

My colleagues on the other side of the aisle have come to the floor arguing that a study would simply delay repeal of 1099; that further studying this risky offset would prolong the 1099 issue; that if we just passed the amendment without protecting small businesses, this bill can go right to the President. Well, we have actually passed 1099 repeal already and shown we have the votes necessary to make this become law. It is not going to the President to become law in this bill because this bill hasn't even cleared the House.

At the same time, I have heard no mention of what this offset could do to small businesses and their health care costs—not one word. I did hear that further studying the impacts it may have on small businesses would only delay repeal of 1099. A simple read of my amendment would be enough to know that is incorrect. My amendment directs a study to be done after—after—repeal of 1099 is signed into law. Let me make it clear. Nothing in my amendment slows down repeal of 1099.

My colleagues on the other side of the aisle are also trying to frame this debate as either you are for or against small businesses. But they are helping and harming them at the same time with the Johans amendment. With this second-degree amendment, we can have a conversation about helping small businesses and ensuring that small business employees will not get hurt at the end of the day.

Now, we haven't had the Joint Tax Committee determine a revenue score as yet, but it is important to point out that this amendment does not spend—does not spend—an additional dime. It simply protects small businesses from higher health care costs and coverage cuts.

If there is any revenue score associated with it, that would only be due to the study finding that this offset drives up health care costs or drives down health coverage for small businesses. Would we not want to know that?

We are all here supposedly arguing to try to enhance the opportunity for small businesses to have less burdens, to be able to grow, to be able to prosper, to be able to create jobs. Well, we certainly would want to know—we certainly would want to know whether this offset drives up health care costs associated with small businesses or drives down the health care coverage for small businesses.

Why is anyone afraid of that? Why is anyone fearful of that? So to those who may consider opposing my amendment, think of this: On the one hand, if you do not believe this offset will hurt small businesses, there is no harm in voting for it because you believe the study will not show premium increases or coverage cuts. So the offset would remain in place. If you believe my amendment would have a revenue score, then you are assuming the offset hurts small businesses. It is one way or the other, not a gray area.

The idea of protecting small businesses in this manner has precedent. I have a history working across the aisle to support small businesses, including cosponsoring a Republican amendment to the Wall Street reform bill which requires regulators to ensure new rules do not harm small businesses. We thought it was a good idea then to protect small businesses in the event new rules might unfairly impact them. I strongly believe we should come together now to protect small businesses if this risky offset drives up health care costs on small businesses or forces cuts in their coverage.

I would just simply ask, who in the world, especially during these fragile economic times, would want to do anything that could raise costs on small businesses? Let's protect them and the 1099 repeal by supporting my second-degree amendment.

Now, I listened to my colleague from Nebraska with whom I have worked on some bipartisan efforts on housing for the disabled. We get along very well. I respect him, and actually I supported 1099 repeal as one of the 20 Democrats who voted for his amendment in November and other issues such as housing for the disabled. So it is with some regret that we find ourselves in a different view.

There have been questions raised about the sincerity of our opposition to the manner in which the offset is included in the Senator's amendment. The Senator from Nebraska says an almost identical offset was passed unanimously by the Senate just 4 months ago. I think our definitions of "almost identical" are very different.

Yes, it is true we made changes in the payback tax to pay for the doc fix in December, but that provision was very different from the one we are debating today. The one today, unlike before, removes protections we included in December in the doc fix to protect families from unlimited tax liability which could be as high as \$12,000. I mean, you are talking about taxing these families, through no fault of their own. What family of three making \$74,000 annually, gross, can afford an unexpected \$12,000 tax bill in April? I cannot think of many. But that is exactly what could happen under the Senator's amendment.

That was not the case—not the case—in the provision that was enacted at the end of last year in the doc fix. We provided a phaseout that would have avoided this clip and thus tax shock on middle-class families.

The Senator from Nebraska also said my second-degree amendment was just a delay tactic. That simply is not true. I and 80 of my colleagues have already passed 1099 repeal in the Senate this year. So to question our support for 1099 repeal would be misleading.

My understanding is that the Johans proposal is an amendment to the small business bill we are debating, which has not passed the House. So this amendment we are debating today

would not go directly to the President for his signature. It still needs to go through the whole process of the House. We are not delaying anything in that regard.

Finally, the only way there would be any revenue shortfall—I say to those who would make the assertion that our amendment creates a revenue shortfall, well, then, what you have to be saying, if you make that statement, is you believe the savings from the Johans offset comes from increasing premiums and reducing coverage on those who earn it through making our Nation's small businesses run. That is not a proposition I think they want to assert.

So I will come back to the floor later to offer this second-degree amendment. And because it works to both repeal 1099 and ensure there is not a tax on our small businesses and small business employees or a diminution of health care coverage, I am sure we will get the support of our colleagues.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

SBIR/STTR REAUTHORIZATION ACT OF 2011

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 493, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 493) to reauthorize and improve the SBIR and STTR programs, and for other purposes.

Pending:

McConnell amendment No. 183, to prohibit the Administrator of the Environmental Protection Agency from promulgating any regulation concerning, taking action relating to, or taking into consideration the emission of a greenhouse gas to address climate change.

Vitter amendment No. 178, to require the Federal Government to sell off unused Federal real property.

Inhofe (for Johans) amendment No. 161, to amend the Internal Revenue Code of 1986 to repeal the expansion of information reporting requirements to payments made to corporations, payments for property and other gross proceeds, and rental property expense payments.

Cornyn amendment No. 186, to establish a bipartisan commission for the purpose of improving oversight and eliminating wasteful government spending.

Paul amendment No. 199, to cut \$200,000,000,000 in spending in fiscal year 2011.

Sanders amendment No. 207, to establish a point of order against any efforts to reduce benefits paid to Social Security recipients, raise the retirement age, or create private retirement accounts under title II of the Social Security Act.

Hutchison amendment No. 197, to delay the implementation of the health reform law in the United States until there is final resolution in pending lawsuits.

Coburn amendment No. 184, to provide a list of programs administered by every Federal department and agency.