

David Petraeus to be Director of the CIA. He understands the threats. I think he will be able to marshal the resources of the CIA to keep the enemies on their heels and to reinforce to our allies that we are a reliable partner and to our enemies there is no place you can hide. There is no passage of time that will keep you safe from American justice.

I hope the Congress—I know Senator CHAMBLISS will, the Senate in particular—will listen to General Petraeus, who will soon be Director Petraeus, about how to make sure the CIA is equipped and funded to take on the enemy. In this war on terror, we are fighting an idea. There is no capital to conquer, there is no air force to down, there is no navy to sink. We are battling an idea. And the way we ultimately become safe is to empower those who have the will to fight the terrorists in their backyard to provide them with the capacity to let the terrorists organizations know we will follow you to the gates of hell, that we will never relent. The CIA and the brave men and women who serve in that organization are becoming the tip of the spear in this battle. What happened in Somalia yesterday, what is going to happen in the future in Yemen and Somalia is a direct result of good intelligence and national will.

To Senator MCCAIN and those who have gotten to know General Petraeus, I can assure you that President Obama chose wisely. This is the perfect job for David Petraeus to take up for the Nation. He has the understanding of the threats we face and the CIA is the platform we will be using against the enemy more effectively than any other platform I know.

With that, I look forward to casting my vote for Director of the CIA David Petraeus, and I hope everybody in this body will provide a vote of confidence to General Petraeus. He has earned this. America is in good hands with David Petraeus being the CIA Director.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Under the previous order, the question is on the Petraeus nomination.

Mr. GRASSLEY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is, Will the Senate advise and consent to the nomination of David H. Petraeus, of New Hampshire, to be Director of the Central Intelligence Agency?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from California (Mrs. BOXER), the Senator from Vermont (Mr. LEAHY), and the Senator from New Mexico (Mr. UDALL) are necessarily absent.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) and the Senator from New Mexico (Mr. UDALL) would each vote "yea."

Mr. KYL. The following Senators are necessarily absent: the Senator from North Carolina (Mr. BURR), the Senator from Oklahoma (Mr. INHOFE), and the Senator from Kansas (Mr. MORAN).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 104 Ex.]

YEAS—94

Akaka	Gillibrand	Murkowski
Alexander	Graham	Murray
Ayotte	Grassley	Nelson (NE)
Barrasso	Hagan	Nelson (FL)
Baucus	Harkin	Paul
Begich	Hatch	Portman
Bennet	Heller	Pryor
Bingaman	Hoeven	Reed
Blumenthal	Hutchison	Reid
Blunt	Inouye	Risch
Boozman	Isakson	Roberts
Brown (MA)	Johanns	Rockefeller
Brown (OH)	Johnson (SD)	Rubio
Cantwell	Johnson (WI)	Sanders
Cardin	Kerry	Schumer
Carper	Kirk	Sessions
Casey	Klobuchar	Shaheen
Chambliss	Kohl	Shelby
Coats	Kyl	Snowe
Coburn	Landrieu	Stabenow
Cochran	Lautenberg	Tester
Collins	Lee	Thune
Conrad	Levin	Toomey
Coons	Lieberman	Udall (CO)
Corker	Lugar	Vitter
Cornyn	Manchin	Warner
Crapo	McCain	Webb
DeMint	McCaskill	Whitehouse
Durbin	McConnell	Wicker
Enzi	Menendez	Wyden
Feinstein	Merkley	
Franken	Mikulski	

NOT VOTING—6

Boxer	Inhofe	Moran
Burr	Leahy	Udall (NM)

The nomination was confirmed.

The PRESIDING OFFICER (Mr. SANDERS). Under the previous order, the motion to reconsider is considered made and laid upon the table. The President will be immediately notified of the Senate's action.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mrs. BOXER. Mr. President, I was absent for the rollcall vote on the nomination of GEN David Petraeus to be the Director of the Central Intelligence Agency. Had I been present, I would have voted "yea."

• Mr. MORAN. Mr. President, today, I was unavoidably absent for vote No. 104. Had I been present, I would have voted "yea" on the nomination of GEN David H. Petraeus to be Director of the Central Intelligence Agency. •

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislation session.

The majority leader.

Mr. REID. Mr. President, I ask unanimous consent that the Finance Committee be authorized to meet today at 3 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I now ask unanimous consent that at 4 p.m. on Tuesday, July 5, the Senate proceed to the consideration of Calendar No. 88, S.J. Res 20, a joint resolution authorizing the limited use of the U.S. Armed Forces in support of the NATO mission in Libya.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Wisconsin. Mr. President, reserving the right to object, this is a very important issue. I understand a number of my colleagues have worked very hard to bring this issue to the floor.

But the fact is, it simply does not address the fact that we are bankrupting this Nation. I do object.

The PRESIDING OFFICER. Objection is heard.

ORDER OF BUSINESS

Mr. REID. Mr. President, I have conferred with my friend, the Republican leader. There will be no more votes today or tomorrow. Our first vote will be next Tuesday.

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

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

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent to proceed to a period of morning business for debate only until 6 p.m. tonight, with Senators permitted to speak therein for up to 10 minutes each.

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

The Senator from New Jersey.

BIG OIL SUBSIDIES

Mr. MENENDEZ. Mr. President, I regret that our colleagues have objected to a consent request to go to some of the most critical issues the country is facing—to have the Finance Committee meet on trade agreements that could expand markets and ultimately create jobs in America, and that is what we need in America—to create jobs. On the question of whether there

should be a limited use of force, the Congress, and particularly the Senate, should speak, and not being able to do that is pretty amazing to me. So I hear a lot about wanting to get the people's work done, but then I hear objections to trying to move to get it done. It is pretty outrageous.

I came originally to the floor after this vote to thank President Obama for, yesterday, calling and echoing my call to end subsidies for Big Oil. It is a call that received a bipartisan vote in the Senate, a bipartisan majority vote in the Senate, but, of course, it did not pass because of our colleagues' insistence on a filibuster or a supermajority amount. But it is time that our friends on the other side of the aisle put the interests of taxpayers ahead of Big Oil and allow these wasteful subsidies to finally end.

As the President said, we have strategies to reduce the deficit, such as my legislation to cut oil subsidies, that are already introduced and ready to go. All we have to do is pass it. A vote to allow that to happen is a simple choice for everyone in this Chamber: Are you on the side of working-class families and seniors or are you on the side of Big Oil?

There are lots of ways to cut the deficit, but saving taxpayer subsidies for Big Oil while ending Medicare as we know it and cutting student loans is not, in my mind, a solution. It makes no sense to give a taxpayer-funded subsidy to the big five oil companies, which are earning \$12 billion in profits a month—they are going to earn about \$144 billion in profits this year alone—and say to families: Oh, no, you have to sacrifice even more.

Those on the other side of the aisle would tell a middle-class student whose family earns a median family income of about a little over \$50,000 that, no, you cannot go to college, you cannot get a Pell grant from the Federal Government, but ExxonMobil, a company that will earn \$42.6 billion in profits this year, needs government assistance. And they will continue to come to the floor and look Americans in the eye and say that somehow is commonsense deficit reduction. There simply is no commonsense explanation for balancing the budget on the backs of working families and letting multibillion-dollar oil companies keep billions in taxpayer dollars.

We have this debate about the deficit and how we deal with the debt ceiling, but we don't seem to want to have the shared sacrifice of having the special interests in this country, whether it is Big Oil or ethanol, which had a huge bipartisan vote here in the Senate—that they should not face any consequences but that, in fact, middle-class working families should.

We all know oil companies are among the largest, most profitable companies in the world, but it is hard to understand the scale of their wealth. This chart shows it clearly. This is the median income for families in this country, and this is Big Oil's profit.

Whose side are you on?

This is about closing loopholes and, given the current budget climate, you would think we would all be for closing those loopholes.

Let me give an example of what one of those loopholes is. Under the law as it exists today, we allow the big five oil companies to go to other countries in the world and say to them: You know, tax us in a way that we can ultimately reduce our obligations in the United States.

U.S. taxpayers are taxed on their income worldwide but are entitled to a dollar-for-dollar tax credit for any income they pay to a foreign government, which makes sense because we don't want to tax our companies twice. But U.S. oil and gas companies have very smart lawyers and accountants. They figured out that if they go to a foreign government, such as Indonesia, and say: Don't charge me a license fee or a royalty, which is what we do in the United States to permit these companies to explore on Federal lands and waters for oil and gas—no, they say to Indonesia and other countries: Charge me a tax. Why? Because then I can take all of that tax—which really is a license fee but is now paid as a tax—and I can deduct it back here in the United States. What does that mean? That means American taxpayers are subsidizing foreign oil production. That is not in the national interest of the United States, it is not in the interest of taxpayers in the United States, and it is not about shared sacrifice when we are talking about how to deal with the deficit and debt in this country. Just closing that loophole would mean \$6.5 trillion to the Treasury that could be applied directly to deficit reduction.

As a matter of fact, I am only talking about closing two loopholes for the big five oil companies, which are going to make \$144 billion in profit. Just closing those two loopholes would save the U.S. taxpayer \$21 billion over the next 10 years.

Now, some of my friends on the other side of the aisle say: Oh, if you do that to those poor oil companies, they are just going to raise the price of gasoline. That is simply not true. First of all, we are talking about \$21 billion over 10 years or roughly \$2 billion a year. So those poor oil companies, if they would only make \$142 billion in profits this year instead of \$144 billion in profits this year, would not have to raise gas prices. They are making \$142 billion a year, so they certainly don't need to raise gas prices. And we certainly don't need to incentivize their exploration because they are making record profits in this country and in the world. They don't need us to incentivize them when they are making \$144 billion in profits. So let's save the taxpayers that \$21 billion and put it directly to deficit reduction.

Only in Washington would my Republican friends suggest that stopping those subsidies to Big Oil is somehow going to be a tax increase. Only in

Washington could ending \$21 billion in subsidies to the big five oil companies—we are not even talking about the independents—that are going to make \$144 billion in profits this year—somehow be a tax increase. Yet we can take away Pell grants or cut seniors under Medicare or the poor under Medicaid, and that is OK. Well, something is wrong with that vision of America.

To back up my point that the argument is simply fallacious, you need to look no further than the definitive report by the CRS that explains that my proposal to end oil subsidies will not lower the production of oil and will not raise gasoline prices.

So, Mr. President, you drive up to the pump, you pay nearly \$4 a gallon already, which has a real impact on your family and on your income, and it has a real impact on your choices and has a real impact on food prices and has a real impact in so many areas, and yet we are still supposed to give the oil companies another \$21 billion in tax breaks from the American taxpayers.

It is time to stand for the people's interests, not the special interests. It is time to end these tax breaks. It is time to put it as a revenue source into our challenges in terms of meeting our debt and dealing with our deficit, and our proposal would do exactly that.

I don't know how you can look the American people in the eye and say: We are going to cut so many things that are going to affect your life, but on this issue we are going to keep Big Oil whole. We will not touch a penny from their pockets. That is fundamentally wrong, and the American people know it.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. JOHNSON of Wisconsin. Mr. President, I ask unanimous consent to enter into a colloquy with my colleagues for up to 30 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Wisconsin. First of all, I am happy to hear that our Democratic colleagues agree to allow us to come back next week and not go on a recess. It is important that we start work on the single greatest issue, the single most important issue facing this Nation—our debt and deficit issue.

A couple of minutes ago, I objected to what the leadership wanted to move to, which was an important debate on Libya, but it is not addressing what we need to address. The fact is that in the Senate this year—we have been here 6 months, and we have not passed a budget. As a matter of fact, we have not passed a budget in the Senate for over 2 years. We have missed all of the budget deadlines. We should have passed a budget by April 15. Appropriations bills should have been completed by June 10. We are simply not addressing the single greatest issue facing this country—that we are bankrupting America. Only six bills have been

passed in the Senate that have actually become law. Three of those were cleaning up last year's business. They were continuing resolutions funding the government, when what should have happened a year ago is those bills should have already been passed. President Obama's budget that he sent over here in January was so unserious that actually it lost 0 to 97 in the Senate. Not a single Democratic Senator voted for that budget.

We have an awful lot of work to do. Our budget deficit this year—the highest estimate I have heard is about \$1.65 trillion. We have incurred over \$4 trillion in just the last 3 years. If anybody in America wants to understand why our economy is in a coma, it is exactly that. People look to Washington and they see how reckless and out of control our spending is.

As a former manufacturer, as somebody who made investments and created jobs, I realize that when the Federal Government is spending so much money that it doesn't have, eventually the Federal Government is going to take in the form of higher taxes, possibly in the form of higher inflation.

The other thing that is overhanging the economy that is preventing job creation is overregulation. I cannot tell you how many Wisconsin businesspeople come into our office and talk about that regulation or this regulation that one of the agencies is trying to impose on them.

One thing that is interesting about many of these regulations is they are not being implemented. Just like the health care law; over 3 million waivers have been granted. Why is that? I believe it is because this administration actually understands that if they implement the health care law and these regulations—they understand exactly the harmful effect that will have on our economy and on job creation.

The fact is, what this administration has done—they came into office with a tough situation, no doubt about it, but their actions—passing the health care law, the 1,600-page Dodd-Frank financial bill—have made job creation far harder. They have made the situation far worse.

I think Senator RAND PAUL has a few things to say.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. PAUL. Mr. President, I agree with Senator JOHNSON. I come to the floor in support of this movement, which is that we should be talking about what America says we should be talking about—the debt.

Yesterday, the President went on national television and chastised Congress. He said to Congress that Members of Congress need to cancel things. Do you know what. I agree. I am here today, though, Mr. President. Where are you?

My understanding is that the President is campaigning and has a fundraiser in Philadelphia tonight. I don't believe he is here tackling the Nation's

problems today. He could send us the Vice President, but I don't think he is here either. I think he is in Las Vegas campaigning tonight.

This is a two-way street. If he is going to go on television and chastise us for not doing work—we are saying we want to be working on the Nation's problems; we are here saying the Nation's debt is a problem; his administration has said the No. 1 national security threat we face is the debt—where is the President? Campaigning.

We are here, Mr. President. We will have an offer. We don't want to raise the debt ceiling. We don't want more debt. Do you know what. As Republicans, for the good of the country, we are willing to raise the debt but only—and I repeat “only”—if we have significant budgetary reform.

We have to balance the budget by law. Force Congress to do it by changing the Constitution. It is the only way it will ever change. There is a pathology here. The pathology is that we do not have a spine. We are spineless and cannot do what it takes to cut the spending, and we will only get there if we change the Constitution.

So, Mr. President, we are here. We are here, and we welcome you to come back to town in between fundraisers and talk about how we would fix this. But we would fix this by saying: Yes, we will raise the debt ceiling, contingent upon a balanced budget amendment to the Constitution. Seventy-five percent of the public is in favor of saying we have to balance our budget. Let's come back and discuss what the American people want.

I commend Senator JOHNSON for leading this fight, and I think this is just the beginning. But I don't plan on saying we should go to any other subject until we have addressed the debt ceiling.

Mr. JOHNSON of Wisconsin. I totally agree with my colleague from Kentucky, and I believe Senator RUBIO has a few words to add to that.

Mr. RUBIO. I thank Senator JOHNSON, and I too yesterday watched the President's lecture on television. I watched it again this morning just to make sure I was well informed before I came here.

My reaction is twofold. One, I am disappointed, and the other is I was alarmed. First, I am disappointed because America does not have a tradition of class warfare. It has never been a part of our Nation. In fact, one of the things that distinguishes us from the world is Americans have never believed that somehow we have to take money away from somebody else in order to be better off. On the contrary, we have always looked to advance the cause of everyone in the belief we can all be prosperous and in the hopes of growing our economy that way. That is the American tradition, and that has served our Nation well.

Unfortunately, you wouldn't know that from the speech yesterday—the rhetoric that, quite frankly, was deeply

disappointing. The idea that if we raise taxes, as the President said yesterday, on millionaires and billionaires, raise taxes on oil companies, raise taxes on owners of private jets, that will somehow make a difference in America's debt in terms of having a real impact, is not only misleading, it is, quite frankly, disappointing. It is class warfare and the kind of language you would expect from the leader of a Third World country, not the President of the United States.

I am also alarmed and worried about the speech because I think from it you can take only two things. Either the President doesn't truly understand the nature of the problem we face or he has decided this is a political issue and not a policy one. I say perhaps he doesn't understand the nature of the case because, for example, he mentioned the corporate jet tax six different times. Yet the impact that would have is so insignificant, the White House, to this moment, cannot give an estimate of what that means in terms of a dollar figure. Going further, by the way, it is important to note that exact tax provision was part of the President's now infamous stimulus plan that passed in February of 2009.

The bigger problem, though, is maybe the President fundamentally doesn't understand how jobs are created. Politicians don't create jobs. U.S. Senators don't create jobs. Senator JOHNSON pointed out that jobs are created by everyday people from all walks of life who start a business or expand an existing one. Our job in government is to make it easier for them to do that, not harder. Threatening to raise taxes, threatening to wage class warfare does not accomplish that purpose.

Here is what I would suggest to the President. I would suggest we have done this before as a people in America—things such as a simpler Tax Code; people around here are in favor of tax reform; simpler tax reform; a manageable and sane regulatory environment and, of course, a government that doesn't spend money it doesn't have. These things have worked before and they will work again, and I urge the President to lead us in that direction.

Mr. JOHNSON of Wisconsin. I thank the Senator from Florida for those comments, and I want to pick up on one point the Senator just made about class warfare.

Certainly, as a job creator myself of 31, 32 years, I know an awful lot about entrepreneurs, and I have to point out how incredibly dispiriting it is to have leaders in Washington attack you day in and day out, demonize you, when all you are trying to do is make a good life for yourself, your family, and provide solid employment for other good Americans.

So, again, I need to point out class warfare does not work. It does nothing—it does nothing—to help improve our economy.

Senator LEE.

Mr. LEE. I thank the Senator from Wisconsin.

There is no issue that is more important or more pressing for the American people than this one right now, where we have reached a point where our debt-to-GDP ratio is about 95 percent. Our economy can't long endure that kind of borrowing. It has an effect that will result in an estimated loss of about 1 million jobs a year for each year we remain above the 90-percent, debt-to-GDP ratio. We simply can't endure that, and the American people can't endure that.

We need to increase revenues. The only way to increase revenues is to allow the economy to recover. That won't happen as long as we keep borrowing more and more money while doing nothing to control the underlying problem—the systemic problem that requires a structural reform.

The American people understandably, justifiably, and very correctly are demanding that before we raise the Nation's debt limit yet again, before we extend yet another credit card for the United States of America, we commit to some kinds of cuts. Future borrowing requires us to make future cuts. The problem with that is the moment that debt is actually used up, the moment it is incurred, the American people are under an obligation. But if we make a promise today that we are going to cut, let's say, \$2 trillion or \$3 trillion or \$4 trillion over the next 10 or 12 or 14 or 15 years, that is a promise we can't make. That is a promise we can't really commit to because this Congress, the one that sits right now, will not be the same Congress that convenes in January of 2013 or January of 2015 or in future years.

We have to make changes right now. The only way we can commit to future cuts, to future structural reforms—the only way we can bind future Congresses—is by amending the U.S. Constitution to change the way we spend money, to limit spending as a percentage of GDP, and to require a supermajority to spend more than we have or to raise taxes.

That is what we are demanding. We are willing to work and to come to the table on the debt limit, but we demand some kind of solution that will put us on course toward sanity. That is why we are here.

Mr. JOHNSON of Wisconsin. I thank the Senator.

Senator AYOTTE.

Ms. AYOTTE. I thank my colleagues. I think those who are watching this will see we are new Senators back here in the back corner of the Senate. As a new Member of this Chamber, I am deeply disappointed by the lack of work that we have been doing in the Senate. The majority leader has put us in a position where we haven't been focusing on the fiscal crisis that is facing our Nation right now, when we look at the fact it has been 792 days since we have had a budget.

I was so excited as a new member of the Budget Committee to roll up my sleeves and get together and put out a

responsible blueprint for this country. Unfortunately, we were told by the majority leader that would be foolish—to put together a responsible blueprint for this country and to do the work of the Budget Committee.

One of the reasons I came to the Senate is I am tired of business as usual. I know my freshman colleagues back here share that. I am the mother of two children—I know the President mentioned his children yesterday—but if we care about our children and the future of this country, we owe it to our children to not continue to kick the can down the road. We should be in the Senate today and next week talking about how we are going to put together a blueprint that makes sure that we do not continue to borrow from countries such as China; that we do not continue to enslave our children with the debt this country is accumulating.

We know if we do not address this, the greatest country in the world will go bankrupt. I, for one, want to follow through on the American promise that we have always made to the next generation, which is that we will leave them with a better country. That is so threatened right now with what is happening in Washington.

I share with my colleague, Senator JOHNSON, the belief we should be addressing nothing next week but spending and debt. We have the debt ceiling vote coming up, so why aren't we rolling up our sleeves right now, working on a solution with real spending reforms and putting those handcuffs on Congress that we know we need, such as a balanced budget amendment, spending caps, and a budget for our country that reduces spending so we don't have to have this continuing resolution situation.

We do not have a tax problem in this country, we have a spending problem. We need to create a positive climate for our private sector and do the hard work in Washington—the same way our families do—and live within our means. So I think next week we should be doing the work that needs to be done.

Mr. President, you called on us yesterday to work. We are here working. The only financial and fiscal blueprint that you have offered—your budget for 2012—did not even get one vote from a member of your party in this Chamber. This budget blueprint would have added another \$14 trillion to our debt.

So I say to our President: We are willing to roll up our sleeves and get to work with you to avert this looming fiscal crisis, but where is your plan that will reduce spending and get us on a responsible fiscal path to preserving the greatest country in the world?

Mr. JOHNSON of Wisconsin. I thank Senator AYOTTE.

Senator VITTER.

Mr. VITTER. I thank Senator JOHNSON, and I am honored to join him and all our colleagues here to echo the same important message. Everyone knows—everyone paying attention across the country knows—our greatest

challenge is out-of-control spending and debt. Everyone knows we face a mounting crisis and an important deadline in terms of the debt limit. So when are we going to face these crucial issues, the top challenges we face as a country? When are we going to face them squarely, directly, constructively on the floor of the Senate? It is just that simple. Let's get to the important matter at hand. Let's debate in a constructive way and let's vote on proposals to curb spending and debt.

Yesterday, we stood together, under Senator JOHNSON's leadership, and said just that. We said we are going to block any effort to go into a recess or a pro forma session next week—the July 4 recess. We have done that. We have successfully blocked that recess, and we did that because we need to roll up our sleeves. We need to go to work, not go on vacation, and deal with this crucial challenge of spending and debt.

Interestingly, President Obama, in many ways, said the same thing yesterday. He chastised Congress and said: You need to go to work, not go on vacation, and address this crucial issue. Well, great. We have succeeded in canceling that recess. That is a first important step. But why are we continuing to try to move to every other issue under the Sun except the biggest challenge our country faces? Why don't we face this issue, debate it in a constructive way?

Senator REID, why don't you put measures on the floor that directly address this issue?

With that in mind, those of us who joined together yesterday to block our July 4 recess have written Senator REID a letter today, and I think it summarizes our point and our position very clearly, so I will read it. It is not long.

Dear Leader Reid:

Yesterday we came together to make it clear that we believe the Senate should not go on vacation while our country goes bankrupt. We vowed to block any recess or pro forma session next week.

We're glad you have accepted that reality. But let's not be in session just to try to fool the American people into thinking the Senate is working on the Nation's fiscal crisis. Let's actually begin a constructive debate on the biggest challenge our country faces—spending and debt.

With that goal, we write to ask a few simple fundamental questions: When will you put serious bills on the floor to directly address spending and debt?

The Budget Act of 1974 requires the Senate Budget Committee to mark up a budget by April 15th, and tomorrow will mark the 793rd day since the Democratic-led Senate has passed a budget and the 11th week since missing that deadline this year. When will the Budget Committee meet to mark up a budget proposal, and when will you put such a proposal on the floor?

The American people want us to enact meaningful, effective spending caps. When will you put a spending cap bill on the floor?

We clearly need the enforced discipline of a balanced budget constitutional amendment. This measure failed by a single vote last time it was debated on the floor of the Senate. When will you put a balanced budget amendment on the floor?

We await your response and your leadership.

So, again, Mr. President, to summarize, we banded together yesterday and said: As the country goes bankrupt, we shouldn't go on vacation. We are going to block any recess, any pro forma session next week. And we did. But we did it to turn to this challenge: to debate spending and debt in a constructive way, to have votes on that, not to continue to avoid the issue and turn to every other issue under the Sun.

So through the Chair, I would again ask Senator REID, why don't we turn to this most important challenge of our country. Please put serious bills on the Senate floor that directly address spending and debt. Let's get on with the people's work.

Mr. JOHNSON of Wisconsin. I thank Senator VITTER.

Senator SESSIONS.

Mr. SESSIONS. I thank Senator JOHNSON for his leadership on this issue.

As the ranking Republican on the Budget Committee, I share my colleagues' disappointment that we have not functioned. It is good to see Senator AYOTTE and Senator JOHNSON, who are members of that committee. We worked hard to get prepared some weeks ago on the assumption that the Senate would meet its statutorily required duty; that is, to produce a budget.

I am holding up title 2, section 632 of the United States Code, and it is the Budget Act. It requires that the Congress annually produce a budget. We have now gone 792 days without a budget.

The first line of the act is: On or before April 15 of each year, Congress shall complete action on a concurrent resolution on the budget for the fiscal year beginning October 1 for the next fiscal year.

We haven't done that. It also says we should meet by April 1.

Senator CONRAD, our Budget chairman, Democratic chairman and able, experienced chairman, was prepared to go forward. It is pretty clear to me that the majority leader decided we shouldn't have a budget process.

Last year, the Budget Committee produced a budget out of committee, but the majority leader failed to bring it up for vote on the floor. As the leader, he has the power generally to control that fact and was able to do so. This year, he said it would be foolish to have a budget; and, basically, we would not even meet in committee to have a budget.

So we are facing the most serious systemic debt crisis in our Nation's history. The numbers are so serious and our path is so unacceptable that it is clearly the No. 1 issue of our time.

The Chairman of President Obama's debt commission gave a written statement to the Budget Committee that said this Nation has never faced a more predictable economic crisis. When asked, Erskine Bowles, President Clinton's Chief of Staff, said it could be 2 years, a little before, a little after.

What I am saying is, these individuals, particularly the ones who just finished a campaign, traveled all over their State, talked to hundreds of thousands, millions of people in their State, got a feel for it. They are bringing new vitality and new insight into what is happening, and what is happening is nothing. Six months have gone by, and we have not had any hearings, we have not had any votes on the floor. We haven't seen any legislation. So I think this is an unacceptable method. I think it undermines the classic constitutional duty of Congress to appropriate money and deal with taxes.

It is our responsibility. But have you observed mayors who say: I am not going to present a budget to city council. I am going to let them decide. Do you see Governors not presenting budgets to the State legislatures and then fight for what they believe in? Look what is happening with Governor Christie, Governor Cuomo in New York, Governor Brown in California, Governor Bentley in Alabama.

It helps to have that one single person elected to represent everybody, to provide some impetus, and it is astounding to me that we haven't seen that from the majority leader in the Senate or from the President. He submitted a budget but then backed away from it and it was voted down 97 to 0 on the floor just a few weeks ago, but it was never seriously considered.

So what are we looking to do? We are heading to a time where we may be asked in a few hours to vote on a monumental multitrillion-dollar deal to raise the debt limit of the United States. What will be in it? Will we be changing the trajectory of our Nation or will it be business as usual? We are not going to have time to review it. That should be on the floor now. People should be standing and casting votes right now. How much do you want to increase taxes? Do you? Which ones? How much do you want to cut? Where?

Let's have the vote down here. That is what we should be doing. I think it will help the American people understand how serious our problem is, and what it will take to get out of it. It is much more serious and our problem is greater than most people realize.

I thank my colleagues for their good comments and the enthusiasm they have brought and the passion they have brought to this critical issue.

Mr. JOHNSON of Wisconsin. I thank Senator SESSIONS. I will point out that business as usual here in Washington is bankrupting America.

Senator VITTER.

Mr. VITTER. I thank Senator JOHNSON.

I am glad our Republican freshmen did not get the memo that they were supposed to be seen but not heard. It is exciting for this old dusty establishment when the people who just walked in the door are the ones who are leading it. So I thank all the freshmen who are sitting here.

Washington is addicted to spending, and the "addict in chief" is President Obama. He has promised many times to quit, to quit spending, to live within our means, but he keeps falling off the wagon. Now, for the fourth time since he has been President, he is asking Congress to refill the bottle so he can keep spending and keep borrowing and keep increasing America's debt.

Members of the Senate often brag about the fact that we have the power of the purse. Part of that power is to pass laws to limit how much the administration can borrow. It has been a tradition. But both parties over the years have consistently blown through that legal debt limit and increased it whenever we wanted another drink.

The debt limit is supposed to be a stop sign, to stop the administration from spending more than we can afford as a nation. Instead, they have turned it into a green light, where we can just speed through and continue to pour more and more debt onto our children.

But now we have gone from it being just a wink and a nod, where we brag about how much bacon we take home to we are at the point where we could seriously lose our Nation. I think Americans sense that everywhere.

Congressmen and politicians constantly exaggerate and cry wolf, but I think there is a sense all across America that goes beyond partisanship to real worry. That is what I hear everywhere I go.

People somehow intuitively know that if we have debt almost the size of our economy and projecting to even double that over the next 10 years, what they see on TV in Greece and around the world of countries literally coming unglued could very well happen much quicker than we think in the United States.

We have over \$14 trillion in debt. We know the President is not serious about quitting this spending binge because the budget he sent us practically doubles that. As we have gone through these last few months of talking about raising the debt limit once again, we have not gotten one proposal from the President to deal with this issue. He has played dozens of rounds of golf and had many fundraisers around the country, but he has been AWOL on this issue.

So not only has he added over \$3 trillion of debt since he became President, he has been missing in action when it comes to actually dealing with it. His condescending speech yesterday that told Congress to solve the problem ignored the fact that he was elected as President to lead. Yet he is not even following when it comes to this issue.

We do have a spending addiction, and the only way we are going to stop it and keep our country from going over the cliff is if we have a constitutional requirement that we have to stop spending more than we are borrowing.

Outside Washington that doesn't sound as if it is an extraordinary thing to say. But here last week, one of the

Democratic Senators called me extreme for suggesting we needed to balance our budget. American families have to do it, businesses have to do it, 49 States have to do it, and sometimes it is painful. But we don't have to do it here. The reason we have an unlimited government is that we have unlimited spending in Congress.

We are at a point where we have to make a decision. We have obligated ourselves to borrow more money. We don't have a good choice at this point. But if we are going to give the President more money to spend to meet obligations he has already made, we have to make sure this is the end of this spending addiction. The only way for that to happen is if we in Congress give the people of the United States, and the 50 States, the opportunity to decide for themselves if they want their Federal Government to have a balanced budget.

That is what our condition is. We will help the President deal with this debt ceiling, but he is going to have to agree with us, and so will the Democratic Party, that we are going to send to the States a balanced budget amendment that the States can ratify. Five years after they ratify it, this Federal Government must be in balance.

If we can't do that, if we can't make that commitment to the American people that we are going to stop this addiction, stop bankrupting our country, then we are going to have to go through the pain we have caused ourselves, along with this President, when we don't raise that debt limit.

We need the help of Americans today because the people in Congress do not have the willpower to do what I just said. We need millions of Americans to call us and e-mail us and tell the President and tell Members of Congress that this debt limit should not be raised again, ever, unless we permanently solve this problem for the American people.

The PRESIDING OFFICER (Mr. BEGICH). The Senator has used the 30 minutes of the colloquy.

Mr. VITTER. I ask unanimous consent for 2 more minutes.

The PRESIDING OFFICER. Hearing no objection, 2 minutes is granted.

Mr. VITTER. This is very little to ask this Congress to do—to agree, within 6 or 8 years, to do the hard work to balance our budget in return for giving the President more authority to borrow more money.

We owe it to the American people to let them decide for themselves and let the States ratify it. This is a huge decision. All we are asking our Democratic colleagues to do is to let America decide if we should have a balanced budget. Let America decide if it is a radical, extreme idea that we live within our means and stop spending more than we are bringing in. I know how America is going to answer that question, and that is why I want to give them the chance to answer it.

Mr. President, you have the money you need to meet our obligations, but

once and for all we need to mean what we say and stop spending this country into bankruptcy.

I thank the Chair. I yield.

Mr. JOHNSON of Wisconsin. I thank Senator VITTER for his leadership on this issue. It is the most important issue facing this Nation.

I wish to thank my colleagues for joining me and for the leadership they have shown as well.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BENNET. Mr. President, I am pleased to be here today with the senior Senator from Colorado to talk about these important issues. The first thing I want to talk about is the debt ceiling itself. People at home are asking me constantly: MICHAEL, what in the world is going on back there? We are dealing with our budget at the local level, we are dealing with our budget at the State level, we are making choices that are not popular and are not easy to make but we are moving ahead and making decisions in our businesses and making decisions at home. We are moving ahead. What is wrong with Washington, DC?

Part of the problem in this place is that people are not just entitled, it seems, to their own opinions, they are also entitled to their own set of facts. I think when you are getting paid by the taxpayer you have an obligation to actually not play with your own set of facts but to come out here and say what the facts are.

What the facts are on the debt ceiling, the debt ceiling and the vote, is that this is not a case of deciding as you are sitting at the kitchen table and you are spending too much and so you are going to cut up your credit card. I would be for that. That is not what we are talking about here. This is about bills that have already been incurred by the United States. These are debts already owed by the United States. What this is about is not cutting up your credit card, it is about sitting at home and saying: You know what, I didn't budget very well last month, I didn't budget very well last year, so even though I watched cable happily all year long, I am not going to pay my cable bill this month. I am not going to do it. Even though I lived in this house all year, I am not going to make my mortgage payment this month. I am not going to do it.

That is not fiscally responsible for a family to do and it is not fiscally responsible for the Federal Government to do.

At home, if you do that what you discover is that your mortgage rate goes through the roof because the bank says to you: MICHAEL BENNET, you did not pay your mortgage last month and I am not going to lend you money on the same terms that I lent you money before because you are a lousy risk. That is exactly what this is about. It is not about new money. It is important for everybody to understand that because

if we do not raise the debt limit and we say to the creditors of the United States you are not getting paid—not to mention our veterans and our seniors and the men and women who are fighting in Afghanistan—but to our bondholders, you are not going to get paid, they are going to raise our interest rates, and every percentage point increase in our interest rate is going to drive us 1.3 trillion more dollars into debt. There are people coming out here saying it is the fiscally responsible thing to do, not to raise the debt ceiling when, if we do not, we are going to have \$1.3 trillion more of debt to pay and the interest on that debt and nothing to show for it.

It is not surprising to me that, Washington being Washington, there are people who see this as an opportunity to create leverage over things, to have a negotiation about the direction of this country. I understand that. I believed for a very long time that we have to get hold of our deficit and our debt. We have a \$1.5 trillion deficit. We have almost \$15 trillion of debt on our balance sheet. I think we have a moral obligation not to constrain the choices of our kids and grandchildren.

I have 3 kids of my own who are 11, 10 and 6. One of them heard me say that during a townhall meeting and she followed me out to the sidewalk and she said: Daddy?

This is Caroline, the oldest, and I said: What?

She said: Just to be clear—

She was making fun of me because I use that expression sometimes.

She said: Just to be clear, I am not paying that back.

That is the right attitude for her to have. We need to be advocates for Caroline Bennet and all the kids living across this country, not just to be fiscally responsible, which we need to be, not just asking what we are going to cut, which we need to do, but also prioritizing what we are spending to make sure we are maintaining the American dream, to make sure we are honoring the legacy of our parents and grandparents and their parents and grandparents and honoring our national creed.

It is our job, not as Senators but as Americans, to provide more opportunity, not less, to the people who are coming after us, and the debt and deficit is a huge piece of that. But, you know what, it is not the only thing. I lie awake at night worrying about the fact that if you are poor in this country it is hard for you to get a decent education. If you are born into a ZIP Code that is defined by poverty in the United States, your chances of graduating with a college degree in the 21st century in the greatest country in the world are 9 in 100. That means 91 of you are consigned to a future where you cannot participate meaningfully in the democracy, you can't participate meaningfully in this economy. We need to deal with that.

The fact is we have an economy that is not generating jobs, where median

family income for the first time in our history is falling, not rising. People are coming to my townhall meetings and saying: I have done everything I can do over the last decade, but I am earning less at the end than I was at the beginning. They are saying to me: MICHAEL, we sent our first kid to the fancy school, but we are not going to be able to send our second kid there, or we cannot send our kid to the best college they got into.

We need to be working on that.

We have an energy policy in this country right now—maybe it is better to say a lack of an energy policy in this country right now—that forces us to ship billions of dollars a week of our treasury to the Persian Gulf to buy oil. That doesn't make any sense.

I was on a call last week with farmers from my State, saying to me they are being driven out of business by the broken immigration policy we have.

I think the people at home are sick and tired of the screaming match. I think people at home are sick and tired of the partisanship. I believe that people do not think it is going to address these issues and I think they look at this deficit and debt situation and they say to themselves: This is such a reflection of incompetence that we are fearful to have a conversation about all the other things we have to do for our kids and for our grandkids. Their standard of what they want us to do is extremely clear to me.

The senior Senator and I are from the most beautiful State in this country, but we are also proud of the fact that it is a third Democratic, a third Republican, and a third Independent. What I have taken out of the townhall meetings I have had is this: They want us to materially address this problem. They do not believe we are going to fix it all at once—unfortunately, they are right about that—but they want us to materially address it. They want to know we are all in it together, that everybody has some role to play in helping preserve choice and options for the next generation of Americans and to make sure business understands that we are going to make good on the accounts we have.

That is not Washington speak, though; that is Colorado speak. It is tougher around here. And they want it to be bipartisan because they do not believe in either party's go-it-alone approach on this question.

I would add a corollary to all of that, which is that the capital markets need to be assured that their paper is going to be worth what they paid for it.

We need a comprehensive approach. It is an approach that is going to require us to cut discretionary spending. It is an approach that is going to require us to reform our entitlement system. It is an approach that is going to require us to do real tax reform in this place. We are not great here at walking and chewing gum at the same time but that is what we need to start doing. These are comprehensive and complicated questions.

No one would rather vote on something than I would that did not raise any taxes, but the math doesn't work. It is clear at the end of the day for us to move ahead we are going to have to have an agreement that has all of those aspects in it: discretionary spending cuts, entitlement reform, tax reform.

That is why Senator JOHANNIS and I, a Republican here, circulated a letter to the President that had those three elements in it. Thirty-two Democrats and thirty-two Republicans signed the letter—the Presiding Officer of the Senate signed the letter—agreeing that all these elements were going to be part of a final product here.

What I want to do this afternoon is simply implore all of us to do our jobs, to get this behind us, to begin the building of America again in the 21st century, to make sure we are not the first generation of Americans to leave less opportunity to our kids and our grandkids. There is a lot more agreement behind closed doors in this place than there is out on the floor. We need to bring some of that agreement out here, because if we fail to reach some conclusion before this debt limit vote and we unintentionally or intentionally end up in a place where we have turned our back on the debts we owe, we are not going to be able to solve this problem. The choices are going to make these look like easy choices.

We are going home for a few days this weekend, the senior Senator and I, to celebrate the Fourth of July, Independence Day, to spend some time with our families and friends and our neighbors. Then we are coming back next week. My hope is that everybody comes back—everybody, on both sides—with more of a seriousness of purpose than we have had, with an ability to see not just political benefit but the benefit to the country of coming to agreement.

If I can go home and say to people that we have reached a deal that meets the terms I mentioned earlier, my view is that will be perfectly fine in Democratic parts of the State and in Republican parts of the State. That is what we should strive to do.

I hope the American people will hold the people in this Chamber accountable in the way they hold people at the local level and the State level accountable. No mayor would ever say I am going to willingly or wantonly jeopardize the credit rating of my city—the Presiding Officer was a mayor—and live to fight another day, and we should not do that either.

I hope we move past the rhetoric of this debt ceiling discussion and actually get into a conversation that will solve the fundamental problems and challenges that are facing our country, because if we do not do that, we are not going to do the even more important work than that, which is to support the aspirations all of us have for this country and for our children in a world that is becoming more complex and uncertain every single day.

I thank the senior Senator from Colorado for his incredible leadership on these issues. I believe if we continue to try to reach out and continue to try to work together, ultimately we are going to find a path.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. UDALL of Colorado. Mr. President, I want to acknowledge the leadership of my colleague from Colorado, particularly underlining the salient points he made during his remarks. I think most important to note about Colorado is it is a third Republican, a third Democratic, and a third Independent in our political and electoral makeup. I think it drives us to find bipartisan solutions and bipartisan ground. That is why we came to the floor this afternoon. It was in the hope that our colleagues from both sides of the aisle would join us in the discussion about how we move forward, not just on lifting the debt ceiling, for the reasons Senator BENNET outlined, but for the reasons that we think are as follows:

We will lay a new foundation for our 21st century economy, we will send a message to the markets and the business community that we are serious about dealing with our annual deficits and our long-term debt. In effect, in doing such we will inject a healthy dose of confidence into our country, into our markets, and into our business community. Taking those steps will be a way of moving forward, as the Senator said.

I ask unanimous consent to enter into a colloquy with my colleague Senator BENNET.

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

Mr. BENNET. One of the things Senator UDALL said reminded me of a conversation I had a number of months ago with somebody who is in the capital markets and who watches everything going on down here pretty closely, but quizzically. He cannot figure out what in the world we are doing. I saw him, I think maybe it was in February, sometime in that timeframe. I asked him, as I always do: What are you doing? He is one of the smartest investors I know.

He said: I am buying gold.

I said: Why are you buying gold?

He said: I don't have any confidence that you guys are going to be able to work this out and get our deficit and debt under control.

First, think how unproductive that is. I am not telling anybody to buy or sell gold, but it doesn't create jobs in this economy. We want people investing in companies so they can grow and hire people and create jobs.

Anyway, I saw him again about 6 weeks ago. We started talking about the debt ceiling conversation.

He said: It is beyond the realm of my comprehension that you guys would fail to lift the debt ceiling.

Here is a guy cynical enough about the way this place works who is saying

he is buying gold, but it is even beyond his comprehensive that we could fail to lift the debt ceiling. The reason is, he actually understands what the facts are around this.

I think we will lift the debt ceiling. I certainly hope we will. But the more important point is what the Senator has been working on for all these many months, which is coming to a comprehensive plan that actually addresses the underlying problem of our debt and deficit.

I thank the Senator.

Mr. UDALL of Colorado. My colleague and I hosted the Colorado Capital Conference a few weeks ago. We had Coloradans from all sections of the State, all walks of life. We had the three main political points of view represented: Democrats, Independents, Republicans. They remarked to Senator BENNET and to me, as well as hearing from a broad range of our colleagues who were gracious enough to take time to speak to our constituents and answer questions, that we all had identified the problem and we all had identified the solution, which was a comprehensive plan that we implemented together. We are here again on the floor this afternoon to call on all of our colleagues to join us in working together, finding that common ground, because there is a lot at stake but there is enormous opportunity. My colleague was a successful businessman in one of his previous lives, but he may want to comment on the capital conference as well.

Mr. BENNET. It is clear to me, if this decision were left up to 100 Coloradans, we would scratch our head and we would probably argue out some things. But I think it would probably take about a day for us to come to a set of solutions that would solve the problem or at least move us down the road, and we would feel pretty patriotic about what we had done; that we had done something useful for our kids at the end of this process, if we are able to deliver something like that. I think that is how we ought to feel. There are too many days around this place where I feel like we have lost sight of all that. In that conversation the Senator talked about—Al Simpson was such a big part of, Gary Hart was there, Alice Rivlin, and a number of people—it was abundantly clear, blindingly obvious to the people in that room that we couldn't approach this problem by drawing bright lines and saying: No, we cannot touch this or, no, we cannot touch that.

They knew everybody was going to have to give a little bit in order to make this work. Unfortunately, some of that line drawing is what we are seeing around here that we have to find a way to get past.

Mr. UDALL of Colorado. If the Senator would yield, I would comment on two elements my colleague just alluded to. Let's talk about Social Security. There are those in our party who have said keep your hands off Social Secu-

rity. I know what a strong and important program Social Security has been. It has allowed me and my wife to raise our children. My parents were treated with dignity in their latter years. They also had the assurances of Medicare. If we think because Social Security on paper is solvent, we ought to think again because there is \$3 trillion owed to the Social Security trust fund by the Federal Government, and, yes, Social Security isn't responsible for that shortfall because we have taken those dollars and put them in the general fund, but that \$3 trillion is going to have to come from somewhere. There are some commonsense fixes we can put in place that will protect and serve and strengthen Social Security.

On the other hand, we hear in the Chamber tax revenues, I should say more appropriately, are off the table. Every economist and every observer points out we cannot get there from here, there being a balanced Federal budget, without additional revenues. Why can't we start, as the Bowles-Simpson commission proposed, eliminating many of the subsidies and loopholes and special deals in our Tax Code that total something over \$1 trillion. That is a great place to start. If we follow that with tax reforms, lowering rates for corporations and businesses, that is an even bigger step we can take. There is a broad agreement in the Chamber—certainly in our conversations with people across the country who represent their States here—those are commonsense steps forward.

Mr. BENNET. I completely agree, and why wouldn't we want to look at our Tax Code and our regulatory code. I hear about that from the other side, and I share their view. I have been in government. Listen, I was a school superintendent for almost 4 years. If one thinks I don't understand what it is like to be on the receiving end of well-intentioned legislation from Washington, DC, that by the time it gets to a school or classroom, makes no sense at all, believe me, I lived it every single day. So why wouldn't we look at our Tax Code and our regulatory code and ask ourselves: Are these things more or less likely to drive innovation in the United States? Are these aspects more or less likely to grow our economy and to create jobs? It is clear we have the highest corporate tax rate in the world now. It used to be second, but Japan either changed theirs or is about to change theirs. That is sending a very uncompetitive message to the world.

On the other hand, we have so many loopholes, so many special interest loopholes that underlie the Tax Code, we are not actually getting the revenue we would be suggesting as high rates. So in a way, this isn't a partisan issue, but it is the worst of all possible worlds because we are sending out an anti-competitive message to the world that says we are closed for business, and we have a whole bunch of loopholes that may or may not—and I suspect in

many cases do not—drive innovation in this country.

In fact, most of them are looking backward into the 20th century. They may have made sense in the middle of the 20th century, but they don't necessarily make sense to build new industries here, to develop things such as a new energy economy that is so important to our State which, by the way, would help lead us toward energy independence from the Persian Gulf. There is no reason to think all these things that have been written down are written in stone, and, frankly, our job is to make sure it is working better for people. So I think the debt and deficit commission made some excellent recommendations on that side.

The other side is on personal income tax. What they said there was, we can actually lower rates and raise more revenue. Why? Because there are so many deductions that are part of the code, and only 30 percent of the people in this country itemize, get the benefit of those deductions. We can imagine a world where everybody gets the benefit of a lower rate but we are able to have revenue to drive us forward. We can get there. The thing on the debt and deficit commission is, TOM COBURN, who is one of the most conservative Members of this body—I don't think he would mind my saying that—and DICK DURBIN, one of the most liberal Members of this body, both voted for that deficit and debt commission report. That is almost good enough for me.

Mr. UDALL of Colorado. I was proud of the Senate when five of the six Senators on the Commission voted for the Bowles-Simpson recommendations, not without some concerns, not without an interest in working to fill in and flesh out the plan, but five of the six Senators from across the political spectrum said this is a very good starting point.

Mr. BENNET. I see we are joined by Senator COONS from Delaware, and I am going to stop, but along that line, just to give people who are here in the Chamber or might be watching some optimism, just 2 weeks ago we took a vote on one subsidy, an ethanol subsidy, and I think it was Senator COBURN and Senator FEINSTEIN who put it on the floor, a Democrat and Republican, and it had like 73 votes. I get in trouble with my kids. It wasn't "like" 73 votes, it was 73 votes to end that subsidy.

By the way, there were around 40 Democrats and 30-some Republicans who supported that. We need more of that around here. I think it would—if we keep working at it and keep chipping away at it, in the end, we will be able to see common sense will prevail over politics.

Mr. UDALL of Colorado. Mr. President, Senator COONS would like to share his thoughts.

Mr. COONS. Mr. President, the two Senators from Colorado have inspired me to come to the floor and join them in a colloquy about the challenges facing our country. I say to the Senators

from Colorado, I am pleased and impressed with their leadership and have greatly enjoyed serving with them to date.

I agree that the vote on one of our tax expenditures on the ethanol subsidy was an encouraging and inspiring moment because we saw both Democrats and Republicans from all over the country casting a vote to end a tax expenditure or subsidy that, many would argue, has outlived its usefulness in the current marketplace.

In my home State, we recently saw the bankruptcy of our second largest poultry company, and they have communicated to me their grave concern about the ethanol subsidy. There are lots of folks on both sides of that particular debate. I think the larger point that is important for us to get to is certainty in the markets. I spent a number of years in the private sector in business before running for and being elected to office, and I know the mantra Senator BENNET is well familiar with, Senator UDALL is well familiar with, both parties are well familiar with, is certainty is what the markets look for. Certainty is also what our people look for. We have alarmed them, concerned them by not being able to reach a broad, bipartisan, responsible plan that lays out a framework for how it is we are going to address both the Nation's record deficits and record debt. Our debt today, as we know, is roughly \$14 trillion. Our deficit has hit an alltime record, and we are working on borrowed time. I have heard some suggest we need to better understand the situation we are in. The situation we are in, I believe, is that we are about to risk defaulting on America's mortgage. We have made commitments as a nation. We have expended ourselves at home and abroad in a lot of different ways, and I am worried we are on the verge of failing to meet our commitments. Just as America's households hesitate before ever defaulting on their mortgage, I think we, as a nation, as a people, have to hesitate, have to think deeply about the consequences of it.

I asked the folks who work with me on economic policy to quantify it. They looked at a number of different studies around the country and gave me chilling numbers. Should we fail to meet the August 2 deadline that Secretary Geithner has repeatedly, since January, in writing and testimony, suggested to us is the absolute last date by which we can reach a bipartisan compromise and a path forward, we will lose hundreds of thousands of jobs. One study said 640,000 jobs. The markets may lose as much as 10 percent of their value, which would mean a loss of almost \$1 trillion of market equity value. That means pension funds, personal savings, 401(k)s would take an enormous hit. The average homeowner would see an increase in costs, whether it is their credit cards or mortgages or car loans. It is easy to think this is an abstract argument. But

in reality, I think the problem we are causing, the lack of confidence in the markets, could have a sudden, sharp, grinding effect on our economic world, and that is because investors act more like animals than they do like machines. When spooked, they act the way herds do and they run off in a certain direction. My concern is, as a country, we are so used to having a AAA bond rating, to being the world's reserve currency, to being the gold standard in security. I am gravely concerned that intransigence, an unwillingness to come to a reasonable compromise is putting us at real risk of spooking the markets, of harming the average American homeowner, and putting our rating at risk as a country.

At the end of the day, so far in my short 6 months here, I have observed some things about how Washington works that worry me. If I could offer a metaphor, it seems to me there are a lot of sacred cows here. It seems to me the trillions of dollars we spend in our Tax Code through tax loopholes and special tax provisions and the trillions we spend through direct spending are broken up into these sacred cows, and I feel as if I have gone into dairy. I feel as if I am surrounded by a whole herd of sacred cows, and what we need is a deliberate and clear bipartisan effort to thin the herd, to make some tough choices.

As I know Senator BENNET said previously, I wish to commend the hard work of the Gang of 6, the so-called Gang of 6, the bipartisan group who came up with processes and a path forward. The Bowles-Simpson commission presented to those of us on the Budget Committee, presented to this body in writing, a proposal. There are paths forward. There are ways to make these tough choices. I hope before the time runs out, this body will embrace these proposals, make the tough choices and the sacrifices we need to come to the center and lay out a path. I, frankly, don't think we have until August 2. If we are going to put at risk the markets by injecting uncertainty, frankly, the timeline may be more like the middle of July. It is my hope the Senators from Colorado will be joined by Senators from both sides of this body and both sides of this Capitol in crafting a responsible bipartisan solution.

Mr. UDALL of Colorado. Mr. President, the Senator, in effect, is saying that rather than this being a problem, although it is, this is an enormous opportunity for the country to chart a new course. If we agree to do it first and foremost as Americans—

The PRESIDING OFFICER. The Senators have spoken collectively for 30 minutes.

Mr. UDALL of Colorado. We thank the Chair for that notification. We look forward to next week continuing this conversation.

I wish to thank my colleague for joining me and Senator BENNET in this discussion this afternoon.

Mr. COONS. Mr. President, I would like to express my gratitude to the

Senators from Colorado to allow me to join them and look forward to continuing this conversation.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I have had the opportunity to listen to my colleagues from across the aisle and while my purpose is to address another subject, I do want to respond to what we have just heard from three Democratic Senators and a number of Republicans regarding the need to address the serious issue of debt and deficit and how we are going to proceed before we run into a situation of national default with consequences we cannot begin to imagine, I think it is appropriate to say there is bipartisan support for serious debate and discussion. I was disappointed, obviously—in fact, I was more than disappointed. I was very frustrated yesterday with the President's press conference, the President essentially said the Congress is not doing its job and compared what was being done here to undisciplined children, who couldn't do their homework. He was targeting the opposition, which sounded like a lot of campaign rhetoric. This is very disappointing. At a time when we face a serious fiscal crisis, he shouldn't even be thinking about the election of 2012 and focusing on any campaign rhetoric—we ought to be thinking about and working to address the crisis before us that is going to have implications for every American now. If we don't come to an agreement on how to proceed before August 2, we are going to see how the financial markets react to what we have not been able to do. But to suggest we haven't been doing anything and that the Congress needs to take the lead, I think, goes even against the President's own thoughts when he was a Member of this body.

I wish to quote from a statement he made when President Obama was Senator Obama. That quote is as follows:

The fact that we are here today to debate raising America's debt limit is a sign of leadership failure. . . . Increasing America's debt weakens us domestically and internationally. Leadership means that the buck stops here. Instead, Washington is shifting the burden of bad choices today onto the backs of our children and grandchildren. America has a debt problem and a failure of leadership. Americans deserve better.

Yes, Americans do deserve better. But, obviously, that famous sign that used to be on the desk of Harry Truman when he was President, "The Buck Stops Here," has been taken off that Presidential desk and shifted over to the responsibility of the Congress. We do have a responsibility, but it is fair to say and accurate to say that without Presidential leadership, no matter what we do here will not become law. The President needs to be engaged in supporting what we do. Otherwise, it will not become law.

I think most of the American public thinks, based on the inferences made yesterday by the President in his press conference, Republicans are on one

side, the Democrats are on the other side, and they don't see the problem the same way. I think what we just heard—eloquent speeches and important speeches from both Republicans and just now Democrats—indicates there are adults here, not just children. We have been working hard ever since day one of this session to try to address the train wreck we see coming. First, it was estimated to come on May 16, and now August 2. We bought a little bit of time, I guess. But the clock is ticking and we see a train wreck coming and we are trying to do something about it.

There are serious people making serious efforts to have serious dialogue and debate as to how we best go forward in the interests of our country and not in the interests of the 2012 election; in the interests of our grandchildren and children, not in the interests of our political careers.

I came back to the Senate for one reason and one reason only, and that is that I was not going to stand idly by and watch our country sink deeper into debt. I was not going to watch my generation be the first generation to hand our children a country in worse shape than the one we inherited and a hole they could never dig out of. They will not be able to enjoy all the benefits my generation has had of peace and prosperity.

It is clear—and I am not here to go through all the statistics. I have made several speeches on this topic and we hear this on the floor every day. There are so many facts in support of the need to take serious action to address this serious problem. There is so much handwriting on the wall, and the wall is about to collapse. Economists from the conservative side to the liberal side and everybody in between—analysts, financial markets, and so forth—are taking action and saying we need to take action here. We see Democratic and Republican Governors across this country in various States taking action.

I am proud of what we have done in the State of Indiana in the last 6 years under the leadership of Governor Daniels. We have balanced our budget. We have dug out of a deep deficit left by his predecessor. We have a AAA credit rating. We have made some tough choices. We have had to cut and slash government jobs. There was a lot of bloat and a lot of excess there. We made tough choices, and we paid a financial price for it, but we are in better shape today than we have been in a long time as a result of taking these actions.

We see countries around the world having to belly up to the reality of the facts. They have overspent and have promised more than they can deliver. Yet the United States of America should be the leader of this effort in terms of getting its economy in shape. It is a place where the dollar was sound. It is the place to invest your money and know it was the safest place. All of that now has come into question.

I have been a part of these talks across the aisle. The two Senators from Colorado who just spoke, the Senator from Delaware who just spoke, and others, are taking this seriously. They are not putting their political fortunes ahead of the necessity to deal with these issues. They are saying that what transcends politicians, what transcends reelection is the fact that we have a serious crisis that has to be dealt with now and tough choices have to be made. We are talking in earnest behind closed doors, working in open sessions and closed sessions, trying to fashion an appropriate response. But without the President's leadership, no matter what we do, no matter what package we put together, we cannot succeed.

So it appears the President has decided to engage in the politics of the 2012 elections, and it is very disappointing. I hope that is not the case. I hope this shift we have seen from needing to get involved to "what is wrong with you men and women?" is just a temporary lapse. When we get frustrated, it is easy to say childish things, and that is why I waited overnight so I wouldn't come down here to be characterized as someone who says childish things. The problems we face are too serious for us not to take seriously.

I too believe we can fashion a plan that is in the best interests of the American people and the future of America, but we can't do it by pointing fingers at each other. We can't do it without Presidential leadership. Right now, the one missing element is Presidential leadership. As has been said before, the President was invited to come and meet with us today and to talk to us about the seriousness of this issue. We are willing to demonstrate to him that our doors are open and we are willing to go there, but it takes a commitment on both sides in order to accomplish that. Instead, I guess a couple of fundraisers were scheduled—one in Philadelphia, one in Las Vegas—and, apparently, that takes precedence. So I think the President's words are pretty hollow.

IRAN

I came here to talk about another issue, and I wish to do that now. Our necessary focus on the economic situation and what we need to do and the impending debt crisis we are facing should take precedence, but we can't overlook the fact we have serious issues on an international level that will have an impact on our country in the future. Those of us here have a responsibility to deal with not only domestic issues but with international security and foreign policy issues. Tomorrow is the first anniversary of the Comprehensive Iran Sanctions Accountability and Divestment Act that was passed by an overwhelming majority—bipartisan majority—in the last Congress. In fact, the vote in the Senate was 99 to 0.

This act expanded sanctions on the Iranian regime as it continues its quest

for nuclear weapons capability. Clearly, more needs to be done. I am here to talk about it and the implications, but I needed to say something about what has happened in the previous 24 hours that has been so disconcerting to not only me but to the American people and both Republicans and Democrats who are trying to make a serious effort at solving the problems we face.

Put on the back burner because of all these discussions is this question about Iran and where it is going and what the consequences of the future with a nuclear-armed Iran would be. This month my colleagues and I, because we believe these sanctions have not yet accomplished the goal we have intended and that we need even tougher sanctions against Iran, have introduced a bill entitled "The Iran, North Korea, and Syria Sanctions Consolidations Act of 2011" that further tightens the noose on the Iranian regime. We need strong support from this body and collective efforts to prevent a nuclear Iran.

I will take a few minutes now to explain why I believe this work is of such dramatic and growing importance to our Nation.

The enormous changes being wrought by the Arab spring and the potential consequences—both positive and negative—of that movement have captured our attention. Those of us who care passionately about the future of the Middle East and understand the consequences to our national security as a consequence of that, whether it is economic security because of energy resources we get from the Middle East or whether it is diplomatic security or just national security in terms of conflict that potentially draws us into that effort, all of this is at stake. We are hoping, of course, that the democratic instincts of the Arab spring will develop, but we look at this with a mixture of both hope and concern.

The democratic impulse in the region has not yet brought meaningful change to the Iranian people who continue to suffer under an autocratic, savage, and ruthless regime. As that regime continues to crush every plea for greater democratic liberties, it also pursues its vision of nuclear weapons capability. Welcome signs of democratic progress elsewhere in the region must not deflect our attention from the growing danger in Iran.

Three American Presidents, including this current President, have declared that a nuclear weapons-capable Iran is unacceptable. To give meaning to that repeated commitment to do whatever is necessary to prevent Iran from gaining that dangerous capability remains an urgent and highly significant matter facing the United States and international security. The consequences of a nuclear weapons-capable Iran are not tolerable, not acceptable, and must motivate the most powerful and effective efforts possible to prevent that from happening.

A nuclear-armed Iran would threaten the entire region and its enormous energy resources. It would motivate broad nuclear proliferation throughout the Middle East. It would further destabilize the region already in turmoil. It would encourage radicalism and terrorism, and it would threaten the destruction of the State of Israel.

This last danger alone—the potential destruction, the declared destruction of the nation of Israel—that alone potentially raises the danger to which Israel is the last resort, but almost certainly we have to respond to it to ensure its survival. That alone compels us to be clear-eyed and determined to find a solution before we have to face that potential decision.

I have been working in recent years with the Bipartisan Policy Center to press for a robust, comprehensive three-track effort to raise the stakes on the Iranian regime and to compel it to live up to its commitments and halt its weapons program. The first track we proposed was enhanced diplomatic efforts. People say, Why diplomatic efforts? That is just going nowhere.

We felt we needed to enhance those efforts to at least give that a chance, so that those who would say sanctions should not be imposed until we have tried diplomatic efforts—we said: OK, let's continue to give that a shot, but let's do that in parallel with some of these other approaches.

But this enhanced diplomatic effort, where we create and invigorate and motivate an international coalition devoted to the same objective to prevent Iran from gaining nuclear weapons, has been tried, and it has not succeeded.

Now, this effort does not mean simply repeated outreaches to the Iranian regime to engage them in dialog. The Obama administration came into office promising such discussions, but this has gone nowhere. International talks in Geneva last year accomplished nothing. Talks in Turkey earlier this year broke down in the afternoon of the very first day. Clearly, lack of any flexibility and goodwill on behalf of the Iranian regime has dissuaded any further attempt to renew dialog efforts. Dialog with the Iranians is in a deep freeze.

The PRESIDING OFFICER (Mr. WEBB). The Senator has used his 10 minutes.

Mr. COATS. Mr. President, I was not aware I had asked for 10 minutes.

The PRESIDING OFFICER. The order is for 10 minutes.

Mr. COATS. That is news to me.

I ask unanimous consent for an additional 5 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. COATS. Mr. President, I will just try to see how I can wrap this up.

I might ask, Mr. President, is there an order in place that I am not aware of?

The PRESIDING OFFICER. The order is that the Senate is in morning

business with 10 minutes to be consumed by each Senator.

Mr. COATS. All right. I apologize. I did not know that.

The PRESIDING OFFICER. Although consent has been given for larger blocks of time, and the Senator has just been given consent.

Mr. COATS. All right. Thank you, Mr. President.

The second track for solutions are sanctions. We currently have the Sanctions Act in place. We want to impose an additional sanctions track. That is why I have sponsored and cosponsored this new act. The impact of this, I think, could potentially be significant. But, so far, we have not seen success as a result of sanctions.

Since the international community first began to face this challenge—in the form of IAEA inspections and reports, various U.N. Security Council sanctions resolutions, and protracted negotiations to construct an effective coalition strong enough to have meaning—none of these actions have seriously thwarted the Iranian regime's nuclear ambitions.

That takes us to the third track of a comprehensive approach. Those of us in the Bipartisan Policy Center, working with experts on all sides of this issue, came to the conclusion that certain military options can be put in place that deserve serious and open discussion. Since diplomacy and sanctions have proven to be too weak, we need an extra kick to this process in order to achieve the desired result.

I am suggesting discussion and debate and dialogue. No one should suppose that including a military option in this package means anything other than preparing the ground for the logical, necessary access to measures of last resort, should they be needed.

Through the Bipartisan Policy Center, we participated in an exhaustive analysis of all the means and consequences of potential military action against Iran's nuclear weapons program. There were no war advocates in that room—none of us. Nevertheless, if it is true that a nuclear weapons-capable Iran is “unacceptable,” then our Nation and the international community as a whole must see with vivid clarity what measures remain, should the first two tracks fail.

The Iranian regime must be especially clear-eyed and nondelusional about those potential consequences should it not change its behavior. Indeed, to give the diplomatic and sanctions tracks the essential credibility they require, the military option must be entirely believable.

Military options themselves include a multipronged, comprehensive strategy, not all of which are “kinetic” or mean an actual attack with our Armed Forces. Such a strategy would include constructing the alliances needed to station U.S. forces in position to confront Iran and then a series of steps designed to demonstrate to Iran that the United States and its coalition part-

ners are capable of decisive military action, if necessary, to stop its nuclear program.

At the end of the day, we have to decide whether we will tolerate an Iran with nuclear weapons. If other States, including, importantly, China and Russia, become convinced of this core reality, they will make different calculations about their own self-interests in this matter. If they come to believe that we so desperately need them to accept modest sanctions on Iran, then they can compel us to take off the table the sanctions proposals with real teeth. We have become hostage to their views on this vital issue and also to their related economic interests.

So if these and other States come to realize that when we say “unacceptable,” we mean it, they will come to different conclusions about how their own interests can be best served.

In conclusion, a nuclear weapons-capable Iran that we believe can be contained is not one that we are therefore prepared to tolerate. If we think we can solve this problem through diplomatic efforts and sanctions, we have not been able to do so, and the likelihood of doing so diminishes as every day goes by. The nuclear clock keeps ticking in Iran. This is an illusion and one that makes our task much harder. If others, however—especially Iran, but also including our allies and other coalition partners—come to believe that we would consider tolerating a nuclear Iran because it can somehow be contained, then none of this will work. The result then will not be a contained and tolerated nuclear Iran; it will be the military action we all hope to avoid, whether it is ours or another's.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

THE BUDGET

Mrs. SHAHEEN. Mr. President, I come to the floor this afternoon to lend my voice to the others who have been here—my colleagues—to talk about the need to come to the table and come up with an agreement around how we are going to deal with raising the debt limit by the August 2 deadline and include some sort of package to address our debt and our deficits.

I listened carefully to my colleague and friend from Indiana, and I think we agree on a lot of what he said. I certainly agree that both sides of the aisle have been working hard to look at ways we can address this issue. I agree we need Presidential leadership to address this challenge we are facing. That is why I was so pleased to see the President come out yesterday and say, very strongly, that in order to address this, we are going to have to put revenues on the table, make sure they are in the mix, because we cannot get there without looking at revenues, with just looking at cuts to the budget.

So I think there is a lot of agreement. But every negotiation I have