

longer than they already have for the health care and compensation they deserve.

We will protect middle-class families from a tax hike.

We will ratify the bipartisan START treaty to make America safer.

We have to confirm the enormous backlog of qualified nominees to the bench and other important positions. For example, there are more than 30 judicial nominees ready to come to a vote. Most were voted out of the Judiciary Committee without a single vote against them. They have been waiting for a long time to fill these important seats and serve their country. It is time we let them.

We are also going to repeal the discriminatory don't ask, don't tell rule. We are going to match our policy with our principles and finally say that in America everyone who steps up to serve our country should be welcomed.

Republicans know they do not have the votes to take this repeal out of the Defense authorization bill, so they are holding up the whole bill. But when they refuse to debate it, they also hold up a well-deserved raise for our troops, better health care for our troops and their families, equipment such as MRAP vehicles that keep our troops safe, and other critical wartime efforts in Afghanistan and counterterrorism efforts around the world.

Obstruction has consequences. None of the issues on this long list is new. Neither is the minority's effort to keep the Senate from working and keeping Senators from doing our jobs.

It is time to roll up our sleeves—not dig in our heels. My hope for the final weeks of this year is that Republicans finally will realize we all have much more to gain by working together than working against each other.

Mr. President, would the Chair announce morning business.

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 of morning business, with Senators permitted to speak for up to 10 minutes each.

Mr. REID. Mr. President, I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BEGICH). Without objection, it is so ordered.

FISCAL RESPONSIBILITY

Mr. WARNER. Mr. President, just 3 days ago, a bipartisan majority of the

members of the National Commission on Fiscal Responsibility and Reform endorsed a package of proposals to reposition our Nation on a more responsible fiscal course.

I wish to commend my good friend, the Senator from Illinois, who was a member of that Commission and took what I thought was an extraordinarily courageous vote on a package of proposals. Honestly, I know he didn't agree with every one of them, but he did understand how serious this issue is. I thank him and all my other colleagues from both sides of the aisle, along with the economists and policymakers and others who invested the time and effort and courageously grappled with these difficult choices.

On Friday, 11 of the 18 members of the Commission voted to support a tough, bipartisan prescription for fiscal health. I regret that the 11 "yes" votes fell short of the 14 votes required to forward this plan to Congress for our consideration.

In the hours leading up to Friday's vote, I was proud to work with 13 of my Senate colleagues, including the Presiding Officer, to draft a joint letter to the White House and to the bipartisan congressional leadership.

This letter, signed by 14 Senators and distributed before the Commission's final vote on Friday, requested that the panel's recommendation come to Congress for our consideration regardless of the outcome of the Commission's final vote.

Mr. President, I ask unanimous consent to have a copy of this joint letter printed in the RECORD.

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

U.S. SENATE,

Washington, DC, December 3, 2010.

President BARACK OBAMA,

The White House,

Washington, DC.

Speaker NANCY PELOSI,

Office of the Speaker,

Washington, DC.

Majority Leader HARRY REID,

Washington, DC.

Minority Leader JOHN BOEHNER,

Washington, DC.

Minority Leader MITCH MCCONNELL,

Washington, DC.

Our growing national debt poses a dire threat to this nation's future. Ever since the economic downturn, Americans have had to make tough choices about how to make ends meet. Now it's time for leaders in Washington to do the same.

The report issued Wednesday by the National Commission on Fiscal Responsibility and Reform is a courageous first step in tackling our national debt. The report shows in stark terms that solving the debt problem will require difficult choices. There is no easy way out, and Washington must lead the way. The strong bipartisan support its recommendations have already received demonstrates we can, and must, come together to solve this impending fiscal crisis. Every day that we fail to act the choices become more difficult.

We believe that now is the time to act. The situations in Ireland and Greece demonstrate that rising debt levels, left unchecked, can quickly and unpredictably force a country to

take drastic austerity measures. If we don't choose to act now, we will be forced to act later with fewer and more painful options available to us.

While there are plenty of provisions in the Commission plan we do not support, our nation would be far better off with a comprehensive deficit reduction plan than without one. The report shows that we can stabilize our debt over the long term, while fostering our economic recovery now, improving our country's global competitiveness, and maintaining our commitment to protect the most vulnerable in our society. Specifically, we commend the Commission's efforts to:

Protect our economic recovery by gradually phasing in deficit reduction and still allowing for critical investments;

Fundamentally reform and simplify the tax code in a way that lowers rates for all taxpayers, increases progressivity, and improves the ability of businesses to compete in the global marketplace;

Ensure that Social Security will be there to support seniors for at least 75 more years, while adding a new minimum benefit and further support for our oldest seniors and long-term disabled;

Preserve and better target tax benefits that support home ownership and charitable giving; and,

Further control the costs of health care.

Prompt action is needed to bring the country's deficit into balance and stabilize our debt over the long term. Regardless of whether the Commission's report receives the support of at least 14 of its 18 members, we urge legislative action to address these problems. The American people deserve—and demand—that we pull together to avert this looming crisis. Your leadership on this issue will be crucial to our success.

Sincerely,

Mark R. Warner, Claire McCaskill, Mark Begich, Thomas R. Carper, Jon Tester, Jeanne Shaheen, Joseph I. Lieberman, Mark Udall, Michael F. Bennet, Dianne Feinstein, Mary L. Landrieu, Amy Klobuchar, Kay R. Hagan, Evan Bayh.

Mr. WARNER. Mr. President, I have a reason for coming to the floor and drawing attention to our letter and this issue again.

The seriousness of our Nation's fiscal challenges—the compelling need to address these issues in a responsible and bipartisan way—did not suddenly dissipate or magically disappear over the course of the weekend that just ended.

In fact, since the Commission's final meeting ended on Friday afternoon, the national debt—the running tally of what the U.S. Government owes—has increased by an estimated \$15 billion. Our total national debt is a staggering \$13.8 trillion. I will repeat that. Our national debt is approaching \$14 trillion.

Every day you can listen to a lot of talk from people in this town about deficit reduction. But as I said, when the Commission first unveiled its proposals 1 week ago, while I would have made some different choices, we were being presented with a unique opportunity to finally get real about the deficits and debt.

Actually, when the Commission came out, I was a little more blunt than that. I said that after all the campaign rhetoric about deficit reduction, the time had come to put up or shut up. I believe this Commission earned credibility by describing our fiscal challenges in stark and honest terms. They

deserve our respect for crafting a clear roadmap to help steer our Nation back to a more responsible fiscal path.

The Commission's leaders and its members made difficult decisions, and they didn't shy away from examining expenditures and revenues.

They concluded, correctly, that our Nation's fiscal challenges are too serious, and the fiscal hole we have dug ourselves into is too deep to be solved by simply looking at only one side of the ledger. To say we can tax our way out of this or cut spending alone will not get us there.

To be sure, there is something for everyone to dislike in these recommendations, but that is simply a reflection of how large the problem is.

Whether you look at this report and are concerned about the viability of Social Security or tax rates, levels of Defense spending or any other specific government program or service, failing to act makes those choices and decisions even tougher with every day that goes by.

The fiscal commission came forward with a framework for improving our country's global economic competitiveness while still maintaining our shared commitment to protect our most vulnerable citizens. One of the things that got lost in the headlines was that while this took a positive step toward deficit reduction, this Commission did two other things we talk about. One is that they would lower business tax rates and also dramatically simplify the individual Tax Code and get rid of a lot of clutter.

This Commission also deserves enormous credit for recognizing that the hard work of getting our Nation's fiscal house in order is also an urgent matter of national security because it is clear America cannot be a leader in the world, projecting strength and promoting democracy, if we are weakened at home by our deficits and debt.

Ever since this economic downturn began, individual Americans and their families have been required to make tough choices of their own about how to make ends meet. It is time we did the same here in Washington.

Many of you know I came to public service after a relatively successful career in business. In the business world, investors and shareholders have a reasonable expectation that at the end of each fiscal year, we would end up balancing our company's books. Similar to the Presiding Officer, who was a mayor of a great city, I had the honor of serving as the Governor of Virginia, where there was a 2-to-1 Republican legislature. We worked in a bipartisan way to make the tough choices required to balance our State's budget during tough economic times. Proudly, Virginia has been named as the best-managed State and the best State for business.

I have only been in this body, as has the Presiding Officer, for about 2 years. One thing I have already learned is that if Washington can find an excuse

to punt on a difficult decision, it almost always will.

Most days, it is easier to retreat to our partisan corners and default to the political gamesmanship you see every day on cable TV.

As the current economic upheaval in Europe so clearly demonstrates, we cannot simply ignore this challenge because it is inconvenient or because the choices are too tough. Maybe 20 years ago our country had the luxury of having the rest of the world have to wait until we got our act together before they could move forward. But anybody who surveys the other economies around the world realizes China, India, and even Brazil are not waiting for us to get our financial house in order or get our act together.

Now is the time to make these tough choices—not when the bond markets lose their patience and confidence in our long-term economic viability, which is what recently happened in Greece and now Ireland and who knows who is next.

The fact is that if interest rates were not at historic lows today, we would already be in a world of hurt at this point. As it is, if we don't take action soon to stabilize our debt, we could be spending upward of \$1 trillion a year just on debt service by 2020. Think about how many taxes would have to be raised and programs that would have to be cut just to meet basic debt service.

So now it is time for us to agree that we will not allow the perfect to be the enemy of the good. Our own political discomfort should not be used as an excuse to delay holding an honest and long overdue discussion about the complicated fiscal choices confronting us today. Every day, every week, every month that we put off that discussion, our options become more limited and the choices become tougher.

Resolving America's fiscal problems must be one of our top priorities. Yes, it will require difficult decisions. There is no easy fix or easy way out. But those of us who were hired by folks across the country should expect nothing less.

I appreciate the chance to address this issue. Again, I compliment my good friend, the Senator from Illinois, for his courage and leadership on this issue and for his vote on what I know had to be a very difficult decision. He and some other Members on the other side said that even though this was not a perfect plan, it was more important to bring this discussion forward. I compliment them on their action, and I thank the Presiding Officer for joining me and a number of other colleagues. We will be back to continue to bring this issue before our fellow colleagues and the people of the country.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I thank my colleague from Virginia—originally from Illinois—for those kind words. It

was not an easy vote to vote in favor of the deficit commission report, but I felt it was the right vote.

To explain my vote, 40 cents out of every \$1 we spend, whether it is for a new missile system at the Pentagon or food stamps for the poorest among us—40 cents out of every \$1 is borrowed. We primarily borrow it from countries such as China and the OPEC nations.

The fact that we are indebted to them for generations to come will not allow those of us on the progressive side to see a more fair and just America. We are an America that is mortgaged, and those who hold our mortgage have power over us economically and politically. That is why I voted for this.

There are parts of this report I don't like at all. One of the things it does that I commend to my colleagues is something I have never seen in the time I have served in the House and Senate. It takes a look at the Tax Code, tax expenditures. The Senator talked about the day coming soon when we will spend \$1 trillion a year on interest on the debt. Each year, now we spend or through taxes forgive \$1.1 trillion. That is money that doesn't go into the Treasury that otherwise would. It doesn't go in because it is a deduction, a credit, an exclusion or a tax earmark. So \$1.1 trillion a year through the Tax Code is added to our debt.

You have to ask yourself: What are those provisions? Some of them are very important and some are controversial. The No. 1 tax deduction in America is for health insurance. We have it as Members of Congress, and everybody wants that. If we are going to continue this deduction, we need to ask hard questions: Do we go too far? Are there things we can reasonably do to contain the growth in that particular deduction? How about the mortgage deduction? Currently, mortgage interest can be deducted from your income tax. I use it. Most people do who itemize, but 70 percent of Americans don't itemize. In other words, they don't get the advantage of any of these because they do a simple form and take a standard deduction. For 70 percent of Americans, even the mortgage interest deduction has no value to them.

We currently put a limit on the value of a home, where you can apply a mortgage interest deduction of \$1 million. Is that the right number? Should that be lowered today? Should we focus more on working families? How about the charitable deduction? Should we take adjusted gross income—one idea of the Commission was that any charitable deduction over 2 percent of adjusted gross income would be deductible, but the first 2 percent would not be. You will hear from churches, charities, and universities saying we should not do this because they want people to give more. Each of these ideas carries controversy with it.

If you eliminated all the deductions, credits, exclusions in the Tax Code, basically closed it up and set it aside, you could dedicate each year almost \$200 billion to deficit reduction, and with the remainder of \$900 billion reduce tax rates across the board in our economy. The lowest tax rate would go from 15 percent to 9 percent.

The next tax rate—I am trying to remember—would go from about 24 percent to 16 percent. The top tax rate in America would go from 36 percent down to 26 percent. So you say to Americans: Do you want to deduct your mortgage interest costs—because it is a value to you and your family—and measure that against a reduction in your Federal income tax rate of one-third? Under which scenario do you come out ahead?

Those tax deductions—tax expenditures, as they call them, the \$1.1 trillion a year—are greater than either all the personal income taxes collected in America—in other words, all the personal income taxes we pay in go in to cover the tax deductions—or greater than the discretionary spending side of the budget, defense and nondefense. It is huge. In 28 years, we have never opened that door and looked inside. We have to now. Deficit reform should include tax reform.

I brought this up to our friend and colleague, MAX BAUCUS, chairman of the Finance Committee. He agrees. I think we ought to pursue this. We had a bipartisan group saying: Let's get into this. Let's make this part of the conversation. It isn't just entitlement programs, such as Medicare and Social Security, and it isn't just spending—both domestic and defense spending—it is also tax expenditures. Put it all together. I think we have an honest conversation.

Yes, there will be honest sacrifice for all of us, and I thank the Senator from Virginia for raising this whole issue. As we discuss more tax cuts for America, we are proposing making the deficit hole deeper. Each of these tax cuts takes money out of the Treasury. I would argue we should not hit the deficit brake on tax cuts for working families in the middle of a recession. They need spending power to get through. Give them a helping hand now until the recession is behind us. But how can we rationalize tax cuts for the most wealthy Americans when we are facing this kind of deficit? We should be more sensible. We should be able to make these judgments.

Last Saturday, we had a vote which suggested we have no support on the other side of the aisle for restraining tax cuts. They want them all. While they give their speeches about deficits, they turn around then and vote for tax cuts, which make the deficits worse. So that is the dilemma we face.

The last point I will make: The good news is that of the 18 members of the deficit commission, there were some 12 elected officials, and 6 of us—3 Democrats and 3 Republicans—voted for the

Commission's report. It was good. It was a breakthrough. It might have been historic.

I would thank the Senator from Virginia for his remarks and his concerns about this issue. He has been working on this with Senator CONRAD and others for a long time, as has Senator BEGICH, and I thank him for that.

Mr. WARNER. Mr. President, will the Senator from Illinois yield for a question?

Mr. DURBIN. I would be happy to yield.

Mr. WARNER. I thank the Senator from Illinois for laying out the facts, but there is one additional fact—again, vis-a-vis the Bush tax cuts—that I think has been absent from some of this debate.

The efforts of the Senator from Illinois—Herculean as it was—to try to get 11 out of 18 votes, and all the painful choices the Senator made in terms of spending cuts, raising revenues, opening, as I think the Senator appropriately said, the whole question of tax expenditures, if my memory is correct, over the next decade-plus, the commission's plan—as dramatic as it was and as controversial as it was—basically took out about \$4 trillion.

Mr. DURBIN. Four trillion; that is right.

Mr. WARNER. If we were to make permanent—as some on the other side of the aisle have stated—all the Bush tax cuts, that adds another \$4 trillion to our deficit; is that not correct?

Mr. DURBIN. The Senator from Virginia is exactly right. The point I am trying to make is—and he made it so well—that 10 months' work to find \$4 trillion that we could reduce from the deficit would be wiped out by the insistence on the other side of continuing these Bush tax cuts indefinitely.

I argued, and continue to argue, do what we have to do now to get out of this recession, but as soon as we see a positive, solid footing for this economy, let's start stepping forward and be very serious about this deficit reduction. I think the Commission gives us a roadmap.

I thank the Senator from Virginia.

DON'T ASK, DON'T TELL

Mr. DURBIN. Mr. President, I noted last week that President Obama took a surprise trip to Afghanistan and visited with our troops, and it was heartwarming to see the reception our Commander in Chief received in Afghanistan. I looked out at that large crowd of young men and women in uniform who have volunteered—volunteered—to serve our Nation and risk their lives and saw how happy they were that the President acknowledged they were there and what they were doing. I am glad he did it. I am sure it was no fun flying all night, but it is certainly no fun to be under enemy fire, as these young men and women are almost every day. Those of us here in the comfort and security of the Senate Cham-

ber or in our homes in America should never forget the sacrifice of these individuals.

I also read over the weekend we have now lost over 1,400 in Afghanistan. I pour through the names each day and, I guess understandably, look first for someone from Illinois. Recently, we have had several. I have attended two funerals in the last 2 or 3 weeks of a soldier and a marine who died in Afghanistan from my home State of Illinois. It is heartbreaking to meet the young wives carrying babies, the moms and dads, and share their grief as they stand by their fallen heroes and acknowledge that they have carried on a great tradition in America of being willing to volunteer to protect our freedoms. But they paid the ultimate price. The lives of those families will never ever be the same because of that loss.

Many of us, on both sides of the aisle—Democrats and Republicans—go out for unannounced tours to the hospitals in the Washington, DC, area, particularly Walter Reed. We see these incoming soldiers who are about to become veterans who have been injured in battle and face many grievous injuries. They come home to get the very best in medical care so they can return, as much as possible, to a normal life on the civilian side as veterans, having given so much to this country.

The first person I ever visited at Walter Reed was after the invasion of Iraq. He was a young guardsman who had lost his left leg below the knee. It was amazing to me, as I talked to him, thinking how his life would be changed now, when he said the one thing he couldn't wait to do was to get his prosthetic leg and go through rehab so he could return to his unit in Iraq. What a great comment that is on the training and dedication of the men and women who serve us.

I wish to comment this afternoon and talk about one aspect of that being discussed here in Washington and try to add some perspective to it. I remember the early days of the war in Iraq. They were controversial. As our young men and women went into harm's way in an effort to displace Saddam Hussein and bring some order and civility to that country, great sacrifices were made.

In 1990, a young man named Eric Alva joined the Marines at the age of 19. Thirteen years later, at 32 years of age, he was serving in Basra on the first day of the war in Iraq on March 21, 2003. This young marine—Eric Alva—went into the invasion of Basra and stepped on a landmine. He became the first U.S. casualty of the war in Iraq. As a result of that occurrence, his right arm and left leg sustained permanent damage and his right leg was simply gone.

He was saved and sent to hospitals in Landstuhl, Germany, then here in the United States, where they did everything humanly possible to repair his broken body—the broken body of this young marine who was the first casualty of the war in Iraq.