

today to discuss an amendment to further support investment and job creation in U.S. companies.

In particular, my amendment would bolster our domestic manufacturing industry, which has historically been the engine of growth for the American economy. The manufacturing economy has been especially important in the industrial Northeast, including my State of Rhode Island. From the Old Slater Mill in Pawtucket—one of the first water-powered textile mills in the nation—to modern submarine production at Quonset Point, the manufacturing sector has always been central to our economy.

Sadly, as American companies have faced rising production costs and increased—and often unfair—competition from foreign firms, U.S. production has plummeted. According to the Bureau of Labor Statistics, the number of manufacturing jobs declined by almost a third over the past decade from 17.2 million in 2000 to 11.7 million in 2010. This decline has been felt most sharply in old manufacturing centers like Rhode Island. In Rhode Island, the loss of manufacturing jobs over the past decade has topped 44 percent. The decline of the manufacturing sector is a primary reason why Rhode Island has had greater difficulty than most states in recovering from the recent recession.

Over and over, I have travelled around Rhode Island to meet with local manufacturers, listening to their frustrations and discussing ideas to help their businesses grow. During these visits I have heard one theme over and over again: unfair foreign competition is killing domestic industries. One Pawtucket manufacturer told me that they recently lost eight percent of their business to a Chinese competitor. It is clear to me that if we want to keep manufacturing jobs in Rhode Island, we need to level the playing field with foreign competitors.

My amendment would remove one incentive to move jobs offshore and help to make competition fairer for companies struggling to keep their factory doors open here in the United States. Based on the Offshoring Prevention Act, cosponsored by Senators LEAHY, SANDERS, BOXER, DURBIN, BROWN of Ohio, HARKIN, JOHNSON, and LEVIN, my amendment would end a costly tax incentive that rewards companies for shipping jobs overseas. Under current law, an American company that manufactures goods in Rhode Island or in the Presiding Officer's State must pay Federal income taxes on profits in the year that the profits are earned. But if that same company moves its factory to another country, however, it is permitted to defer the payment of income taxes, and declare them in a year that is more advantageous—for example, one in which the company has offsetting losses.

It makes no sense that our Tax Code allows companies to delay paying income taxes on profits made through

overseas subsidiaries, and my bill will put a stop to this practice for profits earned on manufactured goods exported to the United States. To put it simply, we should not reward companies for eliminating American jobs.

In addition to ending an incentive to ship jobs overseas, my amendment would reduce the Federal deficit by \$19.5 billion over the next decade. At a time when Republicans are promoting painful cuts to popular Federal programs to save similar amounts, these are savings we cannot afford to pass up. If we are going to be serious and fair about deficit reduction, we need to look at these corporate loopholes and giveaways, not just at cuts to Head Start, NPR, and Planned Parenthood.

I hope that my colleagues will show their support for American jobs and for deficit reduction by supporting my amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

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

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

#### RECESS

Mr. REID. Madam President, I ask unanimous consent that the Senate stand in recess until 6 p.m. tonight for the purpose of the Senators-only briefing on Libya.

There being no objection, the Senate, at 4:57 p.m., recessed until 6 p.m. and reassembled when called to order by the Presiding Officer (Mr. COONS).

The PRESIDING OFFICER. The Senator from New Hampshire.

#### MORNING BUSINESS

Mrs. SHAHEEN. 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 PRESIDING OFFICER. Without objection, it is so ordered.

#### SMALL BUSINESS INNOVATION RESEARCH PROGRAM

Mrs. SHAHEEN. Mr. President, if I could begin in the spirit of morning business, I am here to talk about the importance of passing the reauthorization of the Small Business Innovation Research Program. I think it is important because our future economic prosperity depends on whether this country can continue to be a leader in science and innovation. We can't compete with India and China for those low-wage manufacturing jobs. That is not the fu-

ture of America. Our future is to be the global leader in science and technology. America makes the best, most innovative products and services, and that ingenuity and excellence is our chief economic strength as a nation.

As a former small business owner, I know it is business and not government that creates jobs, but I also know government has a critical role to play in fostering a positive business climate. I believe there are a few things we need to do to unleash the innovative spirit that is so alive and well throughout this country, and particularly in my home State of New Hampshire.

To maintain the creative dominance that has allowed us to lead the world in innovation, we do need to enact a long-term reauthorization of the Small Business Innovation Research Program, or the SBIR Program.

SBIR is not just a typical grant program. Under the SBIR Program a small business is able to compete for research that Federal agencies need to accomplish their missions—agencies such as the Department of Defense. Small businesses employ about one-third of America's scientists and engineers and produce more patents than large businesses and universities. Yet small business receives only about 4 percent of Federal research and development dollars. SBIR ensures that small business gets a tiny fraction of existing Federal research dollars.

In the last few months, as we have been talking about the SBIR Program in the Small Business and Entrepreneurship Committee on which I serve, I have had the chance to visit a number of New Hampshire companies that are doing cutting-edge research and are growing their businesses because of the SBIR Program. This research has allowed them to develop new products and customers and to hire new workers. I wish to talk specifically about one of those companies because they have such a great story. It is a company called Airex, and it is in Somersworth, NH. Their story shows just how the SBIR Program encourages innovation and creates jobs.

When I visited Airex, I had a chance to see some of the impressive technologies the company has developed. Airex specializes in electromagnetic motors and components. As they explained to me, their motors don't go round and round, they go back and forth. Its employees design and produce everything from motors used to make Apple's iPad, to gyroscopic coils that are used to stabilize the artillery system on Abrams tanks. So they produce a wide divergence of products.

In the past decade Airex has more than doubled its revenues and its workforce largely because of the products it developed with the support of the SBIR Program. Jim Sedgewick, who is the President of Airex, told me SBIR was critically important for the development of the products that enabled the company to add several good-paying jobs in New Hampshire.

For example, Airex was able to compete for and win a grant to do research for the Air Force on materials needed for strategic missile defense. In order to conduct the research Airex had to develop a new electromagnetic motor. Since the motor that Airex developed had tremendous commercial potential, Airex secured a patent. Now that motor is used in the production process for the Apple iPad and, as my colleagues can imagine, sales for that motor have increased dramatically in recent years as the iPad has become so popular.

The same is true for several other products Airex developed with the help of SBIR. Airex products continue to be in high demand not just in America but across the world. Exports now account for 30 percent of Airex's revenues, so they are a great story on the export front too. Airex told me its biggest export products are the ones that were developed with the support of the SBIR Program.

If we are going to out-compete and out-innovate the rest of the world, we need to encourage the kind of innovation that has made Airex so successful. SBIR was integral to making Airex's success a reality. That is why SBIR must continue to be an important part of our strategy for staying competitive in the 21st century.

Airex is just one of many New Hampshire small businesses that have successfully competed for SBIR funding in the 28 years the program has been in existence. All across New Hampshire small businesses that otherwise wouldn't be able to compete for Federal R&D funding have won competitive grants to advance technology and science and create good jobs. In just the last 2 years New Hampshire firms have won 80 SBIR awards. In fact, despite its small size, although it is a little bigger than Delaware, as the Presiding Officer knows, New Hampshire is ranked 22nd in the Nation for total grants awarded through the Department of Defense since SBIR began.

So I know the Presiding Officer knows we need to focus on smart ways to create jobs and stay competitive. We all know small firms are where the jobs are created in the United States, and we know the future of the American economy rests with innovation. The SBIR Program must be one important part of our overall strategy to encourage the innovation that will keep the American economy strong through the 21st century.

So I am pleased to be here to support SBIR, and I encourage all of our colleagues to join me in supporting this important program.

Thank you very much, Mr. President. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COBURN. 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. COBURN. Mr. President, I ask unanimous consent to speak for 20 minutes as in morning business.

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

#### OFFERING OF AMENDMENTS

Mr. COBURN. Mr. President, I am coming to the floor because we have not seen much action on the floor on this bill. We are hung up over the right of Senators to offer amendments, but the Senate works best when we have a free and open process of offering amendments. One of the amendments in particular that I was going to offer on the blending requirements for ethanol I now plan, at this time, not to offer. I have made that known to the majority leader but have still not been able to get an agreement to offer other amendments.

Our country is in a pickle. I have \$20 billion worth of cuts that the vast majority of the Members of the Senate would vote for. Yet I can't get those amendments up because people don't want to take the difficult votes. I understand that. Senator REID has been more than gracious in working with me. I understand his problem, but the problems are a lot bigger than the problems of the Senate. The problems facing our country are tremendous. They are not only tremendous, they are also urgent.

Here we have a small business bill, where we are trying to create jobs, and one of the ways we create jobs is making sure we are not sending money out of here that doesn't create jobs. So I come to the floor somewhat worried about our process and not critical of Senator REID in any way. I wouldn't have his job. Being the majority leader is the toughest job in Washington. But it is somewhat worrisome, and yet amusing, that we will not take a vote to eliminate unemployment payments to millionaires. That is amazing to me. We can save \$20 million starting tomorrow by not cutting unemployment checks to people who make \$1 million a year through their investments but who are unemployed. I mean, \$20 million. We could do that.

We could put a garnishee on the \$1 billion owed by Senate employees and Federal employees in back taxes, where it has already been adjudicated they haven't paid, but we can't get an amendment up to do that. Isn't that strange?

Here we are, running \$1.67 trillion deficit, and yet we can't go about solving our problems \$1 billion at a time to help get rid of that. We can't have the right to offer an amendment to that effect.

How about the fact the GAO, 3 weeks ago, issued a report on duplication, and, according to my calculations, there is at least \$100 billion in savings in that. I have an amendment that would save us \$5 billion over the rest of

this year on the easiest part of the elimination to carry out. I can't get that amendment up. We can't vote on it. We can't do the things that will start getting us out of our problems. Even though I have withdrawn the amendment on ethanol that is so controversial, I still can't get my amendments called up.

Covered bridges—\$8.5 million. It is a good thing to do, if we had the money. But we shouldn't be spending \$8.5 million right now on old bridges that are of historical significance, because we are borrowing the money to do it.

I have an amendment to identify and disclose every Federal program, one of the things the GAO report said would be very helpful to them to have—if every department would give, every year, a list of all their programs. There is only one government agency that does that today, and it is the Department of Education. The rest of them don't know all their programs. Isn't that interesting; they do not even know their programs? Yet we can't get an amendment up that will help us solve some of the problems with duplication and inefficiencies.

So I come to the floor tonight to ask: What is the deal? This is the Senate. We are expected to make tough votes. If Senators want to continue to pay millionaires unemployment, then vote against the amendment, but don't keep that amendment from coming to the floor that would save us \$20 million. If you think Federal employees shouldn't pay their back taxes, then vote against it, but we can collect \$1 billion—\$1 billion that we wouldn't have to borrow. Vote against it, but don't block the amendments from coming up.

I have an amendment that I understand is controversial. I don't think there is a role anymore for us in funding the Corporation for Public Broadcasting to the tune of  $\frac{1}{2}$  billion a year. You may not like it, you may not agree with me but vote against it. Don't say you can't have the amendment. Because what goes around comes around, and we don't want to get into the dysfunctional state where because somebody can't have an amendment today, somebody else isn't going to have an amendment later. That is what we are going to degrade into, and it will not be because we would not want to vote on them. So what happens is the Senate gets paralyzed.

The unfortunate thing is that I have \$20 billion worth of cuts we can make. Yet we are not allowed, under Senate tradition, to offer an amendment, even though, on the most controversial one I have, I have said: OK. I won't offer it at this time. Still, I can't offer an amendment. To me, I think that tells the American people what they already know; that we don't care about what the real problems are, we care about the politics.

We no longer have the pleasure or the time to worry about political outcomes. We need to be worrying about what the outcome is of the future of