good people in this great country are not being diagnosed early and are therefore greatly increasing their risk. The simple PSA blood test can be the key to detection. Millions have taken advantage of it, but unfortunately millions do not. We must do better.

Approximately 98 percent of men diagnosed with early stage prostate cancer are still alive after 10 years, but only 18 percent of those diagnosed with advanced stage prostate cancer survive 10 years.

Increasing awareness of prostate cancer is particularly important to my home State of Alabama. Although we have world class medical research facilities at the University of Alabama at Birmingham and excellent doctors across the State, 3,300 men in Alabama will develop prostate cancer in 2010, and 600 deaths in our State will be attributed to prostate cancer this year.

In May 2006, Alabama was one of 5 States to receive a failing grade in regards to its "prostate cancer awareness" by the National Prostate Cancer Coalition. A 2006 CDC study found that 38 out of 100,000 Alabama men die from prostate cancer, ranking Alabama 47th in the US.

Every year since 2002, I have introduced a resolution to increase awareness about prostate cancer and to encourage men to talk with their doctors about this disease.

I am pleased to partner with ZERO: The Project to End Prostate Cancer in promoting this year's resolution and other activities throughout the month of September to increase public knowledge about prostate cancer including risk factors, prevention, and treatment options.

Last night the Senate passed S. Res. 597, a resolution to designate September 2010 as National Prostate Can-

cer Awareness Month. The purpose of this resolution is to bring attention to prostate cancer and encourage Americans to take an active role in the fight to end the devastating effects of prostate cancer on individuals and their families.

I am honored to be joined on this resolution with 28 cosponsors, including Senators BAYH, BENNETT, BOXER, BURR, BURRIS, CARDIN, CASEY, CHAMBLISS, COCHRAN, CRAPO, DODD, DORGAN, FEINGOLD, FEINSTEIN, HATCH, INHOFE, INOUE, ISAKSON, JOHANNES, JOHNSON, KERRY, LANDRIEU, LUGAR, SCHUMER, SHELBY, SPECTER, TESTER, and VITTER.

I thank my Senate colleagues that have worked to increase prostate cancer awareness through this resolution, and I applaud the work of countless Americans who give up their time and energy to raise awareness of this disease and fight prostate cancer's impact on families and our Nation.

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#### AMERICA'S CUP INDUCTION

Mr. WHITEHOUSE. Mr. President, this Saturday I will attend the 17th annual America's Cup Hall of Fame Induction Ceremony in Newport, RI. Today, I would like to congratulate this year's inductees: Simon Daubney, Warwick Fleury, Murray Jones, Dean Phipps, Mike Drummond, and Halsey Herreshoff. I would also like to say a few words about Rhode Island's connection with sailing and with the America's Cup.

I should call special attention to the Rhode Islander being honored, Halsey Herreshoff. Halsey has made numerous contributions to the sailing world. His four defenses of the America's Cup and his legendary naval designs continue the long and proud history of the Herreshoff family. His grandfather, Nat "the wizard of Bristol" Herreshoff, designed 27 years of defenders of the America's Cup, and that tradition was passed down through his father to Halsey. Halsey Herreshoff is the editor of the classic "The Sailor's Handbook" and has served his community as the Bristol town administrator for 8 years. He continues his service as president of the Herreshoff Marine Museum and as a member of the Bristol Town Council. He is a friend, a public servant, and a great sailor, and I congratulate him on this honor.

In 1930, Newport hosted its first America's Cup race. For many decades, Newport and the America's Cup were so closely identified as to be virtually indistinguishable. Our excellent sailing waters and winds, our beautiful venue, our legendary hospitality, and a long string of successful defenses kept this link firmly forged.

It is thus no coincidence that this ceremony is held in Newport or that the America's Cup Hall of Fame resides in Rhode Island. People across the country closely associate our great Ocean State with our sailing culture. And nothing is more responsible for that association than our long connection with the America's Cup. Newport

hosted the Cup for over 50 years; its departure in 1983 left our State without one of its most cherished icons.

For Rhode Island, the Cup represented more than the pride of years of successful defenses: the Cup was a huge boost to our economy. San Francisco, the site of the next race, estimates that the competition will bring \$1.4 billion in additional revenue, and a 2007 study estimated that Newport could see a \$886 million boost if we were the host site. Imagine what that investment would do for Rhode Island with our nearly 12 percent unemployment rate. The Cup brings millions of dollars in construction, hospitality, boat maintenance, and media jobs—jobs our State sorely needs.

While the Cup may no longer be held in our Ocean State, Rhode Island continues its love for sailing and remains a great host site for national and international races. Efforts are underway to bring some of the America's Cup qualifying races to Newport—efforts I enthusiastically support. It would be heartening to see the Cup come full circle, to what we still consider its true home.

#### ADDITIONAL STATEMENTS

##### REISTERSTOWN AMERICAN LEGION POST 116

• Mr. CARDIN. Mr. President, I would like my colleagues to join me in recognizing the Reisterstown American Legion Post 116, which will celebrate its 75th anniversary on November 6, 2010. The American Legion Department of Maryland has 147 active posts. Reisterstown Post 116 is the largest post and the largest wartime veterans service organization in the State of Maryland. The Reisterstown American Legion Post 116 was formed on November 6, 1935, by a group of 13 charter members. By 1986, the post had expanded to more than 400 members, including a Sons of the American Legion Squadron of 75 members, an American Legion Auxiliary of about 100 members, and an active Legion Riders organization.

Part of the Reisterstown American Legion Post 116's success has been its involvement in the northwest Baltimore County community. The post awards scholarships to students, participates in the American Legion Boys and Girls State programs, and assists the Reisterstown Recreation Council. Post 116 also provides volunteers and donations to many charitable organizations, including the Maryland Special Olympics, the Epilepsy Foundation, United Cerebral Palsy, the Muscular Dystrophy Association, and the Multiple Sclerosis Society.

I urge my colleagues to join me in congratulating Post 116 on its 75th anniversary, and to join me in commending the post's leadership, past and present, and in extending our thanks to its members for their service to

Reisterstown Post 116, the Baltimore community, and to our country.●

#### REMEMBERING RALPH SMEED

• Mr. CRAPO. Mr. President, today I honor the life of Ralph Smeed, who will be remembered affectionately for his great love for this country.

Ralph had many accomplishments throughout his life. Born into a pioneer family in southwestern Idaho in 1921, Ralph embodied strength, perseverance and devotion. He served in the U.S. Army during World War II, attended the University of Idaho, and was a successful and able businessman who ran his family's ranching operation after Ralph's father passed away. Ralph was also a dynamic thinker, debater and writer, who contributed significantly to State and national political discussions, cofounded the Center for the Study of Market Alternatives, served on the board of the Foundation for Economic Education, and was a long-time newspaper columnist. Ralph had a unique and powerful way of communicating his ideas, and his presence in Idaho political discourse will be greatly missed. One could not ignore Ralph's electronic reader board that gave passersby food for thought. Understandably, Ralph has been honored for his strong commitment to free market ideals, liberty and his defense of the principles of freedom.

Ralph will continue to be recognized for his numerous accomplishments, but it is his example of conviction that will be most remembered. Ralph had strong principles and held true to his values. He thought deeply, understood the value of listening albeit many times with great restraint, and delivered his points with passion and humor. Ralph could not be rightly accused of caring too little. He did not sit on the sidelines. Ralph embraced the dialogue and tackled the tough issues. He was always engaged and challenged others. Ralph's interjection of free-thinking, strong, libertarian views shaped discussions and opinions. He added flavor and insight from his many years of experience, discussion and contemplation. He sought to protect individual liberties and contributed substantially to conservative knowledge.

Ralph was a spirited, dedicated, witty, generous, sincere individual and true patriot. Ralph touched and enriched the lives of all those he met, and I am grateful to have known him. There is no doubt there will be a significant void left by Ralph's passing. As we honor Ralph Smeed's life, and extend thoughts and prayers to Ralph's family, friends and loved ones for this great loss, Ralph's individuality and dedication will not be forgotten. Ralph was a true thought provoker who was devoted to the promotion of liberty and encouraging others to work for liberty. Ralph Smeed will be greatly missed.●

#### REMEMBERING BOBBY EUGENE HANNON

• Mrs. LINCOLN. Mr. President, today I recognize Bobby Eugene Hannon Sr., 76, of Hot Springs, who passed away Saturday, August 28, 2010. A beloved member of the Hot Springs community and the entire State, "Coach Hannon" was one of Arkansas's finest citizens. His legacy will long be remembered at Hot Springs High School, where he coached football from 1970 to 1979. His many championships and accomplishments in coaching were highlighted by his undefeated 1970 State Championship Team, voted No. 1 in the State by the Associated Press.

In 2008, Coach Hannon was inducted into the Arkansas High School Coaches Association Hall of Fame. He received the Lowell Manning Award in 1970 as the Arkansas High School Coach of the Year and was selected head coach for the West Squad in the AHSCA All Star Game. His teams competed in five more championship games, including the longest high school football game in Arkansas history against Jonesboro in 1972 that ended in a tie for co-championship.

Before his coaching career, Coach Hannon was an outstanding athlete with many accomplishments, including serving as quarterback of Little Rock High School and being selected All-State and All-Southern quarterback. Coach Hannon received a football scholarship at Arkansas Tech University and played there for 4 years, where he received all AIC conference honors.

Drafted into the U.S. Army, he played on the Fort Lewis Washington Championship football team for 2 years. Coach Hannon also played shortstop for the famed Little Rock Doughboys baseball team next to Major League Baseball Hall of Fame third baseman Brooks Robinson.

After retiring from coaching, he continued his working career selling team sporting goods for Spaulding and Sportstop Athletics. Most recently Coach Hannon was employed by Hurst, Morrisey and Hurst Law Firm.

Coach Hannon was involved in numerous community services. He was a member of Brookwood Baptist Church, a lifetime member of Elks Lodge No. 380, American Legion Baseball commissioner for 4 years, served as cochairman for the State Multiple Sclerosis Fund Raisers and was a member of the Hot Springs Quarterback Club prayer group.

He is survived by his wife of 53 years, Janice (Avra) Hannon; his three children, Lisa Hannon Madden, Bobby Eugene Hannon Jr., and Bridget Hannon Summers; four grandchildren, Beau Harvey, Trish Madden Jordan, Lauren Hannon Madden Pope, and Don Allen Madden III; four step-grandchildren; three great-grandchildren; and three step great-grandchildren.

Along with all Arkansans, I thank Coach Hannon for his years of service to our State. He will be greatly missed.●

## TRIBUTE TO TIM PIKE

• Mrs. LINCOLN. Mr. President, today I recognize Arkansan Tim Pike of Quitman who was recently named Arkansas's 2010 First Responder of the Year by the Arkansas EMT Association. Tim represents the best of Arkansas and is more than deserving of this prestigious honor. I congratulate him on this significant achievement.

Tim's tenure as a first responder for the Quitman EMS spans 25 years. He has saved countless lives and aided his fellow citizens at times when they needed him the most. Tim's efforts have also inspired those who he has helped to "pay it forward" and give back to the community through volunteerism and other types of service.

Tim first started his volunteer service with the local fire department in 1985. That same year, he became a volunteer first responder for the ambulance service. Today, he balances both his gun business and his duties as Quitman's animal-control officer and Cadron Township constable.

First responders like Tim help keep Arkansas safe, and I am grateful for their service and sacrifice. Along with all Arkansans, I commend our emergency responders for their commitment to protecting the citizens of our State.●

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## MESSAGES FROM THE HOUSE

At 10:34 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 6102. An act to amend the National Defense Authorization Act for Fiscal Year 2010 to extend the authority of the Secretary of the Navy to enter into multiyear contracts for F/A-18E, F/A-18F, and EA-18G aircraft.

At 6:21 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has agreed to the amendments of the Senate to the bill (H.R. 3978) to amend the Implementing Recommendations of the 9/11 Commission Act of 2007 to authorize the Secretary of Homeland Security to

accept and use gifts for otherwise authorized activities of the Center for Domestic Preparedness that are related to preparedness for and response to terrorism, and for other purposes.

## MEASURES READ THE FIRST TIME

The following bills were read the first time:

S. 3790. A bill to amend title 5, United States Code, to provide that persons having seriously delinquent tax debts shall be ineligible for Federal employment.

S. 3791. A bill to require Members of Congress to disclose delinquent tax liability, require an ethics inquiry, and garnish the wages of a Member with Federal tax liability.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-7301. A communication from the Acting Director of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Northern Rockfish for Catcher/Processors Participating in the Rockfish Limited Access Fishery in the Central Regulatory Area of the Gulf of Alaska" (RIN0648-XX68) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-7302. A communication from the Acting Director of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Atlantic Mackerel, Squid, and Butterfish Fisheries; Adjustment to the Loligo Trimester 2 and 3 Quota; Correction" (RIN0648-XW95) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-7303. A communication from the Acting Director of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Western Yakutat District of the Gulf of Alaska" (RIN0648-XX77) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-7304. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Areas, Safety Zones, Security Zones; Deepwater Ports in Boston Captain of the Port Zone, MA" (RIN1625-AA00 and RIN1625-AA11) (Docket No. USCG-2009-0589) received during adjournment of the Senate in the Office of the President of the Senate on August 28, 2010; to the Committee on Commerce, Science, and Transportation.

EC-7305. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule en-

titled "Thiabendazole; Pesticide Tolerances" (FRL No. 8842-7) received during adjournment of the Senate in the Office of the President of the Senate on August 30, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7306. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Spiromesifen; Pesticide Tolerances" (FRL No. 8841-9) received during adjournment of the Senate in the Office of the President of the Senate on August 30, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7307. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Bifenazate; Pesticide Tolerances" (FRL No. 8840-9) received during adjournment of the Senate in the Office of the President of the Senate on August 30, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7308. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Choline hydroxide; Exemption from the Requirement of a Tolerance" (FRL No. 8841-6) received during adjournment of the Senate in the Office of the President of the Senate on August 30, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7309. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "2-methyl-1,3-propanediol; Exemption from the Requirement of a Tolerance" (FRL No. 8838-3) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7310. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Flubendiamide; Pesticide Tolerances" (FRL No. 8836-2) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7311. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Mancozeb; Pesticide Tolerances" (FRL No. 8841-1) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7312. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Alkyl Alcohol Alkoxyphosphate Derivatives; Exemption from the Requirement of a Tolerance" (FRL No. 8836-5) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7313. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting, pursuant to law, a report relative to members of the Armed

Forces and their dependents reliance on the supplemental nutrition assistance program under the Food and Nutrition Act of 2008; to the Committee on Armed Services.

EC-7314. A communication from the Chief Counsel of the Fiscal Service, Bureau of Public Debt, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Regulations Governing Agencies for Issue of United States Savings Bonds Offering of United States Savings Bonds" (31 CFR Parts 317, 351, 353, and 359) received during adjournment of the Senate in the Office of the President of the Senate on August 24, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-7315. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Final Flood Elevation Determinations" ((44 CFR Part 67) (Docket No. FEMA-2010-0003)) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-7316. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Suspension of Community Eligibility" ((44 CFR Part 64) (Docket No. FEMA-2010-0003)) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-7317. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Maryland; Transportation Conformity Regulations; Withdrawal of Direct Final Rule" (FRL No. 9187-9) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7318. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Restructuring of the Stationary Source Audit Program" (FRL No. 9195-7) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7319. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Oil and Hazardous Substances Pollution Contingency Plan; National Priorities List: Powersville Site Superfund Site" (FRL No. 9194-3) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7320. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Connecticut; Determination of Attainment of the 1997 Ozone Standard for the Greater Connecticut Area" (FRL No. 9195-2) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7321. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Massachusetts: Final Authorization of State Hazardous Waste Management Program Revisions" (FRL No. 9190-6) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7322. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Outer Continental Shelf Air Regulations Consistency Update for Massachusetts" (FRL No. 9167-7) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7323. A communication from the Assistant Secretary, Bureau of Land Management, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Minerals Management: Adjustments of Cost Recovery Fees" (RIN1004-AE18) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7324. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Delaware; Administrative and Non-Substantive Amendments to Existing Delaware SIP Regulations" (FRL No. 9186-6) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7325. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Missouri" (FRL No. 9186-2) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7326. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans and Operating Permits Program; State of Nebraska" (FRL No. 9186-5) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7327. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Ohio; Final Approval and Promulgation of State Implementation Plans; Carbon Monoxide and Volatile Organic Compounds" (FRL No. 9187-4) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7328. A communication from the Director of the Regulatory Management Division,

Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Minnesota" (FRL No. 9187-5) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Environment and Public Works.

EC-7329. A communication from the Federal Register Liaison Officer, Alcohol and Tobacco Tax and Trade Bureau, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Establishment of the Sierra Pelona Valley Viticultural Area" (RIN1513-AB64) received in the Office of the President of the Senate on September 13, 2010; to the Committee on the Judiciary.

EC-7330. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Update of Weighted Average Interest Rates, Yield Curves, and Segment Rates" (Notice No. 2010-57) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Finance.

EC-7331. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Announcement of the Results of 2009-10 Allocation Round of the Qualifying Advanced Coal Project Program and the Qualifying Gasification Project Program" (Notice No. 2010-56) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Finance.

EC-7332. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Expanded Carryback of Net Operating Losses and Losses from Operations" (Notice No. 2010-58) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Finance.

EC-7333. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Applicable Federal Rates—September 2010" (Notice No. 2010-20) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Finance.

EC-7334. A communication from the Chief of the Trade and Commercial Regulations Branch, Customs and Border Protection, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Entry Requirements for Certain Softwood Lumber Products Exported from Any Country into the United States" (RIN1515-AD62) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Finance.

EC-7335. A communication from the Assistant Secretary, Occupational Safety and Health Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Procedures for the Handling of Retaliation Complaints Under Section 219 of the Consumer Product Safety Improvement Act of 2008" (RIN1218-AC47) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-7336. A communication from the Director of Legislative and Regulatory Affairs, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled "Allocation of Assets in Single-Employer Plans; Valuation of Benefits and Assets; Expected Retirement Age" (29 CFR Part 4044) received during adjournment of the Senate in the Office of the President of the Senate on September 12, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-7337. A communication from the Assistant General Counsel of the Federal Election Commission, transmitting, pursuant to law, the report of a rule entitled "Coordinated Communications" (Notice No. 2010-17) received during adjournment of the Senate in the Office of the President of the Senate on September 6, 2010; to the Committee on Commerce, Science, and Transportation.

EC-7338. A communication from the Program Analyst, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Light-Duty Vehicle Greenhouse Gas Emission Standards and Corporate Average Fuel Economy Standards; Final Rule" (RIN2060-AP58; RIN2127-AK50) received during adjournment of the Senate in the Office of the President of the Senate on September 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC-7339. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Report to Congress: Study of Discharges Incidental to Normal Operation of Commercial Fishing Vessels and Other Non-Recreational Vessels Less than 79 Feet"; to the Committee on Commerce, Science, and Transportation.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary, without amendment:

S. 139. A bill to require Federal agencies, and persons engaged in interstate commerce, in possession of data containing sensitive personally identifiable information, to disclose any breach of such information (Rept. No. 111-290).

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BROWN of Ohio:

S. 3784. A bill to designate the facility of the United States Postal Service located at 4865 Tallmadge Road in Rootstown, Ohio, as the "Marine Sgt. Jeremy E. Murray Post Office"; to the Committee on Homeland Security and Governmental Affairs.

By Mr. NELSON of Florida (for himself and Mr. BROWNBACK):

S. 3785. A bill to amend the Internal Revenue Code of 1986 to encourage investment in commercial spaceflight facilities and equipment, research, and job training, and for other purposes; to the Committee on Finance.

By Mr. KERRY (for himself, Mr. BROWN of Ohio, Mrs. MURRAY, Mr. FRANKEN, Mr. AKAKA, Mr. SCHUMER, Mr. LEAHY, Mrs. GILLIBRAND, and Mr. MENENDEZ):

S. 3786. A bill to amend the Internal Revenue Code of 1986 to permit the Secretary of

the Treasury to issue prospective guidance clarifying the employment status of individuals for purposes of employment taxes and to prevent retroactive assessments with respect to such clarifications; to the Committee on Finance.

By Mrs. GILLIBRAND:

S. 3787. A bill to amend the Internal Revenue Code of 1986 to extend and modify the benefits available in empowerment zones and other tax-incentive areas, to require the Secretary of Commerce to establish a program for the award of grants to States to establish revolving loan funds for small and medium-sized manufacturers to improve energy efficiency and produce clean energy technology, to amend the Internal Revenue Code of 1986 to provide a tax credit for farmers' investments in value-added agriculture, and for other purposes; to the Committee on Finance.

By Mr. WYDEN (for himself and Mr. CRAPO):

S. 3788. A bill to amend the Internal Revenue Code of 1986 to temporarily increase the investment tax credit for geothermal energy property; to the Committee on Finance.

By Mrs. FEINSTEIN (for herself, Mr. GREGG, Ms. SNOWE, Mr. BROWN of Ohio, and Mr. BARRASSO):

S. 3789. A bill to limit access to social security account numbers; to the Committee on Finance.

By Mr. COBURN (for himself, Mr. BURR, Mr. ENSIGN, Mr. THUNE, and Mr. ISAKSON):

S. 3790. A bill to amend title 5, United States Code, to provide that persons having seriously delinquent tax debts shall be ineligible for Federal employment; read the first time.

By Mr. COBURN (for himself, Mr. BURR, Mr. ENSIGN, and Mr. THUNE):

S. 3791. A bill to require Members of Congress to disclose delinquent tax liability, require an ethics inquiry, and garnish the wages of a Member with Federal tax liability; read the first time.

By Mr. VITTER:

S. 3792. A bill to provide for restoration of the coastal areas of the Gulf of Mexico affected by the Deepwater Horizon oil spill, and for other purposes; to the Committee on Commerce, Science, and Transportation.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. COBURN (for himself and Mrs. McCASKILL):

S. Res. 622. A resolution to stop secret spending; to the Committee on Rules and Administration.

By Mr. KAUFMAN (for himself, Mrs. FEINSTEIN, and Mrs. BOXER):

S. Res. 623. A resolution commending the encouragement of interest in science, technology, engineering, and mathematics by the entertainment industry, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. INHOFE (for himself and Mr. COBURN):

S. Res. 624. A resolution honoring the members of the Army National Guard and Air National Guard of the State of Oklahoma for their service and sacrifice on behalf of the United States since September 11, 2001; considered and agreed to.

By Mr. LIEBERMAN:

S. Res. 625. A resolution designating September 2010 as "National Preparedness Month"; considered and agreed to.

#### ADDITIONAL COSPONSORS

S. 493

At the request of Mr. CASEY, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 493, a bill to amend the Internal Revenue Code of 1986 to provide for the establishment of ABLE accounts for the care of family members with disabilities, and for other purposes.

S. 654

At the request of Mr. BUNNING, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 654, a bill to amend title XIX of the Social Security Act to cover physician services delivered by podiatric physicians to ensure access by Medicaid beneficiaries to appropriate quality foot and ankle care.

S. 831

At the request of Mr. KERRY, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 831, a bill to amend title 10, United States Code, to include service after September 11, 2001, as service qualifying for the determination of a reduced eligibility age for receipt of non-regular service retired pay.

S. 984

At the request of Mrs. BOXER, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 984, a bill to amend the Public Health Service Act to provide for arthritis research and public health, and for other purposes.

S. 1611

At the request of Mr. GREGG, the name of the Senator from Pennsylvania (Mr. CASEY) was added as a cosponsor of S. 1611, a bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

S. 1619

At the request of Mr. DODD, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 1619, a bill to establish the Office of Sustainable Housing and Communities, to establish the Interagency Council on Sustainable Communities, to establish a comprehensive planning grant program, to establish a sustainability challenge grant program, and for other purposes.

S. 1695

At the request of Mr. BURRIS, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1695, a bill to authorize the award of a Congressional gold medal to the Montford Point Marines of World War II.

S. 1859

At the request of Mr. ROCKEFELLER, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1859, a bill to reinstate Federal matching of State spending of child support incentive payments.

S. 2896

At the request of Mr. FRANKEN, the name of the Senator from Vermont

(Mr. LEAHY) was added as a cosponsor of S. 2896, a bill to recruit, support, and prepare principals to improve student academic achievement at high-need schools.

S. 3156

At the request of Mr. BROWBACK, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 3156, a bill to develop a strategy for assisting stateless children from North Korea, and for other purposes.

S. 3184

At the request of Mrs. BOXER, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Colorado (Mr. UDALL) were added as cosponsors of S. 3184, a bill to provide United States assistance for the purpose of eradicating severe forms of trafficking in children in eligible countries through the implementation of Child Protection Compacts, and for other purposes.

S. 3231

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 3231, a bill to amend the Internal Revenue Code of 1986 to extend certain tax incentives for alcohol used as fuel and to amend the Harmonized Tariff Schedule of the United States to extend additional duties on ethanol.

S. 3447

At the request of Mr. AKAKA, the names of the Senator from Hawaii (Mr. INOUE), the Senator from Vermont (Mr. SANDERS), and the Senator from Colorado (Mr. BENNET) were added as cosponsors of S. 3447, a bill to amend title 38, United States Code, to improve educational assistance for veterans who served in the Armed Forces after September 11, 2001, and for other purposes.

S. 3657

At the request of Mr. WYDEN, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 3657, a bill to establish as a standing order of the Senate that a Senator publicly disclose a notice of intent to objecting to any measure or matter.

S. 3671

At the request of Mr. ROCKEFELLER, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 3671, a bill to improve compliance with mine and occupational safety and health law, empower workers to raise safety concerns, prevent future mine and other workplace tragedies, establish rights of families of victims of workplace accidents, and for other purposes.

S. 3703

At the request of Mrs. MURRAY, the names of the Senator from Minnesota (Ms. KLOBUCHAR) and the Senator from Minnesota (Mr. FRANKEN) were added as cosponsors of S. 3703, a bill to expand the research, prevention, and

awareness activities of the Centers for Disease Control and Prevention and the National Institutes of Health with respect to pulmonary fibrosis, and for other purposes.

S. 3737

At the request of Mr. ENZI, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 3737, a bill to amend the Public Health Service Act and title XVIII of the Social Security Act to make the provision of technical services for medical imaging examinations and radiation therapy treatments safer, more accurate, and less costly.

S. 3739

At the request of Mr. CASEY, the names of the Senator from Maryland (Mr. CARDIN) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 3739, a bill to amend the Safe and Drug-Free Schools and Communities Act to include bullying and harassment prevention programs.

S. 3772

At the request of Mr. REID, the names of the Senator from Vermont (Mr. LEAHY), the Senator from Hawaii (Mr. AKAKA), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Illinois (Mr. BURRIS), the Senator from Illinois (Mr. DURBIN), the Senator from Michigan (Mr. LEVIN), the Senator from Oregon (Mr. MERKLEY), the Senator from Minnesota (Mr. FRANKEN), the Senator from New York (Mr. SCHUMER), the Senator from Pennsylvania (Mr. CASEY), the Senator from Oregon (Mr. WYDEN), the Senator from Rhode Island (Mr. REED) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 3772, a bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 3773

At the request of Mr. MCCONNELL, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 3773, a bill to permanently extend the 2001 and 2003 tax relief provisions and to provide permanent AMT relief and estate tax relief, and for other purposes.

At the request of Ms. MURKOWSKI, her name was added as a cosponsor of S. 3773, *supra*.

S. 3774

At the request of Mr. CORNYN, the names of the Senator from Missouri (Mr. BOND) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 3774, a bill to extend the deadline for Social Services Block Grant expenditures of supplemental funds appropriated following disasters occurring in 2008.

S. CON. RES. 71

At the request of Mr. FEINGOLD, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. Con. Res. 71, a concurrent resolution recognizing the United States national interest in helping to

prevent and mitigate acts of genocide and other mass atrocities against civilians, and supporting and encouraging efforts to develop a whole of government approach to prevent and mitigate such acts.

S. RES. 603

At the request of Mr. SPECTER, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. Res. 603, a resolution commemorating the 50th anniversary of the National Council for International Visitors, and designating February 16, 2011, as "Citizen Diplomacy Day".

S. RES. 609

At the request of Mr. CARDIN, the names of the Senator from New York (Mr. SCHUMER), the Senator from New York (Mrs. GILLIBRAND), the Senator from New Jersey (Mr. MENENDEZ) and the Senator from Illinois (Mr. BURRIS) were added as cosponsors of S. Res. 609, a resolution congratulating the National Urban League on its 100th year of service to the United States.

S. RES. 618

At the request of Mrs. LINCOLN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. Res. 618, a resolution designating October 2010 as "National Work and Family Month".

AMENDMENT NO. 4594

At the request of Mr. REID, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of amendment No. 4594 proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KERRY (for himself, Mr. BROWN of Ohio, Mrs. MURRAY, Mr. FRANKEN, Mr. AKAKA, Mr. SCHUMER, Mr. LEAHY, Mrs. GILLIBRAND, and Mr. MENENDEZ):

S. 3786. A bill to amend the Internal Revenue Code of 1986 to permit the Secretary of the Treasury to issue prospective guidance clarifying the employment status of individuals for purposes of employment taxes and to prevent retroactive assessments with respect to such clarifications; to the Committee on Finance.

Mr. KERRY. Mr. President, today I am introducing the Fair Playing Field Act of 2010 to provide a fairer playing field to America's businesses and workers. It will ensure workers are afforded protections already in the law, such as workers' compensation, Social Security, Medicare, payment of overtime, unemployment compensation, and the minimum wage. It will also ensure help

employers who play by the rules are not forced to compete against those businesses that don't. This legislation is identical to legislation being introduced in the House of Representatives by Representative McDERMOTT. Senators MURRAY, GILLIBRAND, SHERROD BROWN, FRANKEN, AKAKA, SCHUMER, and LEAHY are cosponsors.

Under current law, employers are required to take certain actions on behalf of their employees including withholding income taxes, paying Social Security and Medicare taxes, paying for unemployment insurance, and providing a safe and nondiscriminatory workplace. Employers are not required to undertake these obligations for independent contractors. Too often, workers are misclassified by businesses looking to avoid paying taxes. These businesses receive an unfair advantage over businesses that play by the rules.

The Internal Revenue Service, IRS, currently uses a common law test to determine whether a worker is an employee or independent contractor. Unfortunately, a loophole exists which allows a business to escape liability for misclassifying employees as independent contractors. Furthermore, there is statutory prohibition on the IRS providing guidance through regulation on employee classification.

Federal and State revenue is lost when businesses misclassify their workers as independent contractors. A study estimated that, between 1996 and 2004, \$34.7 billion of Federal tax revenues went uncollected due to the misclassification of workers and the tax loopholes that allow it. Recently, GAO and Treasury Inspector General reports have cited misclassification as posing significant concerns for workers, their employers, and government revenue.

Section 530 of the Revenue Act of 1978 generally allows taxpayers to treat a worker as not being an employee for employment tax purposes, regardless of the worker's actual status under the common law test, unless the taxpayer has no reasonable basis for such treatment or fails to meet certain requirements. Section 530 is commonly referred to as a "safe harbor." This provision was initially enacted in 1978 for a year to give Congress time to resolve these complex issues. In 1982, the safe harbor was made permanent. In addition, section 530 prevents the IRS from requiring an employer afforded a safe harbor to reclassify a worker prospectively.

The Fair Playing Field Act of 2010 ends the moratorium on IRS guidance addressing the worker classification issue. The legislation requires the Secretary of Treasury to issue prospective guidance clarifying the employment status of individuals for Federal employment tax purposes. The effective date for the provision of authority to issue guidance is the date of enactment.

Under the Fair Playing Field Act of 2010, the section 530 safe harbor will

continue to be available to employers with respect to the treatment of an individual for Federal employment tax purposes until the individual has a reclassification date. An individual's "reclassification date" is the earlier of the following two dates: the first day of the first calendar quarter beginning more than 180 days after the date of an "employee classification determination" with respect to such individual; or the effective date of the "first application final regulation" issued by the Secretary of the Treasury with respect to such individual. An "employee classification determination" with respect to an individual is a determination by the Secretary of the Treasury, in connection with an audit of the taxpayer that begins after the date that is one year after the date of enactment, that a class of individuals holding positions with the taxpayer that are substantially similar to the position held by the individual are employees.

I urge my colleagues to cosponsor the Fair Playing Field Act of 2010 which will provide valuable protections to workers who are erroneously misclassified and help combat the underground economy.

By Mr. WYDEN (for himself and Mr. CRAPO):

S. 3788. A bill to amend the Internal Revenue Code of 1986 to temporarily increase the investment tax credit for geothermal energy property; to the Committee on Finance.

Mr. WYDEN. Mr. President, I am pleased to join with my colleague from Idaho, Senator MIKE CRAPO, in introducing the Geothermal Energy Investment Act of 2010. This legislation will amend an already existing investment tax credit for geothermal energy authorized under Sec. 48 of the tax code. The bill would provide geothermal energy with the same 30 percent investment tax credit that is now available to solar energy and fuel cell technologies in Sec. 48 and extend this 30 percent tax credit for geothermal through December 31, 2016, as it is for these other technologies. Without this legislation, new geothermal energy projects would be allowed only a 10 percent investment tax credit under Section 48. This legislation will create a more level playing field among clean, renewable energy technologies and support substantial growth in utility scale geothermal power, distributed on-site power generation, and heating for buildings and commercial processes.

Geothermal energy facilities provide a continuous supply of renewable energy with very few environmental impacts. Although the United States has more geothermal capacity than any other country, this potential has been barely tapped. This shortfall is partly due to the high initial cost and risk involved in locating and developing geothermal resources. Extending the 30 percent tax credit through 2016 will help give geothermal developers the assurance they need to make the long

lead-time investments in exploration and development necessary to make expansion of geothermal energy a reality.

This legislation is identical to a bipartisan companion bill, H.R. 5612, that Representative EARL BLUMENAUER from Oregon has introduced in the House.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3788

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Geothermal Energy Investment Act of 2010".

**SEC. 2. TEMPORARY INCREASE IN INVESTMENT TAX CREDIT FOR GEOTHERMAL ENERGY PROPERTY.**

(a) IN GENERAL.—Subclause (II) of section 48(a)(2)(A)(i) of the Internal Revenue Code of 1986 is amended by striking "paragraph (3)(A)(i)" and inserting "clause (i) or (iii) of paragraph (3)(A)".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to periods after the date of the enactment of this Act, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

By Mr. COBURN (for himself, Mr. BURR, Mr. ENSIGN, Mr. THUNE, and Mr. ISAKSON):

S. 3790. A bill to amend title 5, United States Code to provide that persons having seriously delinquent tax debts shall be ineligible for Federal employment; read the first time.

Mr. COBURN. Mr. President, today I have introduced two separate bills, S. 3790 and S. 3791, intended to hold members of Congress and other Federal employees to the same tax rules Washington imposes on the rest of America.

In 2009, the Internal Revenue Service, IRS, found nearly 100,000 civilian Federal employees were delinquent on their Federal income taxes, owing over \$1 billion in unpaid Federal income taxes. When considering retirees and military, more than 282,000 Federal employees owed \$3.3 billion in taxes.

These bills are not intended to single out the majority of Federal employees who work hard and pay their taxes, but members of Congress and Federal employees have a clear obligation to pay their Federal income taxes. Legislators and government employees should not be exempt from the laws they write and enforce. The very nature of Federal employment and the concept inherent to "public service" demands those being paid by taxpayers contribute their fair share of taxes. They should lead by example.

Tax delinquency rate among congressional employees exceeds the rate of all returns filed nationwide. Taxpayers are fed up with those in Washington living under a different set of rules than the

rest of America. At a time when Congress may allow taxes to increase on some or even all Americans, Congress should not expect other Americans to pay more taxes when they are not even paying the taxes they owe under the rates they set themselves.

The bills I am introducing are fair to Federal employees and other taxpayers. Both bills carefully reach only those paid by the taxpayers who have willfully neglected to pay their incomes taxes.

The legislation excludes elected officials or Federal employees who made oversights in their personal taxes but willfully agree to pay them, or if they are challenging the delinquency in court or through the IRS. Instead, it targets those who willfully neglect or avoid the pay their taxes.

Specifically, it excludes Federal employees from termination and Members of Congress from repercussions if the individual is currently paying the taxes, interest, and penalties owed to IRS under an installment plan; the individual and the IRS have worked out a compromise on the amount of taxes, interest and penalties owed and the compromise amount agreed upon is being repaid to IRS; the individual has not exhausted his or her right to due process under the law; or the individual filed a joint return and successfully contends he or she should not be fully liable for the taxes, interest, and/or penalties owed because of something the other party to the return did or did not do.

The first bill requires all Federal employees to be current on their Federal income taxes or be fired from their jobs.

The second bill requires Members of Congress to report any outstanding tax liability. If the Member possesses a tax liability, this bill would require the appropriate congressional committee to launch an ethics investigation and the Member's salary would be reduced in accordance with the amount he or she owes.

These bills require no more of members of Congress or Federal employees than is required of other Americans.

It should be a priority of this Congress to pass these solutions as a way to guarantee equal treatment under the law. This is especially important at this time when our national debt exceeds \$13.5 trillion since this legislation is estimated to reduce the Federal deficit by at least \$3 billion.

I hope my colleagues on both sides of the aisle will support these bills to demonstrate their commitment to requiring Congress to live under the same rules it imposes on the rest of the country. It is time for every member of Congress to pay their taxes rather than simply spending the taxes of others.

## SUBMITTED RESOLUTIONS

### SENATE RESOLUTION 622—TO STOP SECRET SPENDING

Mr. COBURN (for himself and Mrs. MCCASKILL) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 622

#### *Resolved,* SECTION 1. SHORT TITLE.

This resolution may be cited as the "Stop Secret Spending Resolution".

#### SEC. 2. STOPPING SECRET SPENDING.

(a) NOTICE REQUIREMENT.—In the Senate, legislation that has been subject to a hotline notification may not pass by unanimous consent unless the hotline notification has been posted on the public website of the Senate for at least 3 calendar days as provided in subsection (b).

(b) POSTING ON SENATE WEBPAGE.—At the same time as a hotline notification occurs with respect to any legislation, the Majority Leader shall post in a prominent place on the public webpage of the Senate a notice that the legislation has been hotlined and the legislation's number, title, link to full text, and sponsor and the estimated cost to implement and the number of new programs created by the legislation.

#### (c) LEGISLATIVE CALENDAR.—

(1) IN GENERAL.—The Secretary of the Senate shall establish for both the Senate Calendar of Business and the Senate Executive Calendar a separate section entitled "Notice of Intent To Pass by Unanimous Consent".

(2) CONTENT.—The section required by paragraph (1) shall—

(A) include any legislation posted as required by subsection (b) and the date the hotline notification occurred; and

(B) be updated as appropriate.

(3) REMOVAL.—Items included on the calendar under this subsection shall be removed from the calendar once passed by the Senate.

(d) EXCEPTIONS.—This section shall not apply—

(1) if a quorum of the Senate is present at the time the unanimous consent is pro-  
pounded to pass the bill;

(2) to any legislation relating to an imminent or ongoing emergency, as jointly agreed to by the Majority and Minority Leaders; and

(3) to legislation dealing solely with post office namings.

(e) SUSPENSION.—The Presiding Officer shall not entertain any request to suspend this section by unanimous consent.

(f) DEFINITIONS.—In this section—

(1) the term "hotline notification" means when the Majority Leader in consultation with the Minority Leader, provides notice of intent to pass legislation by unanimous consent by contacting each Senate office with a message on a special alert line (commonly referred to as the hotline) that provides information on what bill or bills the Majority Leader is seeking to pass through unanimous consent; and

(2) the term "legislation" means a bill or joint resolution.

Mr. COBURN. Mr. President, there has been much debate over the past year regarding "secret holds" stalling the consideration of presidential appointments or slowing expedited passage of legislation by the Senate. Lost in this discussion has been an issue that should be a far greater concern for taxpayers—"secret spending."

This body routinely attempts to pass hundreds of bills costing tens of billions of dollars or more in secret without debate, votes, or amendments. It does so using an unofficial process not found in Senate rule books known as the "hotline."

The U.S. Senate is often referred to as "the world's greatest deliberative body." This is because Senate rules grant each of the Senate's 100 members rights that cannot be overridden by a simple majority, including the right to require debate before a bill is considered or passed.

Yet, the Senate practice known as the "hotline" often prevents and precludes debate. In fact, Senators often do not even read the bills being passed using the hotline.

The term "hotline" or practice of "hotlining" bills does not appear in the Senate's official rules, but this procedure is utilized nearly every day the Senate is in session. A hotline is an informal term for an alert sent to members of the Senate giving notice of a proposed agreement to allow a bill or resolution to be approved by the Senate without debate or amendment. A measure that is "hotlined" is recorded in the CONGRESSIONAL RECORD as a being agreed to by unanimous consent, UC.

Hotlines occur at the discretion of the Majority Leader in consultation with the Minority Leader. The leader's office contacts each Senate office with a message on a special alert line called the "hotline," which provides information on what bill or bills the leader is seeking to pass through unanimous consent. Hotline notices are only given to Senate offices.

If there is an objection to the bill being "hotlined," a senator is asked to call the leader's office and give notice of intent to object to the bill being passed by unanimous consent whenever such a request may occur. The process of notifying the leader's office of an objection to "hotline" is informally referred to as a "hold." In practice, instead of requiring explicit unanimous consent to pass a bill, the "hotline" process only requires a lack of dissent.

In many instances, bills are hotlined for which no text, description, or budget estimates have been made publicly available. In some Senate offices, the "hotline," or request for unanimous consent to pass a measure, may never even reach senators, and the decision to allow a bill to be approved without debate is determined by staff, who do not even read the bill.

When a bill is "hotlined," the public is not informed and neither is the media. Only the offices of senators are alerted. It is therefore a form of "secret spending." Much like a "hold" can be kept from the public, so can the "hotlining" of bills, which can cost billions of dollars.

The vast majority of legislation approved by the Senate is done so via the "hotline" under the guise of unanimous consent. According to the Congressional Research Service, CRS, "in

the last ten Congresses, 110th–101st, an average of 93 percent of approved measures did not receive roll call votes” and “in the 111th Congress through February 1, 2010, 94 percent of approved measures were approved without a roll call vote.”

Every time the Senate passes legislation without full and open debate, the American people are done a disservice. The Senate should not pass a new bill if its text, purpose, and budget estimate are not available to the general public.

Taxpayers and the media should have the right to read and analyze legislation prior to its passage. Senators, likewise, have a responsibility to know the contents of legislation prior to granting consent for its passage. Additionally, hotlining bills take away the accountability for legislation approved by the Senate. Since there is no recorded vote for most hotlined bills, senators have no culpability for most of the legislation approved by the Senate.

The lack of of an objection from unelected staff should not be sufficient to pass legislation that could spend millions or even billions of dollars and significantly alter U.S. laws.

In many cases, if a senator objects to a hotline request—even if the objection is merely to be granted sufficient time to study and review the text, cost, and impact of the legislation—special interest groups will immediately label the senator who is trying to be diligent as an undemocratic obstructionist.

But the truth is neither democracy nor taxpayers are served well by this process. “Hotlining” bills enable the hasty passage of legislation without the public’s knowledge or feedback. This process benefits politicians and special interests rather than taxpayers.

Senators have an obligation to their constituents to do their jobs, which includes reading the bills and understanding the impact of legislation passed by Congress.

Today I am introducing the “Stop Secret Spending Resolution” along with Senator Claire McCaskill of Missouri. This bi-partisan legislation would provide transparency and accountability by prohibiting a bill or joint resolution from passing without a vote until the hotline notifications are available on a public website for at least 72 hours. The public notice much include: a cost analysis completed by the non-partisan Congressional Budget Office (CBO); the number of new programs created by the legislation; and the actual legislative text.

The new 72 hour rule would not apply to noncontroversial item such as post office namings and sense of the Senate resolutions; nominations; any legislation relating to an imminent or ongoing emergency; or a unanimous consent request made when a quorum of the Senate is present.

Voters are demanding Congress bring greater accountability to the legislative process. Ending secret spending

represents a meaningful first step to guaranteeing increased accountability and transparency by providing sufficient time for the public to review legislation before it is passed by Congress.

I ask my colleagues on both sides of the aisle for their support of this legislation.

—————

SENATE RESOLUTION 623—COM-  
MENDING THE ENCOURAGEMENT  
OF INTEREST IN SCIENCE, TECH-  
NOLOGY, ENGINEERING, AND  
MATHEMATICS BY THE ENTER-  
TAINMENT INDUSTRY, AND FOR  
OTHER PURPOSES

Mr. KAUFMAN (for himself, Mrs. FEINSTEIN, and Mrs. BOXER) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. RES. 623

Whereas science, technology, engineering, and mathematics (referred to in this preamble as “STEM”) are vital fields of increasing importance in driving the economic engine of the United States;

Whereas STEM-educated graduates have and will continue to play critical roles in helping to develop clean energy technologies, to find life-saving cures for diseases, to solve security challenges, and to discover new solutions for deteriorating transportation and infrastructure;

Whereas through 2018, STEM occupations are projected to provide 2,800,000 job openings;

Whereas over 90 percent of STEM occupations require at least some postsecondary education;

Whereas students across the country, especially young women and underrepresented minorities, need greater understanding and appreciation of STEM careers, and access to quality STEM opportunities;

Whereas the entertainment industry of the United States, comprised of movies, television, theater, radio, DVDs, video games, as well as other video and audio recordings and means of communications, has an extraordinary ability to reach the people of the United States, especially young people;

Whereas the entertainment industry has begun to make significant investments in support of STEM education; and

Whereas, for example, the Entertainment Industries Council has developed the Ready on the S.E.T. and . . . Action! initiative to elevate the importance of science, engineering, and technology in national entertainment and news productions by connecting STEM experts, companies, and organizations with the entertainment industry in order to disseminate accurate information about STEM professionals and careers, and producing the first-ever S.E.T. Awards Show this year to award accurate and impactful portrayals of STEM in movies, television series, radio and television news programs, and print and online journalism: Now, therefore, be it

*Resolved*, That the Senate—

(1) commends the effective use of the substantial influence and resources of the entertainment industry of the United States, by those members of the entertainment industry, such as the Entertainment Industries Council, who are working to encourage interest in the fields of science, technology, engineering, and mathematics; and

(2) urges the entertainment industry to continue to use the creative talent, skills, and audience-reach at its disposal to commu-

nicate the importance of science, technology, engineering, and mathematics.

Mr. KAUFMAN. Mr. President, I rise today to support the efforts of the entertainment industries to encourage interest in science, technology, engineering, and mathematics, or STEM. As the only serving Senator who has worked as an engineer, I am proud to sponsor a resolution acknowledging the essential role STEM professionals play and the important work that they do.

I would also like to thank Senators FEINSTEIN and BOXER for joining me in introducing this resolution.

I truly believe that, whether one considers our dependence on fossil fuels, efforts to promote global health, new challenges in homeland security, or re-investing in America’s infrastructure, the next generation of STEM-educated graduates will be the problem solvers for the most important issues of our time.

In fact, through 2018, STEM occupations are projected to provide 2.8 million job openings. What is more, over 90 percent of STEM occupations require at least some postsecondary education.

Yet, students across the country, particularly women and underrepresented minorities, need a better understanding of, and appreciation for, STEM careers. They also need better access to quality STEM opportunities and activities.

Fortunately, the entertainment industry has recognized this need.

The Entertainment Industries Council—a non-profit organization created in 1983 by leaders in the industry to raise awareness about major health and social issues—recently developed a similar initiative to elevate the importance of STEM in national entertainment and news productions. Ready on the S.E.T. and . . . Action! will connect STEM experts, companies, and organizations with the entertainment industry in order to disseminate accurate information about STEM professionals and careers.

Moreover, for 14 years, the Entertainment Industries Council has produced the PRISM awards to honor productions and performances that accurately portray prevention, treatment, and recovery of substance abuse and mental illness. This year, they will produce the first-ever S.E.T. Awards Show to honor accurate and impactful portrayals of STEM in movies, television series, news programs, and print and online journalism.

Specific programming has started to take off. PBS has a new show called SciGirls to support girls’ interests in STEM. Each half-hour episode follows a different group of middle school girls who put science and engineering to work in their everyday lives. The young girls are aided in their quests by female mentors and a companion Web site is incorporated into the TV series.

Just a few weeks ago, the Science Channel introduced Head Rush. This one-hour, commercial-free programming is targeted at middle school-age

students and explores STEM through hands-on experiments, video shorts, viewer questions and answers, games, and visits from special guests. Hosted by Kari Byron of Discovery's Mythbusters, there are three segments per show which each address a specific theme of the hour.

The entertainment industry of the United States has an extraordinary ability to reach young people. Whether it is movies, television, radio, or video games, the entertainment industries reach many of our nation's youth, multiple times a day. I am so pleased that many in this industry are using this opportunity to positively impact their audiences by teaching them the wonders of STEM. I commend their efforts thus far and encourage them to continue to work to communicate the importance of STEM to their audiences. I truly believe support for STEM—in government, entertainment, and business—is essential for our economic growth and recovery. It is the future of our workforce. It is the key to our future prosperity.

SENATE RESOLUTION 624—HONORING THE MEMBERS OF THE ARMY NATIONAL GUARD AND AIR NATIONAL GUARD OF THE STATE OF OKLAHOMA FOR THEIR SERVICE AND SACRIFICE ON BEHALF OF THE UNITED STATES SINCE SEPTEMBER 11, 2001

Mr. INHOFE (for himself and Mr. COBURN) submitted the following resolution; which was considered and agreed to:

S. RES. 624

Whereas members of the Army National Guard and Air National Guard of the State of Oklahoma reside throughout the State and come from various communities, backgrounds, and professions;

Whereas the Army National Guard and Air National Guard of the State of Oklahoma are composed of: the Joint Forces Headquarters, the 45th Infantry Brigade Combat Team, the 45th Fires Brigade, the 90th Troop Command, the 189th Regional Training Institute, Camp Gruber Joint Maneuver Training Center, the 137th Air Refueling Wing (formerly the 137th Airlift Wing), the 138th Fighter Wing, the 205th Engineering Installation Squadron, and the 219th Engineering Installation Squadron;

Whereas, since September 11, 2001, units and members of the Army National Guard and the Air National Guard of the State of Oklahoma have been deployed, and are continuously being deployed, in support of United States military operations at home and abroad;

Whereas the 45th Infantry Brigade mobilized in 2003 for Operation Enduring Freedom and deployed more than 700 soldiers to Afghanistan to provide training to Afghan Security Forces;

Whereas the 45th Infantry Brigade Combat Team mobilized in 2007 for Operation Iraqi Freedom and deployed more than 2,700 soldiers to provide command and control and conduct security force and detainee operations, representing the largest single deployment for the Oklahoma Army National Guard since the Korean War;

Whereas the 45th Fires Brigade mobilized in 2008 for Operation Iraqi Freedom and de-

ployed more than 1,000 soldiers to provide command and control and conduct security force operations;

Whereas 90th Troop Command units mobilized for Operation Iraqi Freedom and Operation Enduring Freedom and deployed more than 2,600 soldiers to conduct combat support and combat service support missions;

Whereas the 189th Regional Training Institute and Camp Gruber Joint Maneuver Training Center have provided professional training to military and nonmilitary personnel to enhance domestic security and prepare units for deployments abroad;

Whereas the Oklahoma Army National Guard mobilized in 2005 and deployed more than 2,500 soldiers to support relief operations in response to Hurricanes Katrina and Rita, including assisting law enforcement agencies with traffic control and security, transporting and distributing food, water, and ice, conducting search and rescue and ground and air evacuations, providing generator support, and performing other missions to protect life and property;

Whereas elements of the 137th Airlift Wing mobilized in 2003 for Operation Iraqi Freedom and deployed to the Kingdom of Saudi Arabia as part of the largest C-130 wing assembled in history, transporting troops, food, supplies, and equipment to United States forces in Iraq;

Whereas elements of the 137th Airlift Wing mobilized in 2003 for Operation Enduring Freedom and deployed to Uzbekistan, providing critical airlift and logistical support for United States forces in Afghanistan;

Whereas between 2003 and 2006, the 137th Airlift Wing transported 39,368 troops and 11,170 tons of critical cargo to United States forces in Iraq and Afghanistan;

Whereas the 137th Airlift Wing mobilized in 2005 and deployed one of the first C-130 units to support relief operations in response to Hurricane Katrina, including evacuating hospital and nursing home residents to safety by air, providing critical logistical support, and airlifting 2,500 members of the Oklahoma Army National Guard to population centers to provide aid to hurricane victims;

Whereas the 138th Fighter Wing mobilized in 2005, 2007, and 2008 for Operation Iraqi Freedom and deployed to Iraq to provide close air support and engage in combat missions, during which the 138th Fighter Wing expended 109,000 pounds of combat ordnance and successfully destroyed numerous targets; and

Whereas, since September 11, 2001, the 138th Fighter Wing has flown numerous Air Sovereignty Alert missions in the United States, protecting domestic targets against attack and contributing to homeland defense, and in 2008 the 138th Fighter Wing was recognized as the most active alert facility in the United States: Now, therefore, be it

*Resolved*, That the Senate—

(1) expresses its gratitude to the members of the Army National Guard and Air National Guard of the State of Oklahoma and their families for their service and sacrifice on behalf of the United States since September 11, 2001; and

(2) recognizes the citizen-soldiers and airmen of the Oklahoma National Guard as invaluable to the national security of the United States, vital to defending against threats both foreign and domestic, and essential for responding to State and national emergencies.

SENATE RESOLUTION 625—DESIGNATING SEPTEMBER 2010 AS “NATIONAL PREPAREDNESS MONTH”

Mr. LIEBERMAN submitted the following resolution; which was considered and agreed to:

S. RES. 625

Whereas a terrorist attack, natural disaster, or other emergency could strike any part of the United States at any time;

Whereas natural and manmade emergencies disrupt hundreds of thousands of lives each year, costing lives and causing serious injuries and billions of dollars in property damage;

Whereas Federal, State, and local officials as well as private entities are working to deter, prevent, and respond to all types of emergencies;

Whereas the people of the United States can help promote the overall emergency preparedness of the United States by being prepared for all types of emergencies;

Whereas National Preparedness Month provides an opportunity to highlight the importance of public emergency preparedness and to encourage the people of the United States to take steps to be better prepared for emergencies at home, work, and school;

Whereas the people of the United States can prepare for emergencies by taking steps such as assembling emergency supply kits, creating family emergency plans, and staying informed about possible emergencies; and

Whereas additional information about public emergency preparedness may be obtained through the Ready Campaign of the Department of Homeland Security at [www.ready.gov](http://www.ready.gov) or the American Red Cross at [www.redcross.org/preparedness](http://www.redcross.org/preparedness): Now, therefore, be it

*Resolved*, That the Senate—

(1) designates September 2010 as “National Preparedness Month”; and

(2) encourages the Federal Government, States, localities, schools, nonprofit organizations, businesses, and other applicable entities along with the people of the United States to observe National Preparedness Month with appropriate events and activities to promote emergency preparedness.

#### NOTICES OF INTENT TO SUSPEND THE RULES

Mr. GRASSLEY. Mr. President, I submit the following notice in writing: In accordance with rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend rule XXII, paragraph 2, for the purpose of proposing and considering the following:

After part IV of subtitle A of title II, insert the following:

#### PART V—ENERGY

##### SEC.—. INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A of the Internal Revenue Code of 1986 is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.—

(1) Paragraph (6) of section 6426(c) of the Internal Revenue Code of 1986 is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(2) Subparagraph (B) of section 6427(e)(6) of such Code is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

Mr. HATCH. Mr. President, I submit the following notice in writing: In accordance with rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend rule XXII, paragraph 2, for the purpose of proposing and considering the following:

Mr. HATCH moves to commit H.R. 5297 to the Committee on Finance of the Senate with instructions to report the same back to the Senate with changes to make permanent the research credit under section 41 of the Internal Revenue Code of 1986.

#### NOTICE OF HEARING

IMPEACHMENT TRIAL COMMITTEE ON THE ARTICLES AGAINST JUDGE G. THOMAS PORTEOUS, JR.

Mrs. MCCASKILL. Mr. President, I wish to announce that the Impeachment Trial Committee on the Articles Against Judge G. Thomas Porteous, Jr. will meet September 21 and 22, 2010, at 8 a.m., to conduct evidentiary hearings.

For further information regarding this meeting, please contact Erin Johnson.

#### AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on September 15, 2010, at 10 a.m. in room SR-328A of the Russell Senate Office Building.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on September 15, 2010, at 10 a.m., to conduct a hearing entitled "Covered Bonds: Potential Uses and Regulatory Issues."

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on September 15, 2010, at 2 p.m., in room 253 of the Russell Senate Office Building.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the

Senate on September 15, 2010, at 10 a.m., to conduct a hearing entitled "Banking on Reform: Capital Increase Proposals from the Multilateral Development Banks."

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

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on September 15, 2010, at 10 a.m. to conduct a hearing entitled "Nuclear Terrorism: Strengthening Our Domestic Defenses, Part II."

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

COMMITTEE ON THE JUDICIARY

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on September 15, 2010, at 10 a.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled "Prohibiting Obscene Animal Crush Videos in the Wake of United States v. Stevens."

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

COMMITTEE ON THE JUDICIARY

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on September 15, 2010, at 2 p.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled "Judicial Nominations."

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

#### PRIVILEGES OF THE FLOOR

Mr. BAUCUS. Mr. President, I ask unanimous consent that the following members of my staff be allowed floor privileges during consideration of the small business jobs bill: William Kellogg, Danielle Dellerson, Manishi Rodrigo, Jack McGillis, Brychan Manry, James Baker, Nicole Lemire, Deborah Ma, Julie Scott.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that Matthew House and Brandon Scheuring of my Finance Committee staff be granted privileges of the floor for the duration of the 111th Congress.

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

#### HONORING OKLAHOMA MEMBERS OF THE ARMY AND AIR NATIONAL GUARD

Mr. DURBIN. I ask unanimous consent the Senate now proceed to consideration of S. Res. 624, which was submitted earlier today.

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

The legislative clerk read as follows:

A resolution (S. Res. 624) honoring the members of the Army National Guard and the Air National Guard of the State of Oklahoma for their service and sacrifice on behalf of the United States since September 11, 2001.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DURBIN. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

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

The resolution (S. Res. 624) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 624

Whereas members of the Army National Guard and Air National Guard of the State of Oklahoma reside throughout the State and come from various communities, backgrounds, and professions;

Whereas the Army National Guard and Air National Guard of the State of Oklahoma are composed of: the Joint Forces Headquarters, the 45th Infantry Brigade Combat Team, the 45th Fires Brigade, the 90th Troop Command, the 189th Regional Training Institute, Camp Gruber Joint Maneuver Training Center, the 137th Air Refueling Wing (formerly the 137th Airlift Wing), the 138th Fighter Wing, the 205th Engineering Installation Squadron, and the 219th Engineering Installation Squadron;

Whereas, since September 11, 2001, units and members of the Army National Guard and the Air National Guard of the State of Oklahoma have been deployed, and are continuously being deployed, in support of United States military operations at home and abroad;

Whereas the 45th Infantry Brigade mobilized in 2003 for Operation Enduring Freedom and deployed more than 700 soldiers to Afghanistan to provide training to Afghan Security Forces;

Whereas the 45th Infantry Brigade Combat Team mobilized in 2007 for Operation Iraqi Freedom and deployed more than 2,700 soldiers to provide command and control and conduct security force and detainee operations, representing the largest single deployment for the Oklahoma Army National Guard since the Korean War;

Whereas the 45th Fires Brigade mobilized in 2008 for Operation Iraqi Freedom and deployed more than 1,000 soldiers to provide command and control and conduct security force operations;

Whereas 90th Troop Command units mobilized for Operation Iraqi Freedom and Operation Enduring Freedom and deployed more than 2,600 soldiers to conduct combat support and combat service support missions;

Whereas the 189th Regional Training Institute and Camp Gruber Joint Maneuver Training Center have provided professional training to military and nonmilitary personnel to enhance domestic security and prepare units for deployments abroad;

Whereas the Oklahoma Army National Guard mobilized in 2005 and deployed more than 2,500 soldiers to support relief operations in response to Hurricanes Katrina and Rita, including assisting law enforcement agencies with traffic control and security, transporting and distributing food, water, and ice, conducting search and rescue and ground and air evacuations, providing generator support, and performing other missions to protect life and property;

Whereas elements of the 137th Airlift Wing mobilized in 2003 for Operation Iraqi Freedom and deployed to the Kingdom of Saudi Arabia as part of the largest C-130 wing assembled in history, transporting troops, food, supplies, and equipment to United States forces in Iraq;

Whereas elements of the 137th Airlift Wing mobilized in 2003 for Operation Enduring Freedom and deployed to Uzbekistan, providing critical airlift and logistical support for United States forces in Afghanistan;

Whereas between 2003 and 2006, the 137th Airlift Wing transported 39,368 troops and 11,170 tons of critical cargo to United States forces in Iraq and Afghanistan;

Whereas the 137th Airlift Wing mobilized in 2005 and deployed one of the first C-130 units to support relief operations in response to Hurricane Katrina, including evacuating hospital and nursing home residents to safety by air, providing critical logistical support, and airlifting 2,500 members of the Oklahoma Army National Guard to population centers to provide aid to hurricane victims;

Whereas the 138th Fighter Wing mobilized in 2005, 2007, and 2008 for Operation Iraqi Freedom and deployed to Iraq to provide close air support and engage in combat missions, during which the 138th Fighter Wing expended 109,000 pounds of combat ordnance and successfully destroyed numerous targets; and

Whereas, since September 11, 2001, the 138th Fighter Wing has flown numerous Air Sovereignty Alert missions in the United States, protecting domestic targets against attack and contributing to homeland defense, and in 2008 the 138th Fighter Wing was recognized as the most active alert facility in the United States: Now, therefore, be it

*Resolved*, That the Senate—

(1) expresses its gratitude to the members of the Army National Guard and Air National Guard of the State of Oklahoma and their families for their service and sacrifice on behalf of the United States since September 11, 2001; and

(2) recognizes the citizen-soldiers and airmen of the Oklahoma National Guard as invaluable to the national security of the United States, vital to defending against threats both foreign and domestic, and essential for responding to State and national emergencies.

#### NATIONAL PREPAREDNESS MONTH

Mr. DURBIN. I ask unanimous consent that the Senate proceed to the immediate consideration S. Res. 625, submitted earlier today.

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

The legislative clerk read as follows:

A resolution (S. Res. 625) designating September 2010 as “National Preparedness Month.”

There being no objection, the Senate proceeded to consider the resolution.

Mr. DURBIN. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements be printed in the RECORD.

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

The resolution (S. Res. 625) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 625

Whereas a terrorist attack, natural disaster, or other emergency could strike any part of the United States at any time;

Whereas natural and manmade emergencies disrupt hundreds of thousands of lives each year, costing lives and causing serious injuries and billions of dollars in property damage;

Whereas Federal, State, and local officials as well as private entities are working to deter, prevent, and respond to all types of emergencies;

Whereas the people of the United States can help promote the overall emergency preparedness of the United States by being prepared for all types of emergencies;

Whereas National Preparedness Month provides an opportunity to highlight the importance of public emergency preparedness and to encourage the people of the United States to take steps to be better prepared for emergencies at home, work, and school;

Whereas the people of the United States can prepare for emergencies by taking steps such as assembling emergency supply kits, creating family emergency plans, and staying informed about possible emergencies; and

Whereas additional information about public emergency preparedness may be obtained through the Ready Campaign of the Department of Homeland Security at [www.ready.gov](http://www.ready.gov) or the American Red Cross at [www.redcross.org/preparedness](http://www.redcross.org/preparedness): Now, therefore, be it

*Resolved*, That the Senate—

(1) designates September 2010 as “National Preparedness Month”; and

(2) encourages the Federal Government, States, localities, schools, nonprofit organizations, businesses, and other applicable entities along with the people of the United States to observe National Preparedness Month with appropriate events and activities to promote emergency preparedness.

#### MEASURES READ THE FIRST TIME—S. 3790 AND S. 3791

Mr. DURBIN. I understand there are two bills at the desk and I ask for their first reading en bloc.

The ACTING PRESIDENT pro tempore. The clerk will read the titles of the bills for the first time.

The legislative clerk read as follows:

A bill (S. 3790) to amend title 5, United States Code, to provide that persons having seriously delinquent tax debts shall be ineligible for Federal employment.

A bill (S. 3791) to require Members of Congress to disclose delinquent tax liability, require an ethics inquiry, and garnish the wages of a Member with Federal tax liability.

Mr. DURBIN. I now ask for a second reading and I object to my own request, all en bloc.

The ACTING PRESIDENT pro tempore. Objection having been heard, the bills will receive their second reading on the next legislative day.

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

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

The assistant bill clerk proceeded to call the roll.

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

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

#### UNANIMOUS CONSENT AGREEMENT—H.R. 5297

Mr. REID. Mr. President, I now ask unanimous consent that when the Senate convenes at 9:30 a.m., Thursday, September 16, and after any leader remarks, it resume consideration of H.R. 5297; that all postcloture time be considered expired at 10:45 a.m.; that upon the expiration of time, all pending amendments be withdrawn, except amendment No. 4594; that for the duration of this agreement, no other amendments, motions, or points of order be in order except as noted in this agreement; that the only motions in order be a Hatch motion to suspend the rules with respect to research and development and a Grassley motion to suspend the rules with respect to biodiesel, with Senators BAUCUS, HATCH, and GRASSLEY, or their designees, each controlling a total of 15 minutes; that the votes with respect to the motions to suspend occur in the order in which offered, beginning at 10:45 a.m.; that after the first vote, the succeeding votes be limited to 10 minutes each, and that prior to each vote there be 2 minutes of debate equally divided and controlled in the usual form; that upon disposition of the aforementioned motions, the chairman of the Budget Committee's pay-go letter be read into the RECORD, the substitute amendment be agreed to, and then the time until 12 noon be equally divided and controlled between the leaders or their designees; that at 12 noon the Senate proceed to vote on the motion to invoke cloture on H.R. 5297, as amended; that if cloture is invoked on the bill, then all postcloture time be yielded back, the bill be read a third time, and the Senate then proceed to vote on passage of the bill, as amended, without further intervening action or debate; further, that the motions identified in this agreement be those which have been submitted at the desk when this agreement is entered.

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

Mr. REID. Mr. President, first of all, I express my appreciation to everyone who worked to this end. I wish we had not had to spend the time we did, but we did, and now we are at a point where we need to be. I have had a number of conversations with the Republican leader, not only to work toward this but on how we can complete our work for this work period prior to the elections. So we are working on that. We do not have it done yet, but Senator MCCONNELL and I have had a number of conversations today and several yesterday.

ORDERS FOR THURSDAY,  
SEPTEMBER 16, 2010

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m., on Thursday, September 16; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and that following any leader remarks, the Senate resume consideration of H.R. 5297, as provided under the previous order.

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

Mr. REID. Thanks, Mr. President.

PROGRAM

Mr. REID. Tonight we were able to reach an agreement to complete action on the small business jobs bill. We are going to complete that tomorrow, as outlined previously. Under the agreement, there will be a series of two rollcall votes at 10:45 a.m. and two rollcall votes at 12 noon tomorrow.

ADJOURNMENT UNTIL 9:30 A.M.  
TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate—and I do not think there is—I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 7:20 p.m., adjourned until Thursday, September 16, 2010, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF STATE

CAROL FULP, OF MASSACHUSETTS, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SIXTY-FIFTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

JEANNE SHAHEEN, OF NEW HAMPSHIRE, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SIXTY-FIFTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

ROGER F. WICKER, OF MISSISSIPPI, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SIXTY-FIFTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

GREGORY J. NICKELS, OF WASHINGTON, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SIXTY-FIFTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be general*

GEN. CLAUDE R. KEHLER

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be general*

GEN. CARTER F. HAM

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be vice admiral*

REAR ADM. CECIL E. HANEY

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

*To be colonel*

POLLY R. GRAHAM

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

*To be colonel*

DWAIN K. WARREN

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

*To be colonel*

JAMES K. BARNETT  
CARLTON FISHER, JR.  
SCOTT H. JENSON  
EDWARD D. NORTHRUP

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be lieutenant commander*

TINA F. EDWARDS

THE FOLLOWING NAMED INDIVIDUALS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

*To be captain*

JOXEL GARCIA  
LARRY E. MENESTRINA

THE FOLLOWING NAMED INDIVIDUALS FOR APPOINTMENT TO THE GRADE INDICATED IN THE REGULAR NAVY UNDER TITLE 10, U.S.C., SECTION 531:

*To be lieutenant commander*

BRIAN D. ONEIL  
JOSE R. PEREZTORRES

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTIONS 531 AND 5582:

*To be lieutenant commander*

ERIK RANGEL