United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 112th CONGRESS, FIRST SESSION

Vol. 157 WASHINGTON, WEDNESDAY, JULY 27, 2011 No. 114

Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York.

PRAYER

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

Let us pray.

Eternal spirit, Your goodness endures continually. Save us by Your name and vindicate us by Your strength. Bend Your ears to the words of our prayer and do not hide from our supplication.

As our lawmakers face difficulty that tests their powers to the limit, shield them from cynicism and faintheartedness. May they not become weary in doing Your will, knowing that they will reap Your bountiful harvest if they faint not. Lord, as our Nation faces the potentially catastrophic, inspire our lawmakers to seek Your counsel which will stand forever. Illumine their pathway that they may not fail.

We pray in Your merciful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable KIRSTEN E. GILLIBRAND led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUYE).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 27, 2011.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York, to perform the duties of the Chair.

DANIEL K. INOUYE,
President pro tempore.

Mrs. GILLIBRAND thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Madam President, following leader remarks, the Senate will be in a period of morning business for 1 hour, with the Republicans controlling the first half and the majority controlling the final half.

MEASURE PLACED ON THE CALENDAR—S. 1420

Mr. REID. Madam President, I am told there is a bill, S. 1420, due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the bill by title for the second time.

The assistant legislative clerk read as follows:

A bill (S. 1420) to require that the United States Government prioritize all obligations on the debt held by the public, Social Security benefits, and military pay in the event that the debt limit is reached, and for other purposes.

Mr. REID. Madam President, I would object to any further proceedings with respect to this legislation at this time.

The ACTING PRESIDENT pro tempore. Objection is heard.

The bill will be placed on the calendar.

THE DEBT CEILING

Mr. REID. Madam President, today our Republican colleagues in the House planned to vote on a bill to lift the debt ceiling for a few months before plunging this Nation and its economy back into a state of uncertainty.

What I mean by that is under their legislation, which would extend the debt ceiling for just a few months, and the latest report, because the numbers they have come up with are all wrong, we would come back in September if, in fact, we ever left here, and we would be debating the debt ceiling all over again. What a way to proceed. It is unbelievable they would come up with such a program.

Last night, Speaker BOEHNER pushed back that vote because his legislation did not even have the support of Republicans in his own Chamber. Group after group, from the Republican Study Committee, the Club for Growth, and many organizations have said they simply do not like his legislation.

But pushing back the vote by a day or rewriting parts of the bill will not solve the underlying problem: A short-term solution is not an adequate solution for our economy. Our country, our economy, and the world demand more.

Why do I say the world? Because our economy is the most robust, strongest economy in the world—the history of the world—and for us to fail to pay our debt would throw the world economy into a tailspin.

Even if the Speaker could get his legislation through the House of Representatives, I can assure everyone it would not pass the Senate. And certainly if by some strange phenomenon it passed, the President would not sign it. We do not have to worry about that. There will be no veto. This legislation is so weak that it will not get out of this Chamber.

Rather than lifting what economists call the fog of default, this Republican plan would usher in an era of bad economic weather that could last for years. A few weeks ago, Speaker BOEHNER said it was a terrible idea to merely postpone a default on the national

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

Printed on recycled paper.

debt or to push the problem down the road for a few weeks or a few months. That is what he said. Back then he was not interested in a short-term solution. Back then he was right.

This is why: Economists, market analysts, and rating agencies have said the world economy simply cannot bear this kind of uncertainty any longer. They have said a short-term solution to the impending default would still result in the loss of our AAA rating that has kept interest rates low in this country and saved consumers money for more than 70 years. So I trust Speaker BOEHNER and other reasonable Republicans understand the seriousness of a default crisis. Here is what the Speaker said very recently:

> That would be a financial disaster not only for our country but for the worldwide economy. You cannot create jobs if you default on the Federal debt.

But a short-term fix does not get the job done. It would cause many of the same calamitous results as a technical default, including rising interest rates that would essentially raise every person's taxes. American families will pay more for their mortgages, car loans, student loans, credit card bills, and everything else. Higher interest rates would not just be costly for consumers, it would also cost the Federal Government more, and would actually increase our deficits and debt—and very quickly.

A less than 1-percent increase in interest rates, which economists have predicted if the United States debt is downgraded, would cost our government more than $100 billion every year. I repeat: It would cost our government $100 billion extra every single year. In a decade, that would cost this country as much taxpayer money as Speaker BOEHNER's proposal would cut from the deficit. In effect, his short-term plan would yield not a single dime of savings. Nothing.

Republicans would like the American public to believe Democrats in Congress and the White House are insisting on a long-term deal for political reasons. They say Democrats want to push this off until after the Presidential election. That is not true. It is not Democrats who have asked for a long-term solution. It is the economy. The economy has demanded it.

If Republicans in Congress are willing to risk our economy by playing politics in July, why would they not do the same in September, October, November, when his proposal—Speaker BOEHNER's proposal—would run out of money? That is why every economist, every market analyst, every rating agency, has insisted any legislation to avert a default on the Nation's debt must take us through the end of 2012.

The Senate is considering a measure that would avert default and cut $2.7 trillion from the deficit. It is a reasonable measure. Republicans have supported every one of its cuts in the past, and it should be able to pass both Houses of Congress with bipartisan support. I have heard a number of my friends on the other side of the aisle come here and say: But they are talking about the overseas contingency fund. The Congressional Budget Office—the nonpartisan watchdog of Congress—has decided that is worth $1 trillion, just what we put in our bill. The Office of Management and Budget said it is worth $1 trillion. The legislation we are projecting gives each side something it wants. It protects Social Security and Medicare without raising a single penny of revenue. And, most importantly, it is a long-term strategy to safeguard the economy and give the markets the stability they need.

Unlike Speaker BOEHNER's legislation, which economists have rejected, it would not put us through all of this again in a few months—probably only a few weeks—and with even less certainty of achieving a compromise than now.

British Prime Minister David Lloyd George said: ''There is nothing more dangerous than to leap a chasm in two jumps.'' That is true. Congress has a duty to do what it takes to avert a national default in one swift leap.

It will take political courage. I urge all of my friends, Democrats and Republicans, to join hands. We can take courage from one another and make that leap together. Because if we do not clear this chasm, our Nation's economy will go over the edge with us.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

RECOGNITION OF THE MINORITY LEADER

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

DEBT LIMIT NEGOTIATIONS

Mr. MCCONNELL. Madam President, yesterday afternoon the White House issued a Statement of Administration Policy which said that when the legislation Speaker BOEHNER is now revising reaches the President's desk, unnamed senior advisers will recommend that the President veto it.

I have a question for these senior advisers: what about this legislation is so offensive that you would rather see the Nation default on its obligations than have the President sign it into law?

From what I can tell, the only thing in this bill the President has not already expressed his support for either publicly or privately is that it does not get him through his election without having to engage in another national discussion about the debt crisis that has brought us to this point.

So I would ask these senior advisers whether that is a position they want to put the President in. Do they really intend to suggest that he veto the Nation into default for political reasons?

That is how I read the threat. And I think that is how the rest of the country would read it too.

So this morning I would like to reiterate my strong support for Speaker BOEHNER, the House Republican leadership and this plan to prevent default and reduce Washington spending.

I also want to commend the Speaker for his efforts and his determination.

This has not been an easy process, but I hope through it all the Nation sees how hard the Speaker has worked to ensure our Nation avoids calamity while safeguarding the American dream.

The Nation has had a chance to see the Speaker at his best over the past few days.

Unlike the President, he not only put forward actual legislation to prevent this crisis, he is keeping his promise to cut spending more than any increase in the debt limit—with no tax hikes.

What about the President's plan? When asked about the President's plan, his aides point to a speech and a veto threat.

With all due respect, Congress cannot vote on a speech, and a veto threat would not prevent default. The fact is Republicans have offered the only proposal at this point that attempts to get at the root of the problem and which actually has a chance of getting to the President's desk.

That is why we will continue to press for the legislation Speaker BOEHNER has proposed, and that is why we will fight against anything that pretends to solve the problem but doesn't—including the bill from Senate Democrats that proposes the largest debt limit increase in history, while falling $½ trillion short on the cuts it claims to provide.

This crisis our Nation faces at this moment has a very simple cause and is easily understood: Washington spends a lot more money every year than it takes in. Do that every year and the debt piles up. Now we have reached the point where our deficits and debt are so large they are suffocating job growth, threatening the wider economy, and imperiling entitlements.

It took more than two centuries for Washington to amass a debt of $10.6 trillion. But just 2½ years after President Obama swore the oath of office, it is higher by more than one-third. Based on the President's actual policies, the situation is expected to get much worse.

In just 5 years' time, under President Obama's budget plan, the Federal Government will spend almost as much money just to cover the interest on its debt as it will on national defense. Over the next 10 years, the President's policies will add more than $9 trillion to the debt.

This is why S&P revised its long-term credit outlook for the United States, not because we haven't authorized the President to spend more

money but because he is asking for so much of it.

Yet, incredibly, the President's budgets would do nothing to reverse this trend. So he can claim to be interested in a solution, but what he put on paper makes the problem worse.

Right now, the President is asking Congress to raise the debt ceiling by more than it has ever been raised before in our history—even as the Nation is teetering on the edge of a crisis caused by that very debt.

Let me repeat, our Nation is facing a crisis because of the size of our debt, and the President of the United States, the man Americans elect to be the steward of our economy, is threatening to veto any bill that doesn't add more than $2 trillion to the debt ceiling, the largest increase in history.

The President is not taking a stand on cuts. He is not taking a stand on reform to entitlements. He is not insisting on reforms. Forget all that. What he wants more than anything else is more room under the debt ceiling to get him through the election. He has said that is his bottom line.

I remain as committed as ever to resolving this crisis in a way that will allow us to avoid default without raising taxes and to cut spending without budget gimmicks.

There is only one option that does that and that is the one Speaker BOEHNER has proposed, and that is being improved as we speak.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the second half.

The Senator from South Dakota is recognized.

THE DEBT

Mr. THUNE. Madam President, yesterday, I came to the floor to talk about where we have been, where we are and where we are going and to discuss how we are going to get out of this mess. I pointed out the President's disappointing record when it comes to the debt issue.

The President originally requested a clean debt ceiling increase that didn't have any spending reductions attached to it. He then submitted a budget that failed to ever balance, and this budget didn't include the recommendations from the Simpson-Bowles commission he had appointed to come up with some suggestions about how to put our country on a more sustainable fiscal path.

According to the CBO, his budget didn't even meet his metric of primary balance, which is balancing the budget not including interest costs. After realizing House Republicans were the only ones with a plan to balance our budget and pay down the debt, President Obama decided to give a speech. Of course, it was just a speech. It did not include numbers. He didn't resubmit his budget, despite requests to do so. He just gave a speech.

As they say, talk is cheap. We need action. The only action he promised, though, is that he will veto plans that would do something to address our debt and deficit problems.

Earlier this month, the administration issued a veto threat for the cut, cap, and balance bill. This was a reasonable proposal that immediately cut spending, put a cap on spending, and would have raised the debt limit after a balanced budget amendment was approved by the Congress.

In fact, this was so reasonable that, according to a CNN poll, 66 percent of the people in this country supported this plan. This bill garnered the support of 234 Members of the House of Representatives, including 5 Democrats. But Senate Democrats voted to table the bill after this veto threat was issued by the President.

So Speaker BOEHNER in the House of Representatives unveiled yet another plan. It certainly isn't perfect, but it begins to deal with our spending problem while also increasing the debt limit to provide a period of time for Congress to pass more substantial budget savings.

Unfortunately, the administration issued a veto threat for this bill. Their reasoning? It doesn't extend the debt limit past the election.

It doesn't take a genius to figure out why. It is not because the markets require a longer term increase; they don't. It is not because Congress generally approves long-term increases in the debt limit; we don't. It is not because a long-term increase would force us to cut more spending; it would not. It is because the President has to face reelection next year. That is it—nothing more, nothing less. It is a political consideration, not an economic one.

So after months of fearmongering about the risk of not raising our debt limit, the President will actually veto a bill because it casts him in a bad political light. This is unacceptable.

Tomorrow, I am hopeful the House of Representatives will pass the Boehner bill. I am hopeful that as soon as we receive it in the Senate, we will take it up, pass it, and send it to the President for his signature.

We need to do it not just for the debt limit increase, which we do, but we also need to do it to start cutting spending and creating a process to reform entitlement programs.

Already, our economy is feeling the impact of these debts and deficits. We know from the Reinhart and Rogoff study that our economy is growing at 1 percentage point less than it should be because of our debt. This is costing us about 1 million jobs every single year.

If we don't take action to cut spending, we know what our future holds: downgrades, interest rate increases, austerity programs filled with tax hikes and Draconian spending cuts, and anemic economic growth.

Looking at Europe right now, Ireland pays 12.9 percent interest on 3-year bonds. Portugal pays 19.4 percent. Greece pays an astounding 28.9 percent. These rates would truly bankrupt our country in short order.

Unfortunately, as former Bush economic adviser and Federal Reserve Board of Governors member, Larry Lindsey, pointed out in a Wall Street Journal op-ed recently and reiterated it yesterday at a Finance Committee hearing, even a normalization of interest rates in the United States to their historical average for the past 20 years would add $4.9 trillion to our projected debt over the next 10 years.

We can't afford the spending we have now, let alone this additional interest. We need to start cutting spending now. Both the cut, cap, and balance plan and the Boehner plan would do this.

We also need to create a process to reform entitlements. The cut, cap, and balance plan does this by capping spending, and the Boehner plan does this through the new joint committee that has a firm deadline for congressional action yet this year.

I wish I could say there was a plan by the President that does this. There isn't. That is why we in the Senate and in the House of Representatives are going to have to take the leadership in this debate. The President has obviously decided this is more about politics and, unfortunately, has not stepped up with the leadership that is necessary to get our country back on a sustainable fiscal path. We are where we are as a consequence of that, and we are facing a deadline in a few days where we will have to increase the borrowing authority of this country.

What I submit to colleagues is, the issue and the challenge and the problem in front of us is not the debt limit, it is the debt. If we don't do something about this debt, we are going to bankrupt this country, we are going to see the kind of interest rates they are seeing in Europe and we are going to see anemic economic growth in this country and it is going to be difficult to get people back to work. So cutting spending, getting our fiscal house in order, making government smaller, not larger, making the government economy smaller and the private economy larger is the way we need to get this country back on track. But it starts by having a plan that puts our fiscal house in order. So we, in the next few days, are going to have a chance to vote yet again on a plan put forward by the

House of Representatives because the President has failed to put forward a plan. I hope our colleagues in the Senate will do the right thing for this country and start to get us on that pathway that will enable us to get past the short-term challenges we face, get us to an opportunity to vote on a balanced budget amendment, which I think is desperately needed in this country, which would put the kind of fiscal discipline we need in place for the long term, so we aren't having year-over-year $1.5 trillion deficits that continue to accumulate more and more debt and put this country at a greater risk in future generations and greater jeopardy.

I hope my colleagues will support a responsible plan that actually does cut spending, does address the issue of entitlement reform, does it without raising taxes, and make sure that come next Tuesday we have taken the necessary action to protect our economy, shield it from any adverse impacts that could occur as a result of us not raising our debt limit but do it in a way that addresses the fundamental issue, which is the debt.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. ISAKSON. Madam President, I associate myself with the remarks of the Senator from South Dakota. Before coming to the floor this morning, I returned 2 phone calls I received yesterday out of 2,000 that came into the office. I picked those two because they were people I have known for a long time but haven't talked to in a long time, and they have never called me in my capacity as a Senator. Both of them are businesspeople, both are neighbors, and both had the same message: the uncertainty that Congress and this administration is now causing in terms of our inability to meet the day of reckoning next Tuesday, when we must do so, is beginning to impact their business, their philosophy, their investments, and their country.

What we are doing as we almost dilly-dally around, putting off a final decision, agreeing to not agree on anything is we are making the situation worse. I think the reports in a couple months will show economic activity in July will show America is slowing down, economic activity is slowing down. That is because Congress and this President cannot get their act together.

History and facts are stubborn. I wish to go over a 2-year history of this debt ceiling crisis because, for years, we have known it was coming. For 2 years, we have talked about it. In fact, a little over 18 months ago on the floor of the Senate, Republicans and Democrats passed a deficit commission amendment, which made it successfully through Congress, was signed by the President, and that deficit commission was created. It was charged with coming up with a solution for our rising spending problems, reduction of the deficit and debt over time, better management of our fiscal policy, and getting Congress's act together, where it could vote up or down on a proposal. That became known as the Simpson-Bowles proposal. It would cut $4 trillion in spending over one decade, reform our tax policy, and weed out a lot of bad things that have been in there for a long time.

What happened is, when it came out in December, the President rejected it out of hand. I am not being partisan, because a bipartisan group of people offered that proposal. I was one of the five Republicans who voted for it on the floor. I thought it was a conscientious way to address the debt and deficit and the problem we faced. For some reason, unbeknownst to me, the President rejected it out of hand. All he had to do was send it to the Senate for an up-or-down vote, and we would at least have begun the process of dealing with the debt and deficit. Instead, he rejected it out of hand.

In the months preceding this debate today and this coming Tuesday when we run up against the debt ceiling, we have had other legislation come to the floor or from the House that has been rejected out of hand. The cut, cap, and balance legislation, which I voted not to table last week, the majority leader decided to not even discuss but to make a motion to table it. But that was a conscientious way to deal with our deficit and debt over time. It was a disciplined process that said we need to make cuts now and begin the process—$51 billion—and watch our spending in the future based on historical spending averages, and we ought to give the American people a chance to say: Does America need a balanced budget?

Instead, the Senate tabled it, when we had a chance to say just say yes to solving our problems, and we just said no.

Last night, Speaker BOEHNER's bill, which was to be voted on today, was pulled off because of a revenue estimate produced by CBO. I hope that will get worked out and will pass the House and will come back to the Senate. It is about time for us to say just say yes to something instead of just saying no.

I wish to talk about the consequences of just saying no for a second. The longer we say no, the longer we send uncertainty into the world markets and our own markets, the worse our problem will be.

Our tax system is based on Americans being prosperous. As America prospers, as we have better economic activity, our revenues go up—not because we raise taxes but because we raise expectations. We are now lowering expectations in America.

The two businesspeople I talked to this morning said they do not know what to do. Quite frankly, I didn't know what to advise them. I ran a company for 22 years, and I know the worst thing about running a business is to have uncertainty in terms of which way to go.

So it is my sincere hope everybody will come together and realize no is not an option. We need to say yes. If the President has a plan, bring it. If the House passes their plan, let's vote for it on the Senate floor. But let's move forward because the price and the cost of uncertainty is destroying what little economic vibrance the United States of America has today.

Let's raise the expectations of our people. Let's raise the productivity of the Senate and the Congress and this President. Let's sit down at the bigger table of common sense and find a solution, and let's find it now.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader.

EXTENSION OF MORNING BUSINESS

Mr. REID. Madam President, I have spoken with the Republican leader, and I now ask unanimous consent that the period of morning business be extended until 2 p.m. today; that during that time Senators be allowed to speak for up to 10 minutes each.

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

The Senator from Wyoming.

A SECOND OPINION

Mr. BARRASSO. Madam President, I come to the floor today having listened to my colleagues and looking at the most recent job data, which shows the effects of our struggling economy. Unemployment is going up, wages are going down, and there are concerns all around the country with jobs, the economy, the debt, and spending.

I have to say, I certainly believe, as somebody who has practiced medicine for 25 years in Wyoming and taken care of families all around the Cowboy State and been very involved in the debate over the health care law, that the President's health care law makes matters worse, absolutely makes matters worse.

The President's health care law makes matters worse by forcing employers to either offer government-approved health insurance or pay higher expenses. Each day it becomes obvious to me the new health care law is designed to ultimately end employer-provided coverage altogether and to encourage Americans to join government-run exchanges. That is why, as a doctor, I come to the floor week after week with a doctor's second opinion about the health care law. Under this law businesses are permitted to drop out of paying for employer-provided coverage as long as they pay a fine. The fine is about $2,000 per employee. This number is far smaller than what it would actually cost the business to provide family health benefits to each of their employees.

So what happens with small businesses in this country? Well, they are

going to face an ever-clearer incentive to drop coverage for the people they employ. They are not required to pay this fine for the first 50 workers who lose coverage. So the question is, Where are these people supposed to go? Where do they go for their insurance? How does it work?

The President promised them if they like what they have, they can keep it. Yet the incentives built into the health care law seem to be encouraging employers to drop their employees. So where do they go?

Well, the new health care law sets up what are called health care exchanges for these people to enter. Whether they want to or not they will be forced to go that way. These exchanges are shorthand for insurance markets where as much as 80 percent of the cost of the family's insurance could be actually borne by taxpayers. Under these circumstances, the natural response is for businesses to drop coverage for their employees altogether and then simply offer them some less expensive cash benefits.

Meanwhile, what happens to the employees who are going to lose the coverage they may like and then try to replace it because that is what is going to happen? They will have to replace it with a plan Washington mandates. That is of concern to a lot of Americans, and this may be very bad news for the patient and is really bad news for taxpayers.

Experts predict the annual cost to provide government insurance subsidies could cost up to nine times more than what the White House originally claimed. If that isn't proof enough the health care law is the wrong prescription to help America's job creators continue offering coverage to their workers, let's take a look at some of the things that have just come out in the last week.

This week, on Monday, July 25, the National Federation of Independent Business—a group that represents small businesses all around the country—released an astonishing new report. The NFIB surveyed 750 small businesses. These are small businesses of less than 50 employees. The survey asked these small businesses if they planned to drop health insurance coverage should their employees become eligible for this government subsidy to buy health insurance in the so-called exchange. More than one-quarter of the small businesses who offer coverage today—over one-quarter of the small businesses that offer coverage today—said they were very likely to drop coverage. I repeat: Very likely to drop coverage. Another 31 percent said they are somewhat likely to drop coverage; that they needed to look into it to find the specifics.

When we take a look and add the ones who are very likely and somewhat likely to drop coverage, we are looking at over half the small businesses in this country dropping insurance coverage and effectively dumping their employees into the government-run exchange.

The small business group in the survey and the response from these small businesses prompted the Wall Street Journal to print an editorial highlighting this data. It is entitled ''The Flight to the Exchanges.'' When I read this, I said: Gee, I couldn't have said it better myself.

The President's health care law wraps businesses in reams of bureaucratic redtape and uncertainty. Adding insult to injury, on Monday, July 11, of this year, the Department of Health and Human Services released yet another proposed regulation mandated by the health care law. The Obama administration issued its proposed insurance exchange regulation. What the rules do is give the States the specific framework they must use to set up a program or an exchange with this Washington-approved and mandated insurance. Here we go again, another example of where this administration takes roughly 30 pages from the health care law and turns it into 340 pages of bureaucratic Washington rules and regulations.

Of course, the Secretary of Health and Human Services is trying to sell this new rule as offering competition and uses the word ''flexibility.'' But nothing could be further from the truth. How flexible can a 347-page Washington rule be when it is a rule that contains the word ''must'' 580 times and includes the word ''require'' 811 times? How flexible can that Washington rule actually be?

Well, after examining all the rule's ''musts'' and ''requires,'' one thing is very clear: This administration is paying lipservice to State flexibility while their policy is promoting a Washington-mandated, Washington-dictated, Washington-enforced approach. This regulation details a very complex and confusing process that States are going to have to follow. The States have to follow these confusing rules in an effort to prove to the Department of Health and Human Services they meet its Washington mandates to set up and run the insurance exchanges, and they have very little time to do it. So this administration creates onerous new mandates and then fails to give States ample time to meet their overwhelming set of requirements.

Let's put this into context for the States. Comments of the administration's proposed rules are due this September 28. Typically, it can take the Department of Health and Human Services 6 months to review those comments about the rules and issue a final rule. That means we would likely see a final rule in March of 2012. Remember, there are significant details missing from these exchange regulations. This regulation is only part of the details States need to review before they can decide whether to run a health insurance exchange on their own or let the Federal Government do it.

The administration has yet to release rules explaining the health care law's essential health benefits package, the individual eligibility to participate in the exchanges, quality standards for the exchanges, and quality standards for the participating insurance plans. Those details may not come out until October or November of this year. This means States still do not know what the minimum set—the minimum set—of health services individuals, small businesses, and insurers will have to offer in the exchange. Pending missing details and further rules expected to come from the administration this fall, final rules—final rules—may be in place finally in May or June of 2012. States would then have to be prepared to submit their plan in June of 2012 to Health and Human Services to be certified.

But what happens if the rules aren't out by then? Many State legislatures end their sessions by June, making complying with this tight time line extremely difficult, if not impossible. It seems to me this administration will have had 2 years to post their final regulations while the States may have only 2 months to comply.

What happens if a State isn't ready? They say have no fear; Washington is here to help. That is what they say. If the Department of Health and Human Services says a State's insurance exchange is not in compliance, then Washington will swoop in and set up its own program. This is often called the Federal fallback or the federally facilitated exchange, big fancy words for Washington bureaucrats telling States what they have to do.

The irony of all this is the administration's rules offer very few details explaining what this Federal fallback exchange will look like, so the States don't even know what happens if the Federal fallback comes into play.

Is the Department of Health and Human Services creating a stealth, back-door Federal exchange? If a State doesn't have adequate time to meet all the operational program requirements and the burdensome review process, it sounds to me like the Obama administration will then take control of the States.

Why should a State such as Utah, for example, that has created an especially designed insurance marketplace be forced to comply with onerous and costly requirements of this rule? If they are not willing to comply, will they face the consequences that Washington will make the final decision? States should be encouraged to create innovative solutions that meet the unique needs of their constituents, not forced to follow a one-size-fits-all laundry list of Washington mandates.

This is why I returned to the floor today, as a physician who has practiced medicine for a long time, with a doctor's second opinion, to tell you I believe this health care law is one that is bad for patients, it is bad for providers—the nurses and the doctors who take care of those patients—and it is bad for taxpayers. It is why I believe it

is important we repeal and replace this health care law.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

Ms. MIKULSKI. Madam President, how much time am I allowed?

The ACTING PRESIDENT pro tempore. Ten minutes.

Ms. MIKULSKI. I thank the Chair.

THE DEBT LIMIT

Ms. MIKULSKI. Madam President, I come to the floor today with a great sense of urgency. We are less than 1 week away from reaching our debt limit. If we fail and we falter, the United States of America will be irrevocably fractured. We aren't at an impasse; we are at the edge of a cliff. Unless Congress acts, we are going to go over it.

What will be the consequences of it? If we do not meet our obligations to pay our debts, it will result in a default, and default will result in enormous increases in interest rates. For Americans who are so worried about tax increases, I've got to send a real red alert. When interest rates go sky high because of our failure to act, it will be the biggest tax on America that we could have, and it will be a tax at the kitchen table. It means if anyone has a variable-rate mortgage, it will skyrocket.

If you have a student loan, that interest is going to increase. If you have a car loan, forget it. The payments are going to be enormous. So we need to face what this means: raising the debt limit. We need to prevent the default so our bond rating is not lowered.

I have never been big on talking about bond ratings, but this is a crucial one. We now have a AAA bond rating. So what does that mean? It means when they buy our Treasury bills or other government-secured investments, but particularly our T-bills, it is as good as gold. If we are downgraded, we could just be a tinhorn, tin-cup nation. This is not the United States of America. This is not what people fought and died for.

When people say they represent a party that wants to defend the Constitution, we all have to defend the Constitution. Right now, defending the Constitution and defending America is to lift our debt ceiling and get to the hard work of, No. 1, dealing with our debt but also dealing with job growth.

We have to get to work. Instead, we are busy at work playing the blame game. Squabbling is not a solution. But I believe we Democrats do have a solution, and I think the solution does lie in the Reid proposal. The Reid proposal the majority leader has offered is substantive, it is real, and it is achievable.

I was on TV yesterday, and they said: Oh, you are a liberal Democrat. Well, I don't know if I am a liberal, I don't know if I am a conservative, but I will tell you what I am. I am a diner Democrat. I think about the people. I think about the ordinary people, and I think about their day-to-day needs. When people talk about what kind of solutions they mean, they want everything on the table. What I want on the table are the things that affect the kitchen table. That is why I support the Reid proposal. It is an achievable framework for avoiding default and downgrade of our bond rating now.

What does it do? It has three important elements.

One, timing, to take us through 2012. It is not about the next election. It is showing we are serious and we are substantive.

Second, it has important content where we do cut Federal spending. It's observable, it's quantifiable, and it's verifiable.

No. 3, it gives us a path forward to deal with the important issues of entitlement and revenue reform. Wow.

So why can't they take it? I am puzzled about why they can't take it. Is it 2012? OK. Who knows who is going to be in control of either the White House or the Congress then? But it can't be about us. It is not about me. It is about we—we, the people.

Let's go to the content. There are substantial cuts there in discretionary spending. And there are substantial cuts to defense spending that do not affect readiness or military health care. These are actually cuts that the House voted for in the Ryan budget. So a few weeks ago, they said yes to the cuts. But when we say yes to the cuts, they say no to the proposal. I don't get it. But it's not whether I get it. It is that we have to make sure we get a solution.

What I think is important about the Reid proposal is it is $2.7 trillion in cuts. I understand CBO has scored it and they say it is $2.2 trillion. Well, $2.2 trillion, $2.7 trillion, that is real money. That is real money, and it shows we are serious.

It also provides this important path forward called a Joint Committee. It is not a commission where it is going to be outsiders who are experts from think-tank environments and hoo-ha, hoo-ha. It's Members of Congress, both sides of the aisle, both sides of the Dome. Let's get it together with them, and then let's have this committee where we then move forward on the reform of revenue as well as looking at entitlement reform.

I want to be clear that if, the horror of all horrors comes where we fracture the standing of the United States of America, not only in the financial markets but in the standing of the world, it will have very serious consequences.

The President is going to have to pay the bills based on whatever money is coming in. He would not be able to borrow. America would not be able to borrow. So our T-bill will not have the same value it once did. He is going to have to pay our bills.

What are the consequences on federal benefits? One is paychecks. The first paycheck he is going to meet is the paycheck for our troops. He has to make sure that if they are fighting to defend America while we are squabbling around and screwing around, we are going to pay our troops. My God, did it ever occur to anyone that our troops wouldn't get paid? Yes, it is going to be tight.

So we pay the troops. We are going to certainly pay our veterans' benefits. They might not be the same amount the first month, but we will kind of squeak through. Then, it will be Social Security. Well, maybe the checks will go out, but maybe it will only be at half the amount. But the Social Security offices will be closed. So benefits will have a direct impact.

Where is he going to slow down the trickle of money? To State and local governments. So what does that mean? Community development block grant money, education, and so on. That is going to cause enormous layoffs of public employees and contractors at the State and local level. The asphalt contractor, the person who handles the office machinery, minority contractors, and so on—all that small business they love to romanticize over are going to have a big impact.

Then the Federal Government will definitely have to slow down or not pay at all contractors, whether it is the big defense guys that employ thousands and thousands of people or it is the small- to medium-sized businesses, like the ones in my own State that do information technology?

We are about to destroy the reputation and solvency of the United States of America. We are about to destroy the reputation and solvency of the United States of America not only for one day but for a decade and maybe the rest of the century. This is not being done by an outside power. We are spending $700 billion on defense, and we are destroying ourselves by a self-inflicted wound because of political dysfunction, political rigidity, and political ideology. What the heck is this? I could even use more intense language. What we are about to do, we cannot allow this to happen.

One of my colleagues said to me yesterday, Senator MIKULSKI, what would it take to get you to the table? I said: Get me a plan and 30 Republican names behind it; I will see if I can support the plan and get 30 others.

I know my time is up, but I don't want the time to be up on America. Let's come together. Let's stop being Democrats, let's stop being Republicans, let's call us what we should be called: Americans.

What do Americans do? When the times are tough, the tough get going. Let's get going. Let's make the tough decisions. Let's put politics aside, put America No. 1, and get us back on track.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. SCHUMER. First, I wish to thank my good friend and colleague

from Maryland for her great words. She comes from the heart of Maryland and the heart of America. Very few people I have met in politics in my many years in this endeavor have an understanding of how average people feel and think and tick than the great Senator from the State of Maryland, and I wish to thank her for her outstanding remarks. If this body on both sides of the aisle would listen to her and her commonsense intelligence, we would be in a lot better shape than we are now. So I thank my colleague from the great State of Maryland, the senior Senator.

I rise to discuss the deadlock we have reached in the debate over raising the Nation's debt ceiling. Two nights ago, the President spoke and put the current stalemate in the context it belongs: The result of a small block within the House Republicans that refuses to compromise even one inch, it is on their shoulders.

We have perhaps 100 Republicans at the extreme right who seem to be leading the Congress and the Nation over a cliff. They don't even care about the idea that we might default. It is appalling. Yet they seem to be calling the shots.

For the last few weeks, the President has met over and over with House Republicans trying to meet them halfway and in some instances more than halfway. He has offered to cut record amounts from our debt and make cuts in programs that would be extremely painful to our side of the aisle. This minority in the House has come to think of ''compromise'' as a dirty word, and it appears as if they can't take yes for an answer. If you don't care about debt reduction, if you don't care about debt ceiling, rather, you can't get something done.

Speaker BOEHNER, who is a good and reasonable man, wants to do the right thing and compromise, but he is struggling to rein in his caucus. Instead of leading the House, Speaker BOEHNER is being led by a fringe in his caucus that thinks default is OK. This week, Speaker BOEHNER offered a two-step plan that simply kicks the can down the road. It resolves the debt ceiling only for the next few months. With the new CBO numbers, it will inevitably resolve it for even a shorter period of time, and that puts us, within a few months, right back at square one, all over again, with the same anxiety, the same gridlock, the same problems we face today. What sense, in the good Lord's name, does that make to just repeat this over and over until we drive off the cliff? It makes no sense.

All we have to do is look at how difficult this crisis has been to resolve after a year of negotiations. Does anyone think it would be a good idea to do this all over again in less than 6 months? The Speaker's approach is not only wrong, it is dangerous. It would leave a cloud of default hanging over our heads for the next several months, undermining confidence in U.S. bonds.

Market analysts have rejected the Speaker's approach, saying it could actually bring some of the same bad consequences as a default itself. It could even cause a credit rating downgrade.

Just yesterday, the CEO of Nasdaq testified before the Judiciary Committee and said:

> The longer the deal, the better it is for the markets.

Christian Cooper, a currency trader, was quoted by Bloomberg News this morning saying:

> From the markets' point of view, a two-stage plan is a nonstarter because we now know it is amateur hour on Capitol Hill and we don't want to be painted in this corner again. There is significant risk of a downgrade with a deal that ties further cuts to another vote only a few months down the road.

He said it better than any of us could say it, and he is a currency trader.

Mohamed El-Erian, the CEO of PIMCO, one of the most respected investors in the markets—and he invests, as I understand it, hundreds of billions of dollars. Mr. El-Erian expressed concern the other night that ''the political ground is being prepared for a short-term stop-gap compromise.'' He warned this could push stocks down and leave the U.S. debt rating ''extremely exposed to a damaging downgrade.'' Let me again quote Mr. El-Erian, one of the great experts on our credit markets. What he said is, the kind of plan that came over from the House that is attempting to be debated in the House—I don't think it will even make it over, but the kind of plan being debated in the House would ''create an extremely exposed damaging downgrade to our credit, to our Nation's debt rating.''

Even Republicans rejected a short-term increase in the debt ceiling as recently as last month. DAVE CAMP, Republican chairman of Ways and Means, said:

> It doesn't give you certainty. Ideally, you'd like to get that settled and not have to continually have it a continually hanging-over issue.

That is the Republican head of the Ways and Means Committee.

House majority leader ERIC CANTOR said:

> If we can't make the tough decisions now, why would [we] be making those tough decisions later. I don't see how multiple votes on a debt ceiling increase can help get us to where we want to go. It is my preference we do this thing one time. . . . Putting off tough decisions is not what people want in this town.

That is from House Majority Leader CANTOR. Yet he is leading the charge to send over the very type of plan he has criticized only a few weeks ago.

Republicans have apparently flip-flopped on this point. They are now saying they want the same kind of short-term debt ceiling increase they opposed on substantive grounds previously. Republicans have flipped-flopped on this point. Make no mistake about it, a short-term deal is still a nonstarter in the Senate and nothing more than a glidepath to a credit downgrade, and we will not allow it.

While Republicans continue pushing for an unproductive plan, Senator REID's plan, the Senate plan, offers real potential to finally break this impasse. It makes difficult choices. It includes almost $1 trillion in domestic discretionary program cuts, including defense. This is serious belt tightening that will have consequences, good consequences, for years to come.

The plan received a major boost this morning when Congress's official scorekeeper confirmed that the first draft cuts more—a lot more—than the Boehner plan. According to the Congressional Budget Office, the Senate draft bill achieves almost $1.3 trillion more in deficit reduction than the Boehner plan.

The report also affirms that the $1 trillion in savings the Senate planned from the Iraq and Afghanistan wars is real. That is CBO saying it, not some Democrat who is hoping and praying for an easy fix. This completely undercuts the arguments by Republicans who have tried to call these savings a gimmick, even though they included them in their own budget and voted for them a few months ago. If it was OK in their budget, it has to be OK in our budget. You cannot just change your mind based on whose budget it is. Substance should matter to some extent.

Plus, since the CBO only measured the plan's first draft before additional planned savings were incorporated into the bill, the final version of the Senate plan will achieve even deeper savings when it is filed on the Senate floor. As Politico reports this morning:

> In the battle of budget scores, the Senate Democratic deficit reduction bill is the clear winner thus far over an alternative by Speaker John Boehner.

Lastly, Senator REID's proposal allows for a joint committee that has the potential to achieve even deeper savings down the road to get our country back on the path to economic growth. All in all, this is an offer that Republicans cannot refuse. All of the cuts in Senator REID's proposal have been supported at one point or another by the Republican side. It meets the two main requirements laid out by the House Republicans: First, Speaker BOEHNER said the amount of the debt ceiling increase must be matched by the amount of spending cuts. Our proposal will do just that.

Second, Speaker BOEHNER said the tax increases must be off the table. Even though most of us would prefer tax increases, our proposal includes no revenue raisers whatsoever. We don't want tax increases on the middle class; we want tax increases on the wealthy and elimination of corporate loopholes. To not have them is a hard decision to many on our side who know we are going to need to do that for serious debt reduction.

The bottom line: In conclusion, we are getting dangerously close to August 2. Over and over Democrats have shown a willingness to move in the direction of Republicans. It is time for

Speaker BOEHNER to cut off his extreme Republicans who refuse to support even the plan that he crafted to meet their reckless demands. The Reid plan is our best route to a compromise. It is a compromise we need soon before the markets render a truly ominous judgment that will set our economy back for years.

I yield the floor.

Mr. DURBIN. Madam President, I thank my colleague from New York, Senator SCHUMER, as well as Senator MIKULSKI from Maryland for coming to the floor this morning and speaking about the crisis we face. The debt ceiling default, which will occur in 6 days if we do not act, will have a profound, negative impact on America's standing in the world and our economy at home. It threatens to stifle job creation and to slow down the business growth we need to get out of this recession. It is the most serious impact one could imagine at a time when we are facing this kind of recession.

This debt ceiling is being extended, or should be extended, under a law that was passed in 1939. We have extended the debt ceiling 89 different times: 55 times under Republican Presidents, 34 times under Democratic Presidents, and virtually every President has done it.

The President who holds the record for the most debt ceiling extensions in history is Ronald Reagan. Ronald Reagan extended the debt ceiling 18 times in his 8 years, during that period of time tripling the national debt. The President who holds the record next is President George W. Bush, who doubled the national debt in his 8 years and raised the debt ceiling 9 times.

This should have been done, and done routinely. Many of the Members of Congress, House and Senate, who come to the floor and say we will never vote to extend the debt ceiling are not being honest with the American people. The debt ceiling is paying for what Congressmen and Senators voted for. They came to the floor and said: Let's go to war, let's stay at war, let's spend $10 billion a month. And the President said: That was Congress's decision. Now I have to borrow the money to keep that promise. And these Members of Congress are saying: Oh, no, we don't want to have any fingerprints on the debt ceiling extension.

We cannot have it both ways. Members of Congress cannot ask for spending and then fault the President when he has to borrow money to make it happen. That is exactly what they are doing.

The President has tried to work out a bipartisan agreement to deal with this debt ceiling crisis. He invited in Republicans and Democratic leaders with Vice President BIDEN to sit down and work out an agreement, a bipartisan agreement. About 4 weeks ago, the House Republican majority leader, ERIC CANTOR of Virginia, stood up and walked out. He said: I am walking away from these bipartisan negotiations. I am not going to be party to them. Leave it up to Speaker BOEHNER.

Speaker BOEHNER then went into negotiations with President Obama, talking behind the scenes about ways to resolve this issue. That was a positive thing. But then he announced he was walking away from negotiations not once but twice, most recently last Friday.

Monday night, television sets around America were tuned in as the President of the United States explained this crisis and then Speaker BOEHNER explained his point of view. Speaker BOEHNER said Monday night he had a plan, a plan that would solve this crisis in a responsible way. That was Monday night. But then came Tuesday, and as the dawn came on Tuesday morning and people took a close look at the Boehner plan, here is what they found.

They found that business leaders across America were saying it was a terrible idea, the idea of a 6-month extension to the debt ceiling; going through this mess again and again would harm our economy.

Then the Congressional Budget Office took a look at the Boehner plan. They talked about it Monday night and said it does not add up. It does not cut the spending Speaker BOEHNER said it would. Then, finally, 100 members of Speaker BOEHNER's Republican caucus walked out on him yesterday, saying it was a bad plan.

So here we are, 6 days away from a deadline, 6 days away from a manufactured political crisis. It is time to do what is right. Senate majority leader HARRY REID has a proposal which addresses this responsibly. It cuts spending—and it has already been scored, has it not, by the Congressional Budget Office? It turns out that unlike Speaker BOEHNER's plan, Senate majority leader HARRY REID's plan does cut spending to move us toward a balanced situation.

Second, it extends this debate beyond the next election, beyond the next year, so we do not put our fragile and weak economy through this again and again. That is sensible. It also calls for the creation of a joint committee to deal with the long-term deficit. I have been involved in this conversation with the deficit commission, again, with the Gang of 6. We can do this on a bipartisan basis if we are honest and open with one another, and Majority Leader REID leads us in that direction.

We face a deadline 6 days from today. The Boehner plan of Monday night has disintegrated before our eyes. It has been rejected by business leaders. It has been rejected by the Congressional Budget Office. It has been rejected by the House Republican caucus. It is time for a little humility on both sides of the aisle from both parties.

Let's put all this squabbling aside. Let's focus on America's economy, putting people to work, saving businesses, and handling our debt in a responsible way. We can do it. We can do it if we stop listening to the political extremists and start dealing with the center of America which calls for leadership and wants us to put an end to this squabbling.

I yield the floor.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 194.

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

The legislative clerk read the nomination of Gary Locke, of Washington, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

Mr. REID. I ask that the nomination be confirmed, the motion to reconsider be considered made and laid upon the table, with no intervening action or debate; that any statements related to the nomination be printed in the RECORD; that the President be immediately notified of the Senate's action; and the Senate then resume legislative session.

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

The nomination was confirmed.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate resumes legislative session.

The Senator from Arizona.

Mr. MCCAIN. I ask unanimous consent to speak in morning business for additional time, if necessary.

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

THE DEBT CEILING

Mr. MCCAIN. Madam President, as the Senator from Illinois just pointed out, today we are 6 days away from a possible default which could plunge this country into a serious crisis. In fact, there are some who view maybe it is not exactly 6 days; it could be a few days more. There are those who argue that somehow—in a bizarre fashion—that somehow we could prioritize our payments to the most urgent requirements, such as our veterans, such at Social Security and others.

I wonder, what if the Greek Government came up with that same proposal as they went into bankruptcy, that they would prioritize spending that is remaining?

The point is, today we are 6 days away. The point is, markets are jittery. Investors are concerned. Most importantly, our constituents are frustrated. They are confused and they are

angry. Today, on the front page of USA Today, there is a headline that says:

The Debt: What Americans Think About The Political Debate.

It goes on to say:

Just get it done, work it out.

Another person:

''I'm sick of it,'' says Davis, 73, a retired economist. . . . ''They're playing games. Here we are, trying to pull ourselves out of recession, and they can't come to an agreement.''

If anyone thinks that the reputation and the approval rating of Congress and the Presidency has improved during this situation we find ourselves in, obviously they are out of touch with their constituents and the American people. Not only are the American people concerned, not only are the American people upset, but I will quote from and ask unanimous consent to have printed in the RECORD an article from this morning's Washington Post.

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

[From the Washington Post, July 26, 2011]

FRUSTRATED EXECUTIVES SAY POLITICAL IMPASSE SLOWS HIRING, INVESTING

(By Neil Irwin)

CHICAGO.—Business leaders are growing exasperated with Washington. And they say the dysfunction in the political system is holding them back from hiring and investing.

A new sort of risk to growth is emerging, not from the kind of economic forces that led to the recent recession but from elected officials' inability to agree on how to deal with them. This angst in the executive suite is reflected in this month's uptick in lobbying by business groups eager to see a deal on the federal debt ceiling, in surveys showing falling confidence among business leaders—and, in the American heartland, by the deepening frustrations of corporate chiefs.

In interviews in this great industrial capital, senior executives in the area said they lack confidence that political leaders can execute the basic nuts and bolts of governing, as exemplified by the brinksmanship over raising the debt ceiling. Indeed, the frustration over the political climate and Washington's seeming inability to solve problems appears to weigh more heavily in their minds than any specific government policy.

The executives are hostile to President Obama and his agenda and say higher taxes would damage their business prospects and make them less inclined to invest and hire. But in contrast to congressional Republicans' claims that any tax increases would stop job creation in its tracks, many executives say they could tolerate somewhat higher taxes if they were part of a broader plan that offered clarity on the nation's future policies, particularly one heavy on spending cuts.

''What are the rules of the game going to be in the long term?'' said Lyle Heidemann, chief executive of the 5,000-store hardware chain True Value. ''What our retailers would like to have is consistency and predictability. We can handle decisions we don't agree with, but that's easier than not knowing what the decision is going to be.''

For example, he said, several True Value franchisees have sold their stores in the past year—even though they would have preferred to hold on to them for a few more years—because they feared that the 15 percent capital gains tax will rise at the end of the year, when it is scheduled to expire.

The loss of confidence in Washington seems to be a driver of a more fundamental lowering of expectations in America's executive suites. The Conference Board, a business research group, found in its most recent survey of chief executives that 43 percent expected economic improvement in the next six months, down from 66 percent at the beginning of the year.

The groups that represent businesses in Washington, including the U.S. Chamber of Commerce and the Business Roundtable, have been urging Congress to raise the debt ceiling to avoid the risk of a default or downgrade of the U.S. credit rating, even as many newly elected Republican members of the House—who received support from business interests when running—are reluctant to vote for such a measure. A group of major business groups sent a letter to the president and every member of Congress two weeks ago, imploring them to raise the debt ceiling.

The tenor of the debates in Washington has damaged the executives' sense, long taken for granted, that the taxes and regulatory policies they face will be predictable and reasonably constant. The executives are horrified that the nation might be on the verge of losing its AAA credit rating, and they have a deep hunger for a grand bargain: a master plan to determine the nation's fiscal future over the coming decade.

There is no telling what the tax code will look like next year or who will ultimately bear the burden of reducing the nation's budget deficits. That makes it an ominous time to consider even buying a new piece of equipment or hiring another worker, businesspeople said.

''Clarity is everything, even if it's negative clarity,'' said Rick Bastian, chief executive of Blackhawk Bank, which has eight branches in northern Illinois and southern Wisconsin. The mid-size manufacturers to whom the bank lends money have made it through the worst of the recession, Bastian said. But now they are resistant to upgrading equipment or expanding production capacity because they don't know what the tax burden will be on their revenue.

''Let's say you make an investment that will return $100,000,'' Bastian said. ''I don't know if I'll be paying $10,000 more in taxes or $15,000 more. That could be the difference between whether you can afford to service a loan to pay for it or not. I'm not going to make a long-term investment that requires me to commit cash flow for years if I don't know what taxes are going to be.''

There has been plenty of political bickering in the nation's history, and the current situation bears some resemblance to the standoffs between President Bill Clinton and the Republican Congress that shut down the government twice in 1995 and 1996.

But executives describe a very different environment this time around. The economy was in generally strong shape in the mid-1990s, and business confidence—then high—was little phased by the showdown in Washington. Now, with 9 percent unemployment and an exceptionally weak two-year-old recovery, confidence is far more fragile.

''We're still coming out of a deep crisis and recession,'' said Kevin Kelly, chief executive of Heidrick & Struggles, a leading executive-search firm, who said his conversations with executives in recent weeks have frequently featured fretting over the debt-ceiling talks. ''There have been fits and starts toward stronger growth, and now the outlook hinges on what happens in Washington.''

At Quality Float Works, a Schaumburg, Ill., company that makes metal float balls for industrial use, the debt impasse has General Manager Jason Speer nervous that it could cause interest rates to spike and make the line of credit the firm uses to finance its inventory more expensive to manage.

As a result, even with business up 30 percent this year and more long-term orders coming in, ''we're kind of holding back on hiring and major purchases,'' Speer said. ''We're waiting and seeing what effect all this will have on our credit and on our ability to do business overseas.''

Many executives describe the uncertainty around taxes and spending as only one in a series of confidence-sapping challenges coming from Washington.

For example, BrightStar Care provides staffing services for home health-care workers through 225 franchisees worldwide with a combined 6,000 employees. Shelly Sun, the company's founder and chief executive, said that as she works with potential franchisees, many are held back by uncertainty over whether they will have to pay for their workers' health-care costs once last year's health-reform legislation is fully enacted, and if so, what it will cost.

''This is a very price-competitive business,'' Sun said. ''Consumers are already having difficulty scraping together funds to pay for services, and if the franchisees have to bear an extra dollar, $1.25, or $1.50 per hour for health-care costs, what could be a viable business may not be.''

And at Discover Financial Services, the large credit card and transaction processing firm with 11,000 employees, President Roger Hochschild has had to grapple with great uncertainty about how the financial system will evolve under changing regulations.

''It's really challenging to enter the mortgage business with no clear understanding of what Fannie Mae and Freddie Mac will look like down the road,'' Hochschild said.

But for many executives, the uncertainty about how the United States will lower its budget deficit over time and who will pay for it looms most heavily over their decisions.

''Among the other presidents and CEOs I interact with, the only consensus of opinion is none of us has any idea where things are going,'' said Scott Morey, chief executive of Morey Corp., a 700-employee company in Woodridge, Ill., that makes electronic equipment. ''And in my observation, the uncertainty we are experiencing is caused almost entirely out of Washington and other governments around the world.''

Mr. MCCAIN. That article says:

Frustrated executives say political impasse slows hiring and investing.

Business leaders are growing exasperated with Washington. And they say the dysfunction in the political system is holding them back from hiring and investing.

So where we are is, average American citizens are worried, Social Security recipients who are entitled are calling our offices, and the markets are already jittery. Most economists believe, if we allow this deadline to pass, that we will see a cratering of the financial markets, which, obviously, has a significant impact on savings, on people's holdings in the stock market, 401(k)s, et cetera. Meanwhile, here we are with a situation, and over on the other side of the Capitol, our Republican friends are trying to come up with a proposal that will receive the support of their majority. Over here, we have individuals who believe somehow there is still a chance, at least in this Congress, to pass a balanced budget amendment to the Constitution.

I will take a backseat to none in my support of the balanced budget amendment to the Constitution. I have voted for it 13 times. I will vote for it tomorrow. What is amazing about this is, some Members are believing we can pass a balanced budget amendment to the Constitution in this body with its present representation, and that is foolish. That is worse than foolish. That is deceiving many of our constituents by telling them that just because the majority leader tabled the balanced budget amendment legislation that, through amending and debate, we could somehow convince the majority on the other side of the aisle to go along with a balanced budget amendment to the Constitution. That is not fair. That is not fair to the American people to hold out and say we will not agree to raising the debt limit until we pass a balanced budget amendment to the Constitution. It is unfair. It is bizarro. Maybe some people who have only been in this body for 6 or 7 months or so believe that. Others know better. Others know better.

I am confident, one, someday we will pass a balanced budget amendment to the Constitution. Two, I am confident the overwhelming majority of the American people support it. Three, I am convinced that is the only way that at the end of the day, we will get spending under control because I have seen in the past Congress enacting very strong restrictions on spending, such as the Gramm-Rudman legislation, which required spending cuts with increases in spending and all of them failed because Congresses cannot bind future Congresses.

That is why I remain committed to a balanced budget amendment to the Constitution. To somehow think or tell our citizens that if we have enough debate on amendments in the Senate, in the short term, in the next 6 days, we will pass a balanced budget amendment to the Constitution is unfair to our constituents. It is unfair to our constituents, frankly, to come up with a plan—the so-called Reid plan—that is full of smoke and mirrors, and, frankly, does not entail any increase—real spending cuts. It is unfair of the President of the United States to lead from behind. It is unfair of the President of the United States not to come forward with a specific plan that perhaps could be considered by both bodies but only to go out and give lectures and act in as partisan a fashion as I have seen in his addresses to the American people. It is no wonder the approval ratings of the American people of the President and of Congress are literally at alltime lows.

I wish to talk for just a minute about an editorial in The Wall Street Journal this morning. The Wall Street Journal is not known to be—especially on its editorial page—a liberal periodical. It is entitled ''The GOP's Reality Test.'' It talks about:

The debt-limit debate is heading toward a culmination, with President Obama reduced to pleading for the public to support a tax increase and Speaker John Boehner and Senate Majority Leader Harry Reid releasing competing plans that are next-to-last realistic options. The question is whether House Republicans are going to help Mr. Boehner achieve significant progress, or, in the name of the unachievable, hand Mr. Obama a victory.

Mr. Obama recognizes these stakes, threatening yesterday to veto the Boehner plan in a tactical move to block any Democratic support.

It goes on and talks about the two-phase Boehner plan.

Congress would authorize $1 trillion in new debt in return for $1.2 trillion.

It has since been scored by CBO, and now I believe that on the House side—they are struggling but I hope will succeed in coming up with a proposal that will authorize the cuts we have advertised.

But I go on to read:

Unless the plan passed, Mr. Obama couldn't request the additional $1.6 trillion debt ceiling increase that he would soon need. The political incentive is for a reasonable package, and many Senate Democrats also don't want to vote for tax increases before 2012.

It talks about the critics, about people putting out statements, telling Republicans, telling the Speaker to come up with a better solution.

The usually sensible Club for Growth and Heritage Action, the political arm of the Heritage Foundation, are scoring a vote for the Boehner plan as negative on similar grounds.

But what none of these critics have is an alternative strategy for achieving anything nearly as fiscally or politically beneficial as Mr. Boehner's plan. The idea seems to be if the House GOP refuses to raise the debt ceiling, a default crisis or gradual government shutdown will ensue, and the public will turn en masse against Barack Obama. The Republican House that failed to raise the debt ceiling would somehow escape all the blame. Then Democrats would have no choice but to pass a balanced budget amendment and reform entitlements, and the tea party Hobbits could return to Middle Earth having defeated Mordor.

This is the kind of crack political thinking that turned Sharon Angle and Christine O'Donnell into GOP Senate nominees. The reality is that the debt limit will be raised one way or another, and the only issue now is with how much fiscal reform and what political fallout.

If the Boehner plan fails in the House, the advantage shifts to Mr. Reid's Senate plan, which would raise the debt ceiling by $2.4 trillion in one swoop through 2012. That would come without a tax increase but also $2.7 trillion in mostly fake spending cuts like less government ''waste, fraud, and abuse.''

How many times have we heard we are going to cut waste, fraud, and abuse?

And a $1 trillion savings from troop drawdowns in Iraq and Afghanistan that are already built into the baseline. As fiscal reform, this is worse than Mr. Boehner's plan.

The Speaker has made mistakes in his debt negotiations, not least in trusting that Mr. Obama wants serious fiscal reforms. But thanks to the President's overreaching on taxes, Mr. Boehner now has the GOP positioned in sight of a political and policy victory. If this plan or something close to it becomes law, Democrats will have conceded more spending cuts than they thought possible, and without getting the GOP to raise taxes and without being able to blame Republicans for a debt-limit crackup or economic damage.

If conservatives defeat the Boehner plan, they'll not only undermine our House majority. They'll go far to re-electing Mr. Obama and making the entitlement state that much harder to reform.

Let me say, again, I believe the plan crafted by Senator MCCONNELL that would call for significant cuts in spending, which would not have raises in taxes, would, in the short term, be a most reasonable solution. I hope that on both sides of the aisle we could work together and negotiate a way through that. I also think the much derided by some idea of a committee composed of Members of Congress—of Members of Congress only—from both sides of the aisle, from both sides of the Capitol, to sit down and work out a long-term solution to our fiscal calamities we are facing and those results and those recommendations by that committee be subject to an up-or-down vote only is the only way we can go.

How many times have we had a budget resolution that tasks the various committees to come up with savings and always those savings are phony or they are dismantled on the floor of the Senate? The only way we are going to have the courage to make these cuts is with a committee composed of an equal number of Republicans and Democrats on both sides of the Capitol who come up with tough measures that need to be taken. I believe the American people will support it. If it is not an up-or-down vote, we know what happens around here. Let's be honest. Let's have some straight talk. The special interests prevail, and they would dismantle the tough provisions this committee would come up with. I say to my friends on this side of the aisle, this is a balance, Republican and Democrat. We only control one-third of the government, and that is the House of Representatives. It seems to me a balanced, equal representation is to our advantage.

I just wish to say a word, again, about the Reid plan. First of all, I congratulate the majority leader for coming up with a plan because certainly the President has not. Spectrum auctions is part of it. That is going to provide auction of billions of dollars. I have been in this body for a considerable period of time. I can't tell you the number of times we have called for auction of spectrum. It is an annual basis. It is a copout that prevents us from making tough decisions. Most egregiously, the majority leader's plan provides $1 billion to pay television broadcasters who return unused television broadcast spectrum. The television broadcasters got the spectrum for free, and now we are supposed to ask the taxpayers to give them $1 billion to give back the spectrum they own?

Then, very interestingly, savings in Freddie Mac and Fannie Mae. There

are $30 billion in Fannie Mae and Freddie Mac reforms. There is nowhere in this proposal that mentions that, but I would point out we have already spent $150 billion on Fannie Mae and Freddie Mac that we have never seen the end of. Then, of course, the large claim that there is $1 trillion in savings from winding down the wars in Iraq and Afghanistan and, of course, that is phony. Everybody knows we are winding down the war in Afghanistan and Iraq.

So here we are 6 days away, and we still have members of Congress who are saying we have to pass the balanced budget amendment to the Constitution. We have Members on the other side who are saying we have to raise taxes. We have a President of the United States who so far has refused to come forward with a detailed plan of his own. That is called leading from behind. It is time we listened to the markets. It is time we listened to our constituents. Most of all, it is time we listened to the American people and sit down and seriously negotiate something before we face a situation where we are depriving the American people of the fundamental right of having a government that doesn't deprive them of the essential services, goods, and entitlements which they have earned.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. CORKER. Madam President, I wish to speak for 10 minutes or so. When I have 2 minutes remaining, if the Chair could tell me, I would appreciate it.

Madam President, I am here today with a sense of optimism. I know all of us are very concerned about what is happening in our country with the debt ceiling. I know we are getting lots of calls from constituents.

I think we have made remarkable progress over the last couple of weeks. If we think back to just a couple of weeks ago, people were crafting legislation for sort of a political vote, if you will, and I understand that. But here we are today, and we actually have the leader of the U.S. Senate—a Democrat—who has proposed a bill that has to do with spending. The Republican leader of the House has introduced a bill that has to do with spending. Candidly, I am kind of uplifted. We are finally on the right topic now. Candidly, to use a colloquial term from Tennessee, we are beginning to cook with gas. What I mean by that is people are actually now focused on the right issue.

We have all talked about this August 2 date. We have talked about the fact that our debt ceiling has to be raised by then. Certainly, there are a lot of ambiguities in the financial markets right now. A lot of them have been watching the Treasury Department and think the Treasury Department has actually made some ways of causing that to last a little bit longer. But I think one thing we can all agree to in this body at present is that we have until August 2. I think everybody would agree with that. Some people think we have longer. I think the one thing almost everyone would agree with in this body is that we have until August 2 to solve this problem, and I hope we will do so.

The other thing that I think is becoming part of sort of the mantra and the understanding throughout our country is that many of the financial markets, the people who actually buy our Treasurys, are now not as concerned about the debt ceiling. They want it raised, don't get me wrong, and as I just mentioned, we all understand August 2 is the date we have until to do that. But now they are more concerned about the fact that we may raise the debt ceiling and not actually do what we need to do to actually get our deficits in order.

First of all, we have the ratings agencies saying that if we don't get at least $4 trillion in savings in some form or fashion, then some of them are going to downgrade us. But our office over in the Banking Committee—our folks are constantly talking with folks who buy Treasurys, and the actual purchasers of these Treasurys are now telling us in our office that if we don't do something that at least shows $4 trillion in savings, then they believe we don't have the political will to cause our country to be as worthy of a borrower and that we are going to be paying more in the way of rates.

The other point I wish to make is that we have a proposal on the floor. Personally—and I may catch some grief back home for saying this—I think Senator REID has actually tried to put something forward to help solve this problem. I believe that. I think he has been working closely with Senator MCCONNELL. I think Speaker BOEHNER also—I know he has a different set of circumstances—is trying to solve this problem.

Here is the point: We are at a place where we are now actually talking about the right topic, and we now know that if we don't put forth a solution that is at least $4 trillion or in that order of magnitude, we are going to be downgraded.

It seems to me that people on the other side of the aisle—my Democratic friends—would not want to support a proposal that extends the debt ceiling that is less than $4 trillion because their President would be presiding over a country that was downgraded while he was President.

It seems to me that the Republicans who have worked hard to press this issue—and everybody has gone through tremendous acrimony, and certainly people who are watching this are incredibly frustrated and angry—it seems to me that Republicans who are on the verge of potentially being able to craft something that actually solves this problem would not want to support something that is less than $4 trillion either.

In fact, I would make this statement which I think is true: Anybody who votes for a package in this body to address the debt ceiling and our deficits simultaneously that isn't of the order of magnitude that is real and scorable—those are two different definitions, real and scorable—of $4 trillion is actually voting for a package that likely will cause our country to be downgraded.

So here is what I think. Senator REID, has offered a proposal, and I think they scored it at $800 billion. I know it says $3 trillion; his scores at about $800 billion. Speaker BOEHNER has offered a package, and he, too, has some scoring issues with his package.

It seems to me that all of us in this body should be pressing the leaders on both sides of the aisle to at least present a package that is scorable and real in the area of $4 trillion, depending on what we decide to do with that package. But if a Senator voted for a package that was less than that, they would be casting a vote to raise the debt ceiling and at the same time probably cast our country into a situation where we are downgraded, and that doesn't make any sense to me.

So we have 6 days left. I know people back home are nervous. I did a teletownhall last night. We had thousands of people on the phone. People are angry that we have waited this long to actually get serious about this issue. They are concerned about Social Security checks, disability checks, veterans' checks. I understand that. I empathize with them. But we haven't quite finished our work. We actually are on the right topic, finally.

Again, Senator REID has offered a proposal. The House has offered a proposal. Neither one of them is strong enough.

For what it is worth—I know the Presiding Officer knows this, but I am talking to people on both sides of the aisle—I think people are reading what the markets are doing and becoming increasingly concerned about considering voting for a package. I know the Presiding Officer comes from the center of the universe as it relates to those kinds of issues. People are rising up. There are a lot of private phone calls taking place, and people are saying: Wait a minute, let's think about this. The markets—which matter, by the way, because they are the ones that buy our bonds—are now saying to us that they know we are going to deal with the debt ceiling—and I think we are—they know we are going to deal with the debt ceiling by the time we have to—and I think we are—but now they are beginning to think we are not

going to do something that is actually the real solution.

So I am here today to talk to my friends on both sides of the aisle to say let's communicate with our leadership and say that we have 6 days left. We have an opportunity to do something—we have all been saying this—that really does rise to the seminal moment to actually solve this problem. This is not a Republican issue. It is not a Democratic issue. It is something that is going to affect everybody in our country. And we are finally, after all of this time, focused on the right subject matter. I mean we really are.

I just met with a group of Senators. I am going to meet with another group of Senators here in a little while. Let's make sure our leadership on both sides of this Capitol understands that we believe voting for a package less than $4 trillion in savings over this next decade that is not real and scorable really isn't getting the job done.

I know Senator REID's approach has been to do it all at once, and maybe there is a way to craft a package between now and next Tuesday that people can vote on that has $4 trillion in real savings. I think that might be difficult, but maybe something is happening behind closed doors that we are not aware of. I know that on the other side of the building, people are concerned about—well, actually, on the other side of the building they are looking at a short-term extension.

I know the President has been concerned, candidly, about a short-term extension. In fairness, I think the business community around our country would be concerned about a long short-term extension—in other words, one that carries out months and months and we still don't have a solution to this problem. I understand that creates the kind of uncertainty that many of the people on my side of the aisle and, candidly, people on the other side of the aisle, to some degree, have talked about as it relates to the business environment.

So, sure, I would love to vote for something that solves this problem and does it all on the front end. But I assume our leadership, knowing the acrimony that is taking place—but, again, at least we are on the right subject matter, finally—the acrimony that is taking place, I assume they have some really short-term extension in their back pocket that, to the extent we don't come to a conclusion by next Tuesday, they are ready to pull out and they know it is something that can actually pass both bodies.

Again, I think we are so close now because we are finally focused on the right thing. I think we are close to getting to something that solves our country's problems for a while, causes people around the world and the country to know we actually have the will and the courage to deal with these issues and at the same time addresses the debt ceiling.

Should we not quite get there by this Tuesday—and I know there are a lot of complications, and we have bodies that are made up of two very different groups of people—I would assume our leadership, who understand what is at stake here, have in their hands, in their back pockets, a very short-term extension that could be used as a bridge for the kind of solution that maybe takes us to a place that we can all agree helps solve our country's problems.

Again, I have heard people have been coming down to the floor back and forth and criticizing each side of the aisle. I am actually more optimistic today—I am not over the top, but I am more hopeful than I was 2 weeks ago when we were not even focused on the right issues, at that time focused on casting blame. Now what we have is both bodies looking at packages to actually address the deficit we have before us.

I hope people on both sides of the aisle will talk to leadership, will let them know they have no desire to support something that does not solve the problem with all we have gone through as a country and as a body over the course of the last couple of months. I am hopeful we will figure out a solution that actually meets that test—in other words, avoids the crisis on Tuesday and, at the same time, avoids the crisis that will occur if people look at our country as a downgraded entity because we have not shown we are willing to at least deal with $4 trillion.

I think most people know I wish to do a lot more than that, and I offered a bill that was bipartisan that did a lot more than that. But I think we all now know that baked into the expectations about where our country is today is the fact that it has to be a minimum of $4 trillion. I think a lot of people have worked toward that goal. To even set up a process that is short of that does not make any sense to me. It is kind of as though you have to be kidding me: We are going to go through the aggravation of the next 6 months working toward an aspirational goal that we all know does not solve the credit rating issue?

Madam President, I thank you for the time. I hope we come to a successful conclusion soon. I stand ready and am talking with people on both sides of the aisle to try to come up with a solution so we either solve this on the front end or put in place a process, a very quick process, that takes us to a place where we know we have actually dealt with the problem.

With that, I yield the floor.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. FRANKEN. Madam President, I rise today to discuss the urgent need to raise the debt limit. I wish to take this opportunity to remind my colleagues of our obligation to represent our constituents' best interests and those of our great Nation, for at this late hour, with the deadline for an agreement fast approaching, the consequences of inaction are clear. They have been made clear by economists, they have been made clear by credit rating agencies, they have been made clear by the Federal Reserve and by our Treasury Secretary, and they have been made clear by respected leaders of each side of the aisle. And soon, if we do not act, they will be made clear by the market itself.

I keep hearing from some Members talking about the August 2 deadline as if it is no big deal. They say they have their own theories about when the real deadline is. That leaves me dumbfounded. I, for one, am going to take the Treasury Secretary and virtually every economist at their word. We need a solution before August 2 or we risk economic catastrophe.

There are some Members who are essentially saying the Treasury can prioritize payments to avoid default, but getting Social Security checks out should not be a problem. I heard a Republican Member of the House Budget Committee on Public Radio this past weekend say the money for Social Security checks is in the trust fund.

Well, yes, we have $2.6 trillion in assets in the trust fund, but they are all in Treasury securities, not cash. I find it stunning that a Member of Congress, let alone a member of the Budget Committee, would not understand the most basic functioning of our government. If there is no debt limit increase, Treasury may be able to juggle payments to get Social Security checks out on August 3, and I am sure they will do everything they can to do so, but August 3 would be just day one of Treasury's improvised prioritization strategy. August 3 is a date that about half of the Social Security checks go out. But we have another round scheduled to out on August 10, and another on August 17, and another on August 24. In fact, the Treasury sends out over 70 million checks a month. August 3 is not the end of the problem, it is the beginning.

About 1 month ago, the Bipartisan Policy Center briefed members of the House Republican caucus on the actual implications of the August 2 deadline, what we can pay and what we could not pay. Jay Powell, the former Under Secretary of Treasury under President George H.W. Bush, presented at the briefing. He outlined his research on what is likely to happen on August 3. He suggested that in the month of August we could pay our debt interest, Social Security checks, Medicare and Medicaid, vendors for Defense projects, and unemployment insurance benefits. That is what we could pay, but no pay for active-duty military, no benefits for veterans, no Federal loans for low-income students about to head off to college in the fall, no Pell grants, no

Federal Government employees, including counterterrorism agents in the FBI, for example, no border agents.

Before we default, we could have time to make this sign for all points of entry. This is the tip of the iceberg. That is a symbol of things we definitely could not afford to do.

That does not even address the global economic impacts of playing it so close to the edge. The dollar would be devalued, our credit rating would be downgraded. It would cost us much more—much more—to borrow and to pay the interest on our debt, and thus our debt would actually increase.

More importantly, all adjustable interest rates would rise, including credit cards and mortgages and student loans. New loans, of course, would be more expensive. These impacts could have a legacy that dogs us for decades, if not centuries.

This is serious business and we should not be testing this deadline. Yet that is exactly what some of my colleagues are doing. I worry that Republicans in the House are blind to research, deaf to reason, and are simply ignoring facts that are contrary to what they want to hear.

Throughout this debate, conservative House Republicans have stood in the way of a deal. We have offered them some pretty sweet deals, and they have walked away. They treated the August 2 deadline as advisory, as optional. They suggest that the Treasury can figure out something to prevent a default.

Now they are opposing Senator REID's sensible deficit reduction plan because of how it calculates some of its savings. Specifically at issue is the Reid plan's $1 trillion in savings from winding down the wars in Iraq and Afghanistan, which Republicans are calling a budgetary gimmick, not real savings.

Yet the Ryan budget, which almost every House and Senate Republican voted for, counted the same cuts almost identically. So to say it is real savings in the Ryan plan but fake savings in the Reid proposal—I am sorry, but you cannot have it both ways.

Further, Senator REID's plan is actually all cuts. I do not necessarily like that. It contains dollar for dollar spending cuts to match the debt ceiling increase. And as much as I do not like this aspect of it, it does not include any revenues, even though a Washington Post-ABC News poll says that 72 percent of the American public believe we should have those making over $250,000 pay more—72 percent.

But a cuts-only plan is what Republicans have been saying they wanted all along. Now we have given it to them, we have it out there, it is there, and all of the cuts in the Reid plan have been supported by Republicans in the past. So we are presenting a plan that is all cuts, no revenue. The pretense they are using to reject it does not pass the smell test. According to CBO, it saves $1.3 trillion more in savings than the Boehner plan, such as it is. You know, I often hear Republicans say corporations are sitting on trillions of dollars of cash instead of investing, expanding, and creating jobs, because businesses are facing so much uncertainty. Well, Senator REID's plan offers certainty.

But suddenly Republicans want a short-term deal, one that would very well put us in this same crisis again in 6 months. What kind of certainty is that? No, a short-term deal will not offer our businesses and markets the certainty they need. A short-term deal may very well induce a credit downgrade, according to Standard & Poor's. Yet Republicans say they prefer a short-term deal over Senator REID's plan, which would take us through the end of next year.

I do not get it. It sounds to me as though they care more about politics and winning than they do about their constituents' well-being and the prosperity and economic security of the Nation. Their hard line and cavalier attitude is frankly dangerous—very dangerous.

Playing fast and loose with the facts is reckless. The American people deserve better. We need to raise the debt ceiling now, and Leader REID has shown us the way forward. I do not like all of the cuts in his package. I wish there were increases in revenue from those who can afford it. But I know we have to pass it because it will keep us from defaulting, and it will do so responsibly and sensibly.

We owe it to the American people to pull back from the brink and pass the Reid plan so we can avert disaster. We owe it to our constituents, and we owe it to our children.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

FAA REAUTHORIZATION

Mr. BAUCUS. Mr. President, I rise today to discuss the FAA bill. On Friday, authorization for the Federal Aviation Administration was allowed to expire. Four thousand workers were placed on furlough. The airport and airways trust fund now lacks the authority to collect user fees that fund air traffic services, airport maintenance, and other things that Americans rely on.

Let's be clear. This should not have happened. It happened because a few Members of the other body made a conscious choice to negotiate in bad faith. Clear and simple.

Let me recap it. Under the able leadership of Senator ROCKEFELLER, the Senate again passed our long-term FAA authorization in February, with a bipartisan vote of 87 to 8. Later, the House passed its bill, but largely along party lines.

In April, the Senate named conferees to negotiate a final bill. However, our friends in the House have yet to appoint conferees to join us at the negotiating table.

Meanwhile, since 2007, we have passed 20 extensions to allow this program to continue operating while we work to negotiate a long-term solution. Not a single one of those extensions has been met with controversy—not one.

However, as we undertook what should have been the latest clean extension, the House unexpectedly eliminated 13 rural airports that rely on Essential Air Service just days before the authorization expired. The House refused to reconsider and chose instead to shut down the Federal Aviation Administration.

The House seeks to save approximately one-tenth of 1 percent of overall aviation spending by attacking essential air services. I agree with anyone who wants to control Federal spending and invest in real priorities—we all do—but it simply doesn't make sense to focus on saving fractions of pennies on the dollar instead of coming to the negotiating table to hammer out long-term solutions.

At the same time, the House rejected an opportunity to protect our troops from exorbitant baggage fees. Congressman NICK RAHALL introduced an amendment to the House extension that would have prohibited air carriers from charging a baggage fee for members of the Armed Forces while traveling on official military duty, especially those checking four or fewer bags. In one instance, an airline reportedly socked a poor servicemember with a baggage fee of $3,000. Regrettably, the House rejected this offer to protect our troops, and the rejection was on a party-line vote. Those of us negotiating in good faith here in the Senate were left scratching our heads. The House would reject a clean extension to save a mere one-tenth of 1 percent by attacking rural jobs and commerce, but it would reject an opportunity to protect our troops from getting gouged by baggage fees on the same bill. It doesn't make sense.

Later, we learned through the press that the House's erratic strategy had apparently nothing to do with potential cost savings at all, but, instead, these antics were about rulemaking by the National Mediation Board. This is a labor issue that has nothing to do with essential air service and nothing to do with the daily operations of the Federal Aviation Administration, both of which could be operating right now under a clean extension. This labor issue should be worked out in a conference—the conference committee we can't have because the House has yet to name conferees.

One of the rural communities the House Members chose to cut down as a

political pawn is Glendive, MT. Glendive is growing in the energy sector. It is in the Bakken formation, with lots of oil and gas wells drilled, and it is a huge potential new energy source. Energy companies from Texas and Louisiana are rapidly sending personnel up to Glendive, and hotels in the area are running at near-full occupancy year-round. We are working hard to quickly build housing and infrastructure in order to capitalize on this great opportunity to create much needed jobs. Today, unemployment in Glendive is half the national average. But Glendive is located 230 miles from any larger airport. Glendive needs essential air service to maintain its lifeline to national commerce and continue to grow and create jobs.

We can discuss at length the merits of essential air service, the promise made to rural America, and the lifeline it provides to towns such as Glendive. In fact, this is a conversation we should have. Any changes should be made as part of thoughtful and transparent discussion, with input from the folks on the ground who are most affected. Again, that is precisely what conference negotiations are for—yet, again, negotiations we can't hold. Why? Because the House has yet to name its conferees.

The House antics have halted as much as $2.5 billion in airport funding—funding that employs as many as 87,000 workers on construction projects around the country. At Glacier International Airport in Kalispell, MT, much needed upgrades to the taxiway are now on hold indefinitely, and so are the much needed construction jobs this project would support.

Even more troubling, 4,000 mothers and fathers and breadwinners are now out of work. These are folks such as Kristina Richardson, an administrative support specialist at Billings Logan International Airport's air traffic control tower. Over the weekend, Kristina wasn't able to go grocery shopping. She didn't know if she could count on her next paycheck to buy food and pay her bills. Kristina described the pit in her stomach when she went in to clean off her desk and shut down her computer. Kristina told my office she worried about who would help the people she had been working with. She described the pride and fulfillment that comes from working and the blow that comes when that is taken away.

Luckily, Kristina was told on Tuesday she would be able to return to work. But 4,000 other folks across the country haven't been so lucky. Like most Montanans, Kristina is one tough lady, and she understands the vital importance of essential air service to rural communities. Even when she thought she had been furloughed, she hung in there. She contacted my office to voice her support for a clean FAA extension that rejects arbitrary cuts to rural communities.

I am increasingly concerned about the nature of our political discourse. Lately, it seems some folks are more focused on making 30-second sound bites than making laws. What happened with the FAA bill is an example of this misguided focus. Whatever the House's true reason for suspending 4,000-plus jobs and halting construction to improve airport safety, it just wasn't right.

Still, I know we can do good things around here when we work together, and I hold out the hope that we will return our focus to what is important and start getting work done, and it is not just here but on debt extension and a lot of major matters around here. But in the meantime, we need to fix this mess. This is easier to fix—much easier.

Along with Senator ROCKEFELLER, I introduced a clean FAA extension that would put 4,000 employees back to work, let us start construction projects around the country to create jobs and improve the safety of our airports, and continue to fund the trust fund. Then together we can continue working on a longer term solution. I urge my colleagues to support a clean extension.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from New Mexico.

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

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

THE DEBT CEILING

Mr. BINGAMAN. Mr. President, we have three separate issues facing the Congress. First, the authority of the Treasury Department to borrow to meet the Nation's obligations will be reached on Tuesday. In order for borrowing to continue after Tuesday, Congress needs to raise the debt ceiling. That is the first of the three issues.

The second issue we face is the need to help our economy to become prosperous again. Unfortunately, the debate in Congress has totally lost sight of this issue, the issue of how we can grow the economy and how we can create jobs.

The third of the three issues is the need to put in place a long-term plan to reduce the deficit and the debt. The issue of raising the debt ceiling and reducing the long-term deficit and debt have, unfortunately, come to be seen by many in Congress as a single issue. So I want to urge all colleagues to take a step back and to recognize, first, that these issues are separate and, second, that failure to responsibly deal with the first of these issues; that is, failure to raise the debt limit, will greatly hamper our ability to deal with the other two issues that I mentioned.

The failure to raise the debt limit will not return our economy to prosperity; instead, it will postpone the day when that prosperity returns. Failure to raise the debt limit will not help reduce our debt and deficit. It will add to the debt and deficit by raising interest rates for the government and for all Americans.

So let's review how we got here.

Since the beginning of this Congress nearly 7 months ago, the Republican majority in the House has had a laser focus on one issue; that is, cutting spending. To achieve that objective, the first strategy adopted by the Republican leadership in the House was to threaten a shutdown of the government unless sufficient spending cuts were agreed to. Spending cuts were agreed to, and at the final hour Republicans agreed to pass the bill that was needed to fund the government for the balance of the fiscal year. By that I mean through September 30 of this year.

So as soon as that crisis was averted and the threat to close down the government was behind us, at least for a few months, the effort shifted to a new strategy. This strategy was to threaten a first-in-history default by the government on its financial obligations if enough additional spending cuts were not agreed to; that is, spending cuts in addition to what were agreed to, in order to avert a shutdown of the government. The device for bringing about that default was refusal to extend the debt ceiling when the government's borrowing authority was scheduled to be reached August 2, next Tuesday.

We should remind ourselves of what an artificial device is being used for leverage in this negotiation. Congress passes the laws that determine how much revenue the Federal Government collects, and Congress passes the laws that determine how much we obligate the government to spend. When the revenue we collect is less than the amount we are committed to spend, the Secretary of the Treasury has no alternative but to borrow money to meet the obligations that Congress has taken on.

So in a period like today, when the government is receiving in revenues much less than is required to meet its obligations, there are two logical actions for Congress to take. First, it can raise more revenue; second, it can reduce the obligations of the government. But in refusing to allow the Secretary of the Treasury to borrow, we are taking neither of these logical steps. Instead, we are telling the Secretary of the Treasury to default on the obligations which this and previous Congresses have already taken on on behalf of the American people.

We are told by the Secretary of the Treasury that unless Congress acts he will be forced to default or renege on our obligations beginning next week, August 2. The refusal to raise the debt ceiling and the threatening of default on our obligations has achieved much of what Republicans set out to achieve in this Congress. It has precipitated a crisis and in order to avoid that crisis,

Democrats have agreed to or acceded to the primary demands the Republican majority in the House have made.

What are those demands? There are two primary demands. The first of those demands was that all of the deficit reduction be accomplished with cuts in spending. No revenue could be raised from the wealthiest in our society to help close this gap between revenues and spending; no loopholes could be closed; no subsidies could be eliminated from the Tax Code.

Democrats have agreed that the deficit reduction would not be accomplished with a balanced package of spending cuts and revenue increases as the previous deficit reduction packages have been under President Reagan, under President George H.W. Bush, and of course under President Clinton. This deficit reduction that we are now considering would be done with spending cuts only. So that was the first demand and it was one that Democrats have acceded to.

The second demand of the Republican leadership was the totally arbitrary demand that the size of the increase in the debt ceiling not exceed the amount of spending cuts projected in the Federal budget over the next 10 years. This is a demand totally lacking in any logical justification, but, again, Democrats have agreed in order to achieve a solution to the immediate impasse.

In order to avoid the threatened default on our obligations, Senator REID has put forward a proposal that would lock in, according to the Congressional Budget Office, about $2.2 trillion of deficit reduction over 10 years with cuts in both discretionary spending and mandatory spending. The Treasury Secretary would be given authority to borrow to meet the obligations that Congress has undertaken for approximately another 18 months. The proposal also puts in place a bipartisan and a bicameral committee with responsibility to present Congress with legislation to further reduce the deficit.

Unfortunately, it appears this proposal that Senator REID has made will be opposed by many on the Republican side. Some say the cuts are not sufficiently deep and that they would rather push the country into default rather than agree to a mere $2.2 trillion in spending cuts.

Some others say they want to extend the debt ceiling for a shorter period so we can have another showdown with another threatened government default 6 or 7 months from now. Some say that causing the Federal Government to default will not have the adverse consequences the Secretary of the Treasury has predicted and that in fact it will have a salutary effect on both our economy and our politics.

I strongly disagree with all of these views. I believe a refusal to honor our obligations will have a major adverse consequence for our economy. I believe Congress should act now to raise the debt limit in order to avoid these adverse consequences and that, although the proposal Senator REID has brought forward fails the test of balance between spending cuts and revenue increases which I would prefer, it is a plan I am willing to support in order to head off a default on our Nation's obligations. I understand additional deficit reduction will be required in the months and years ahead, but clearly the responsible course is to do what can be done today and that is adopt the Reid plan. Only by doing so can we once again focus on the steps we can take to return our economy to prosperity. That is the first priority for most Americans today. It should be our first priority as well.

Mr. President, I yield the floor.

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. BROWN of Ohio. 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. BROWN of Ohio. Mr. President, this week we have a unique opportunity to reduce the deficit to the tune of $2.2 trillion. That is $2.2 trillion to protect Medicare, to protect Social Security, to protect Medicaid, and to make sure the United States of America doesn't do something we have never done; that is, go into default.

We can debate how we got here. We can debate why we have this huge budget deficit. We can debate whether it is Barack Obama's fault or George Bush's fault. We can debate whether it was the Recovery Act or whether it was the two wars President Bush didn't pay for. We can debate whether it is the health care bill of President Obama or the giveaway to the drug and insurance companies that President Bush did in the name of Medicare privatization. We could talk about President Bush's tax cuts. We could do any of that, but the urgency of this situation is not a question for debate. Never before has the full faith and credit of the United States of America been held hostage to a major budget agreement.

In the past three decades before President Obama—so let's take him out of this picture for a minute—we have avoided default by raising the debt limit 38 times in the last 30 years before President Obama. Out of those 38 times, 34 of those times—almost 90 percent—were under Republican Presidents. Again, 34 of 38 times were under Republican Presidents. We didn't do a hostage-taking. We didn't try to scare people. Even if we didn't like doing it, we simply raised the debt ceiling.

As I and many Democratic colleagues have said, we can balance the budget as we did under President Clinton. I came to office in 1992 in the House. I voted for a controversial budget. No Republicans joined us. We had almost 8 years of economic growth, with 21 million net private sector jobs created, and we got to a balanced budget. We know how to do that. We do it with a balance between spending cuts and revenues, especially closing tax loopholes, giveaways to the oil companies, tax breaks for companies that outsource jobs, and tax breaks for hedge fund operators on Wall Street. We can close those tax loopholes. We can do spending cuts, and we can do what we need to do to move toward a balanced budget.

During those 38 times, there were freestanding votes. Each time it was raised, there was a freestanding vote. Neither party played these games. Neither party held our Nation hostage to these political games.

Rather than a freestanding vote on the debt limit, we are in a last-minute scramble. Democrats have said: OK, we will reach an agreement. Never has one party insisted that the amount of the increase in the debt limit be offset by an equal amount of spending cuts. We have even agreed to that approach. Never before has one party insisted that a major budget agreement exclude provisions that address revenue. We have even said yes to that. Now having had their demands met, the people in the party who insisted on all these conditions are saying no. They are saying no again.

The debate on the debt and the deficit has been complicated, it has been contentious, it has been angry, but a default should be unimaginable. A default should be unimaginable. A default would risk what would amount to a permanent tax hike.

I hear many of the radicals in the House of Representatives who say they will never vote for a debt increase, as if it is something we should never, ever do in a country. They all talk about tax cuts, but a default on the part of the United States of America would amount to a permanent tax hike on all Americans. Interest rates would rise for anyone owning a home, paying a home mortgage, applying for a home mortgage, anyone with a car loan, anyone with a college loan. Credit costs for all borrowers would climb for governments at every level, businesses, nonprofits, small businesses, large businesses, credit card holders. There would be repercussions for pension funds and money market funds that guard the retirement savings of middle-class families.

Basically, everybody in the Presiding Officer's home State of Minnesota, in my home State of Ohio—everybody would be afflicted with this tax increase, if you will, from higher interest rates. Several States have already been placed on a credit watch. Every State would be hurt by a Federal default, which is why Governors of both parties are saying: Make a deal; get to this. This is not alarmist thinking.

There is a reason Ronald Reagan went to Congress 18 times to raise the debt ceiling. Here is what President Reagan said:

The full consequences of a default—or even the serious prospect of a default—

That is where we are right now, in a serious prospect of default—

by the United States are impossible to predict and awesome to contemplate. Denigration of the full faith and credit of the United States would have substantial effects on the domestic financial markets and the value of the dollar.

None of us is being alarmist because we really don't know, but we know people whom most Americans respect—President Reagan, President Clinton, others who have asked for a debt ceiling increase, economists, businesspeople—nobody knows for sure what would happen, but nobody has ever wanted to take that risk. We have always paid our bills. Default could affect Ohioans receiving Medicare and Social Security. It could affect veterans in hospitals and universities. President Obama has said he can't guarantee payments to senior citizens, to bondholders, or other obligations of the United States of America. You cannot fake cashflow. These are real consequences.

When it comes to jobs, to seniors living on fixed income, in the midst of an economic growth that is as fragile as ours is, lawmakers ought to suspend their politics. Today, the harm of inaction would be immense.

President Obama put several proposals forward to reduce the deficit in a big way, modeled after these bipartisan commissions where there has been pretty good bipartisan agreement. But efforts to forge a grand compromise bringing the deficit down by $4 trillion have been abandoned by Republican leaders over and over.

I have not supported every detail on these grand compromise efforts. I don't want to do anything to undermine Medicare or Social Security or Medicaid, programs that have worked for generations now and programs that millions of Ohioans depend on, from Middletown to Ashtabula, from Toledo to Athens and Gallipolis. I wanted a more balanced approach. I know the Presiding Officer did too. But as days and weeks and months go by, we are now only days away from default. We are simply running out of time. That is what the Senate bill is about—protecting us from default.

In the spirit of continued compromise, again, the majority leader has come forth with a plan to reduce the deficit by $2.2 trillion. It is truly a compromise because it meets the Republicans' main criteria. It contains spending cuts to roughly match the debt ceiling increase through 2012. The spending cuts in the Reid plan are ones to which Republicans have previously agreed. It contains no revenue increases. All three of those have been what Republicans asked for. But now it is not good enough. What do they want to do when we basically met their demands?

Beyond all that, this compromise we have offered—mostly what they have asked for—contains an important priority of mine—not one of the Republicans, to be sure—and that is that we protect Social Security, Medicare, and Medicaid.

I know that major Republican budgets—the so-called Ryan budget, the Republican House budget—undercut our major important programs, Medicare and Medicaid especially. We know the so-called cut, cap, and balance proposal the Republicans have passed that is being voted on here didn't protect Medicare, Medicaid, and Social Security. So we know Republicans want to go after those programs. Under this compromise, we have been able to protect that, but we need to make sure we put country ahead of party, national interest above partisanship. That is why we have been willing to compromise.

Speaker BOEHNER's plan is being revised, but so far it provides significantly less than the savings in the Reid proposal. By design, the Boehner plan would put us back in this situation in a few months. What rational economist, what responsible elected official, what businessperson in St. Paul or Columbus, in Rochester or Mansfield—what businessperson would say: Let's put the U.S. in this situation again in 6 months?

We know what has happened in this country in the last month or so. As we approach default, as businesses particularly watch the way this is being debated and how this is being handled, people are way less certain, people are way more concerned about our ability to raise the debt ceiling and keep us out of default. Businesses are holding on to their cash reserves because they are not willing to invest now because they don't want this to happen.

So why would we want to go through this again in 6 months? Why would we possibly think this is good for the United States—for people in Chillicothe and Dayton, in Youngstown and Akron, in Canton and Kenton, Wauseon and Bowling Green? Why would we want businesses in our country to go through this again in 6 months?

We need to get this done quickly. We have to raise the debt ceiling to keep us out of default. We need to make sure we focus on deficit reduction, and we need to put our efforts into job creation. People all over my State—when I am in Dayton, Springfield, Cuyahoga County or Mahoney County, as I was this past weekend—people are mostly saying they want us to focus on job growth. We need to do budget cuts and raise the debt ceiling to keep us out of default. We mostly need to make sure we move forward on job creation.

We prevent a default and reduce the deficit with the Reid plan—a critical imperative for our children and our grandchildren. It protects Medicare and Social Security and Medicaid.

My office is being swamped with calls and e-mails from Ohioans who simply can't believe we are this close to default. Within the week, Congress must pass and the President must sign an increase in the debt ceiling. It is essential if we want to prevent an absolutely unnecessary, an absolutely uncalled for, yet catastrophic default. It is necessary to move on to address the issue of jobs. Too many recent college graduates, too many people who have been in the workforce for too many years, too many people who are unemployed are looking for jobs. That is where our focus should be.

We need to pass the Reid plan, work on deficit reduction, and work on job growth.

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

The PRESIDING OFFICER (Mr. UDALL of New Mexico). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. UDALL of Colorado. 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. UDALL of Colorado. Mr. President, I come to the floor today, as I think many of my colleagues have, to speak to the topic at hand, which is the debt ceiling debate we are having in the Congress of the United States.

I have to say, I think Americans across the country are looking at us with disbelief, anxiety, and—I think rightly—anger. They awoke this morning hoping to find that cooler heads had prevailed and that all of us were working together on a plan that keeps our country from default and our economy from looming collapse. Instead, the headlines read that the Speaker of the House was again refusing to negotiate and that he is, in fact, delaying action in the House because of Republican upheaval against his own plan.

I have to say, even if the House of Representatives passed a bill preventing default this evening, within hours, we would still be pushing our country right up to the edge of an economic catastrophe. In other words, what I am saying is, even though economists, market analysts, business leaders, credit rating agencies, world leaders, and the American people are begging us to find an agreement to avoid default on our debt obligations, we are no further along today than we have been in the many weeks we have been debating this issue.

As the Presiding Officer knows, as a former Member of the House, I take no pleasure in criticizing the people's House. But it does take two to tango, and when it comes to courting the House of Representatives, it feels as though they have one shoe nailed to the dance floor. I can't figure out for the life of me what it is going to take to reach an agreement on behalf of the American people. The House of Representatives just can't take yes for an answer.

The real problem, at least in my estimation, seems to be that a small group of people are set on running up the political score rather than doing the

right thing for our country. If that is the case, now is the time to finally come to the table.

Here is the truth: Many of us here are trying to prevent our economy from driving off a cliff, but others seem to be busy cutting the brake lines. On that point, I was proud of the Senate and the Democrats and Republicans who came together on the bipartisan Bowles-Simpson Commission and came up with a plan on reducing the deficit. They were willing to be a part of the solution.

The Bowles-Simpson Commission recommended taking important but difficult steps to reduce our debt by $4 trillion over the next decade. That plan is the right one for the country, and despite the significant political risks attached to taking those positions, Senators in both parties were willing to support it. The House Members, on the other hand, when the fiscal commission offered them the bipartisan deficit reduction plan, walked away, both Democrats and Republicans, to be fair.

Unfortunately, this has become a pattern. When Vice President JOE BIDEN and House Majority Leader ERIC CANTOR were close to finally reaching an agreement on a deficit reduction plan, it was the House Republicans who walked away. When President Obama and Speaker BOEHNER sought to strike a ''grand bargain,'' to do something great for the country, the House walked away. President Obama likened this to being left at the altar, but I cannot think of any description that is more apt than ''irresponsible.''

For my friends and my colleagues who know me, I am not quick to anger. But I have to say, time is not our friend here and we cannot delay action any longer. I was pleased to see Senator ALEXANDER, the third ranking Republican in the Senate, say last night:

> What would be best, instead of having a Republican plan competing with a Democratic plan, would be to have the Speaker, Senator Reid, and Senator McConnell recommend to us a single plan.

I understand the Senate leaders are speaking frequently, and I have all the faith in the world that the Senate could work this problem out. But that is only half the problem. We need statesmen, we need patriots, we need problem solvers over in the House to emerge. Campaign politics and partisan talking points do not take courage. Now is the time for courage and leadership.

Instead of going back to the drawing board on the Boehner plan, we need to refocus our efforts on a plan that meets three tests. Such a plan has to, No. 1, raise the debt limit to avoid a first ever Federal Government default; No. 2, provide enough certainty to investors that America will pay its bills to stave off a downgrade in our credit rating; and, No. 3, reduce the deficit enough that we can begin the hard work to get our fiscal house in order.

The Reid plan, in my estimation, achieves each of those goals. While I am disappointed we could not all come together on a larger $4 to $5 trillion deficit reduction package that would be both bipartisan and comprehensive, the Reid plan adequately addresses the most pressing issues that confront us, which are preventing a default and staving off a downgrade in our credit rating.

The Boehner plan, on the other hand, is only a short-term fix, and a host of economic forecasters and business leaders have said it would almost certainly lead to a downgrade in our, in America's, credit rating, which would raise interest rates, could sabotage seniors' retirement savings, and increase consumer costs on almost every American.

Bank of America, Standard & Poor's, JPMorgan Chase, and other major players have all warned us that future economic instability and short-term political solutions will almost certainly lead to a downgrade in our credit rating. That is some serious business.

What is sad about all of this is that the unstable political climate—which one observer called ''amateur hour on Capitol Hill''—itself may lead to a downgrade.

I respect the Speaker's desire to go back to the drawing board to try to secure more Republican votes, but the fact is we do not have time. The Reid plan is ready to go, and it meets the three-part test I laid out. In fact, the Congressional Budget Office stated that the Reid plan reduces the deficit by twice as much as the House Republican plan. As reported this morning ''in the battle of budget scores, the Senate Democrats deficit reduction bill is the clear winner thus far.''

Our economy has been in critical condition, and I think we are feeling recently that it is beginning to come back to life, that we have been nursing it back to health. The last result we need is a self-inflicted heart attack caused by an overdose of partisanship. People wonder why we cannot get it done.

I know the Presiding Officer is a mountain climber, as am I, and we are both, I guess, old mountain climbers in more ways than one. I can tell you that there are some similarities between attempting to climb the world's highest peaks and our work here in Washington. But the difference seems to be, especially when the going gets tough here on Capitol Hill, that not only are you trying to conquer mountainous and challenging and difficult terrain, you seem to have a team of saboteurs here who are trying to push the rest of us off the mountain as we are trying to climb it. The Scots have a saying: It is not the falling off that hurts. It is the sudden stop at the bottom. I can tell you, if we do not raise the debt ceiling, that is going to involve a sudden stop at the bottom for all of us.

The people of Colorado have told me—and I suspect the rest of the Nation feels this way—they do not care who wins politically. Frankly, I do not care who wins politically either. What I care about is passing legislation that will stave off government default and a downgrade in our Nation's credit rating. At this point, the Reid plan is the only option that meets that criteria. Let's get it done. Let's get it done.

TRIBUTE TO HILLARY DANIELS

Mr. President, as I close, I want to change the tone of my remarks a little bit because there are wonderful people who work here on Capitol Hill and make a difference day in and day out, and I want to recognize Hillary Daniels, who has been one of my budget and appropriations legislative assistants, who joined my team when I first came to the Senate 3 years ago.

She is a native of Colorado's western slope, the great county of Mesa and the town of Grand Junction. She is going to be leaving my office next month to go to law school at Washington University in St. Louis, MO.

She has been an invaluable team member, and I can speak for my entire staff when I say we are both excited for her to take this next step in developing her career and I am very grateful for the guidance she has given me over the last few years.

It is for the Hillary Daniels of the world, who will be leaders of our country in the next decade and the decade after that, that I think we owe an obligation to getting this job done as soon as we possibly can, assuring the markets that the full faith and credit of the United States will be preserved and protected and nurtured.

Let's turn back to job one here, which is to focus on our economy and job creation. The longer we are stalled out in a political crisis of our own making, the less we are concerned and focused on putting the American people back to work.

Mr. President, thank you for your interest, thank you for your attention.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

SPECTRUM AUCTIONS

Mr. KIRK. Mr. President, I just filed an amendment to S. 1323 to BRAC the spectrum. This would give us the maximum auction revenue and access to spectrum for economic development and deficit reduction. I am proud to have the amendment endorsed by Americans for Tax Reform.

It is very important for the Congress to authorize spectrum incentive auctions. While we should protect broadcasters who choose not to participate in such actions and their customers who rely on over-the-air broadcast for entertainment and public emergency information, incentive auctions would free up much needed spectrum for the civilian side in making sure that broadband communications are fully available in the United States.

It should be, in short, the policy of the United States to offer the widest

amount of broadband spectrum to empower the 21st century economy here—cell phones were invented in the United States, in fact, mostly in my home State of Illinois—and making sure this is the country where not just 1G and 2G and 3G were invented and deployed, but to make sure 5G and 6G and 7G are also deployed first in the United States and not in a country such as China or India.

According to the Federal Communications Commission, the U.S. Treasury has already collected $50 billion in spectrum receipts since 1993. Senator REID's plan does authorize such auctions, but it is missing a key element to ensure they are very successful. Unfortunately, like many other agencies in the administration, the Federal Communications Commission has worked to promulgate regulations that stifle innovation and economic growth. It is important for Congress to prohibit the FCC from establishing new, similar rules or conditions that are outside the scope of technical, ethical, or geographic qualifications. Such conditions, for example, the ''net neutrality'' provisions, will only serve to depress the market value of the spectrum; therefore, decreasing government revenues and lowering our ability to reduce the deficit in this way.

One recent study found that ''Congress has tremendous discretion about the amount of proceeds it could raise in exchange for spectrum'' because ''the amount of money that an auction can raise for the [U.S.] Treasury [and the government] is impacted at least in part by controllable decisions about how the auction configures the spectrum for sale and the conditions imposed on it.'' The study analyzed a previous spectrum auction to estimate the potential receipts from future actions based on conditions the FCC may or may not impose. The researchers found that the full auction potential of the broadcast spectrum with no conditions imposed would raise as much as $91 billion, whereas the same auction with heavy and unappealing conditions, such as net neutrality, would only raise $26 billion. That is a difference of $65 billion. We could raise, to lower our deficit, 250 percent more in funds with an incentive auction if we ensure that the FCC does not impose market-killing restrictions.

My proposal would place limits on the FCC, in addition to establishing a number of other prohibitions to make sure the FCC does not artificially reduce the spectrum value, to lower our deficit. The Kirk amendment would prohibit the FCC from restricting participants in any auction and from prescribing certain rates, terms, or services that may be offered by bidders in order to encourage the most robust participation and license bidding. To avoid future devaluation of spectrum licenses, the amendment would also prohibit the FCC from changing the rules of the game after an auction was completed.

But simply selling spectrum voluntarily given up by broadcasters is not enough to solve our credit crunch. We know that wireless subscribership in the United States has increased more than 400 percent in the last 15 years, and experts expect mobile data traffic to be 35 times higher in 2014 than it was back in 2009. Yet only 22 percent of all viable wireless frequencies are licensed for mobile broadband. Industry experts anticipate spectrum will be exhausted in the most populous markets by 2014. Such a restriction then would stunt wireless and other technological development in the United States because we will not have enough bandwidth to continue innovating. Internet service will then slow and calls will be dropped. We should not let this scenario unfold. We should reach our full technological potential because broadband development is a key job creator for the 21st century.

According to one estimate, the information and communications industry contributed more than $1.7 trillion to the U.S. gross domestic product in 2009 or over 12 percent of our total national income. Another study found that broadband provides additional annual consumer benefits of roughly $32 billion per year. It is widely acknowledged that wireless broadband also generates productivity gains of approximately $28 billion annually, and one cost estimate even puts productivity gains from the development and use of wireless broadband at almost $860 billion in 2016. In my own State of Illinois, this study estimates that the savings from increased productivity will reach about $5.8 billion in 5 years. This demonstrates that every sector of our economy benefits from wireless development.

For example, broadband development will vastly improve health care services for seniors. One study finds that reduced medical costs, reduced costs of institutionalized living, and increased output generated by seniors and disabled individuals will save about $927 billion between 2005 and 2030. Advancements in wireless technologies aim to reduce the burden on the chronically ill by providing remote monitoring of medical functions and to save lives through public safety interoperable networks.

Yet very little of this will be achievable unless we make more spectrum available to the civilian sector. Not surprisingly, the Federal Government itself is the largest and most stubborn squatter on the spectrum. According to the Technology Policy Institute, the government currently has exclusive or shared ownership of more than half the ideal spectrum for wireless development.

Much of the spectrum is not even being used or used efficiently by the government. Unfortunately, it is largely unknown how exactly Federal agencies and departments are using the spectrum and which spectrum we could better use on the civilian side.

My amendment, in short, would establish a process identical to the successful Base Realignment and Closure Commission to determine which Federal spectrum should be offered for sale or shared use by the private sector. While the government has much of this authority, it consistently fails to utilize it.

A BRAC-like commission for the spectrum is a key model for its reallocation and would help accelerate the development of broadband in the United States, without the standard congressional roadblocks that would inhibit development.

The amendment also provides assurances that the government will vacate spectrum once the process is complete and requires the Office of Management and Budget to intervene in the relocation process if agencies are failing to comply with the relocation plan and penalizing agencies if they do not meet the BRAC timeline.

The Kirk amendment would provide the telecommunications industry with a certain path forward for reliably clear spectrum to advance employment in the United States through wireless advancement.

I urge congressional leaders to consider this proposal. It comes from neither Republican nor Democratic sides. It is one of the most valuable assets that the government is currently squatting on and could be part of an overall deficit reduction plan totalling upward of $90 billion, but I think that benefit understates the true potential. Because if we set a goal of the United States being the country that offers the most broadband wireless spectrum, then we ensure that this critical 21st century industry remains in the United States and that the pace of innovation in wireless always is fastest in America as opposed to Asia or Europe.

That is why I put the amendment forward. I would seek its adoption as part of our deficit negotiations.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

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

THE DEBT CEILING

Mr. WHITEHOUSE. Mr. President, Senate majority leader HARRY REID has presented a plan to address our deficits and to end the debt ceiling impasse that threatens to cripple our economy.

The Treasury is projected to run out of money next week and time is running short. Senator REID has shown great leadership with his pragmatic package. Leader REID's proposal would give the Treasury the authority to ensure the United States does not default on its debt, while at the same time cutting $2.7 trillion from our budget.

The unprecedented set of cuts would have a significant effect in balancing

our budget and restoring fiscal sustainability to the Federal Government. I wish to highlight one key fact. Unlike the House Republican budget and unlike the so-called cut, cap, and balance plan, Leader REID's plan will preserve Social Security, Medicare, and Medicaid.

Protecting Social Security and Medicare benefits is particularly important. The Republicans have long coveted Social Security and wanted to turn it over to Wall Street. George Bush tried and failed to do this because the American people wanted none of it, but they tried.

The House Republican budget attacked Medicare, effectively turning it over to the private health insurance industry in 10 years. When the American people found out this was hidden in the Republican budget, they wanted none of it. Huge majorities of the American public disapproved of the Republican budget attack on Medicare.

But instead of relenting, the Republicans came back with cut, cap, and balance. Hidden behind that slogan was an even worse attack on Medicare. The House budget would have raised senior's costs more than $6,000 a year. Cut, cap, and balance would have gone $2,500 beyond that. Cut, cap, and kill Medicare was a better name for it.

Against that relentless Republican effort to go against the will of the American people and kill off Medicare, Leader REID's proposal protects this vital program and the freedom and security it provides to American families.

Make no mistake about it, our deficit reduction plan will not be easy. It will cut discretionary spending by $1.2 trillion over the next decade. These budget reductions will require some tough but necessary choices. The plan would also count for an accelerated wind-down of U.S. forces in Iraq and Afghanistan, saving $1 trillion in the process.

Our troops in the Middle East deserve our admiration and praise for so successfully carrying out their missions. We must, however, continue to press for a strategy that will bring our troops home as soon as we safely can.

The Reid deficit plan would find an additional $40 billion savings by cutting fraud and abuse in tax compliance and a number of nondefense Federal programs and $60 billion in other savings, including cutting unnecessary spending on agricultural subsidies and auctioning off electromagnetic spectrum that the government currently holds.

Finally, by cutting the budget by over $2 trillion, we will have to borrow less money than anticipated, and that will save an additional $400 billion in projected interest costs. In total, the Senate Democratic plan on which we will vote would cut the deficit by $2.7 trillion over the next 10 years.

While Senator REID's proposal would not address the tax gimmicks and loopholes throughout our Tax Code that help favor the well-connected, this omission does not mean Democrats have given up on ensuring that there is shared sacrifice as we work to balance the budget.

Instead, this package acknowledges the political realities of the moment. Many House Republicans have flatly refused to entertain raising any revenue: not one tax loophole, no cutting of taxpayer subsidies to profitable oil companies, no closing down of offshore tax havens. That is wrong. The Reid package reserves the tax side of budget reform for another day.

We look forward to a robust discussion in the weeks and months ahead over Republican priorities that put special interest loopholes ahead of the interests of American families and ahead of the interests of the American economy.

The Reid plan would establish a bipartisan commission to recommend budget changes and those recommendations would then be guaranteed an up-or-down vote in both Houses of Congress before the end of the year. These recommendations should focus on cutting the unjustifiable tax giveaways—the tax earmarks—that allow profitable companies to avoid taxes entirely and permit megamillionaires and billionaires to pay lower effective tax rates than do middle-class families.

The Reid plan meets the Republicans' initial demands in the debt ceiling negotiations. It cuts $2.7 trillion from the budget—greater than the amount by which the debt limit would be increased—and leaves tax reform for the next round of budget reform. But it does not yield to the Republican attack on Social Security, Medicare or Medicaid.

I hope Republicans in the Senate and the House will appreciate the balance of Senator REID's approach and support it. But what if they do not? The House is in disarray. The Speaker does not appear to have the votes. Some of the extremists will not take yes for an answer, and some of the most extreme appear to relish the prospect of America's economy colliding with the debt ceiling.

Let's consider what should occur if Congress fails to lift the debt ceiling. Congress will have sent President Obama three different messages, and they create an irreconcilable conflict. Think about it. Message 1 is: We want him to spend money on all these things. We want him to conduct our wars and our national defense. We want him to send out Social Security checks. We want him to pay the doctors and the hospitals that provide Medicare services. We want him to keep guards on our borders and in our prisons, keep air traffic controllers in the towers, run the rest of the Federal Government.

We tell the President to do that by passing laws. It is by law that the President does these things. Message 2 that we send is: Here is the money we will allow him to collect for the Treasury to pay for all those things. Again, it is by law that we authorize the President to collect that money for the Treasury—by law.

There is a slight problem. The things we have instructed the President to do by law add up to a lot more expense than the money by law we allow him—the executive branch—to collect. So the executive branch has had to borrow—and borrow they have—up to $14 trillion.

If we do not lift the debt ceiling, we send message 3: Do not borrow any more. We do not change message 1, and we do not change message 2. We just add message 3: Do not borrow any more.

As anyone can see, there is no way to reconcile those three instructions. One, by law, we tell the executive branch to send out all these checks and make payments; two, by law, we appropriate too little money to pay for what we have told the executive branch to do; and, three, by law, we would tell the executive branch of government they cannot borrow the difference.

That creates an irreconcilably mixed signal. Do this, but there is not enough money, and do not borrow. This is irresponsible and it is bad government. If Congress wants to stop paying the troops, stop sending out Social Security checks, shutter agencies of the Federal Government or defund Medicare, we should have a proper debate and say so and be responsible for it.

But we have not, and that failure creates an impossible situation for the executive branch under our constitutional principles of separation of powers. Remember why officials in the executive branch pay the soldiers and contractors who support our war efforts. Because Congress has told them to. Congress has the power of the purse.

Remember why the executive branch sends out Social Security checks and payments to doctors and hospitals for providing Medicare services. Because Congress has told them to. Congress has the power of the purse. Remember why the President pays the salaries of Border Patrol agents and prison guards and air traffic controllers and FBI agents and staff in our veterans hospital. Because Congress has told him to do that. Congress holds the power of the purse.

Who is responsible for not giving the President enough money to pay for all of this, for forcing the Treasury to borrow? Congress has set how much the executive branch can collect because Congress has that power of the purse.

Now we are telling the President to do all we have told him to do but without enough money and do not borrow. We all learned in civics that Congress has the power to make laws and the power of the purse. We learned that the President has the solemn obligation to faithfully execute the laws Congress has passed. That is the basic structure of American Government.

Outside of a few narrow and specific areas that are assigned exclusively to the executive or judicial authority by

our Constitution, the constitutional rule is clear: Congress instructs the President by law what to do, and the President faithfully executes those laws.

But what happens if Congress will not instruct clearly? What happens under our Constitution when faithfully executing one law Congress has passed requires the President to fail to faithfully execute another law? How can the President faithfully execute irreconcilably conflicting instructions from Congress?

As a matter of constitutional principle, there is only one logical resolution I can see to this constitutional predicament which Congress has created.

When the matter is sufficiently grave to merit the President's attention, and when Congress sends irreconcilable messages for the President to faithfully execute, a zone of executive discretion must necessarily open to allow the President to make the best decisions for the American people in the area where Congress has sent those irreconcilable mixed signals.

Of course, the instant Congress resolves its conflicting signals, stops speaking out of both sides of its mouth, and sends a clear direction, that zone of executive discretion disappears. Congress has the power. Congress makes the laws. Congress controls the purse. Whatever fiscal path Congress instructs the President to embark on, he must faithfully execute that instruction from Congress.

But Congress can't put the President in the untenable position of having to fail in the ''faithful execution'' of one set of laws in order to ''faithfully execute'' another. That is exactly where it seems to me we would put the President if we failed to lift the debt ceiling.

The damage to the country from such failure would be profound. At least 40 cents of every Federal dollar would suddenly stop flowing into the economy. Considering what would have to be done with the remaining 60 cents, it is not very likely that the Federal regulatory process would keep running. That means every job in the country, depending on a Federal permit or Federal approval or a Federal grant or a Federal contract, would likely grind to a halt.

There would be a jump in interest rates that would hit Federal, State, municipal, corporate, and family budgets. A lot of other stuff might also go wrong, but those three are a bare minimum, and they alone would constitute a brutal shock to our struggling economy. The damage would be grave.

Bad enough if Congress instructed the President to do this kind of damage, but do we really expect him to do that sort of damage without our clear instruction? The scale of this damage lights up in sharp contrast to the constitutional predicament Congress would create through Congress's failure and inaction to send clear direction.

The 14th amendment provision, that the public debt of the United States of America ''shall not be questioned,'' may or may not be controlling here. That specific amendment is not my point. My point is a more basic one: How, under our separated powers, when Congress gives conflicting directives, does the President ''faithfully execute'' those conflicting directives? The conflicting directives problem is ultimately a problem for Congress to solve. But until Congress sorts itself out and gives a clear directive, all that can be constitutionally expected of the President is to do the best he can for the country. He cannot ''faithfully execute'' conflicting directives.

In a sense, conflicting directives by Congress are a form of abdication by Congress—an abdication of the duty imposed on Congress by article I of the Constitution to make and pass laws. It is only reasonable and proper to infer that the constitutional duty of Congress to make and pass laws implies that the Congress will make and pass laws that are capable of faithful execution by the executive.

A Congress that cannot meet that standard is in no position to complain that the executive branch has usurped its authority. More to the point, the constitutional cure is always right in Congress's hands: Sort out your differences; give the executive branch the direction it is Congress's duty to provide.

To me, at least, this is a reading of the separation of powers in the U.S. Constitution that makes sense, that is consistent with the underlying principles of that great document, that is practical and workable, and that allows for governance rather than paralysis in circumstances when congressional dysfunction deprives the President of the clear legislative direction that by clear implication is Congress's duty to provide.

I hope before we pitch over the looming fiscal precipice, the executive branch gives these views thoughtful consideration.

I yield the floor.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, I ask unanimous consent that pursuant to the order of July 21, 2011, and after having notified the Republican leader, we proceed, at 2 p.m. today, to executive session for the consideration of Calendar No. 276, Robert S. Mueller III, of California, to be Director of the Federal Bureau of Investigation. It is my understanding this debate is to take 2 hours; is that true?

The PRESIDING OFFICER. Under the order of July 21, the Senator is correct.

Without objection, the majority leader has the authority under that order.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

THE DEBT LIMIT

Mr. TOOMEY. Mr. President, I will address the issue of the pending debt limit.

Although the President's most recent speech on this did not give me great cause for confidence, I still hope he will drop his insistence on the huge tax increase in return for making the meaningful spending cuts and reforms that we need. I hope, most of all, he will drop his opposition to putting our budget on a path to balance.

That is the big item I think we need in this debate. I think we ought to be willing to raise the debt limit, as I am, if in return for that we would have a commitment of the President to put us on a path to a balanced budget, as President Clinton committed to and he achieved with a Republican Congress back in 1995. I hope we will reach an agreement that solves the underlying problem prior to August 2.

I am here this afternoon because I think we all have to acknowledge that we are late in the process, and I think it is indisputable that there is at least a possibility that August 2 will arrive without having raised the debt ceiling, whatever our personal preferences might be about that.

In my view, since that is a possibility, it is essential that the Federal Government have a plan for what we will do if those circumstances arise. Specifically, what is going to have to happen is the government will have to spend some period of time—probably a very brief time, but a period of time nevertheless—operating exclusively on the ongoing tax revenues that will be coming in without the ability to go out and borrow additional money. That means necessarily that somebody is going to make decisions about prioritizing payments, by some criteria that somebody will come up with.

Rather than simply wait and stumble into this period and discover what somebody has come up with, I think we ought to lay out a plan. So that is what my recently introduced legislation is meant to do.

Some of us have made this argument for a long time. We saw this day coming, and we have known that we would face a difficult time raising this debt ceiling. It has always been possible that we would not do it by August 2. I have been arguing that we ought to have this plan.

Unfortunately, the administration has persisted in denying that it is even possible to prioritize. It is ridiculous. It is going to happen. They are predicting that we are going to default on our bonds if we go past August 2 without having raised the debt ceiling.

In a letter to Congress, Treasury Secretary Geithner said:

> This would be an unprecedented event in American history. A default would inflict catastrophic, far-reaching damage on our Nation's economy.

President Obama said this in May of this year:

> If investors around the world thought that the full faith and credit of the United States

was not being backed up, if they thought that we might renege on our IOUs, it could unravel the entire financial system.

These are scare tactics. These things need not happen. I am afraid they are meant to intimidate Members of Congress into voting for a debt limit increase without the underlying reforms and spending cuts that the President resists. I think its irresponsible to make these suggestions because it is entirely within the power of the administration to avoid a catastrophic default even if the debt limit is not raised.

Now we have published reports that Treasury officials are making private phone calls to senior executives at big banks informing them that the Treasury will not allow a default—will choose not to default on our bonds. I think they should not default on our bonds, but it is all well and good to tell the big banks this. How about ordinary Americans who wonder: What about our savings, and what about Social Security payments?

This is unacceptable. That is why we introduced a bill called Ensuring the Full Faith and Credit of the United States and Protecting America's Soldiers and Seniors Act. We have over 35 cosponsors.

Our bill would instruct the Treasury Secretary that in the event, however unlikely, that the debt ceiling is not raised prior to August 2, they make certain obligations and priorities so they will be paid in full, on time, and without delay. Those three priorities are: interest on our debt, so we will not default and plunge our country into economic chaos; No. 2, Social Security payments because millions of senior citizens, including my parents, depend on Social Security payments. They have earned that benefit by virtue of the payments they have made. We can and must honor that obligation. Next is payroll for Active-Duty military personnel because those risking their lives for us deserve this certainty.

The fact is, there are far more than enough resources for the administration to make these payments. As this chart illustrates, the green bar reflects total minimum revenue expected to come in in August. The combination of interest on our debt, Active-Duty military pay, and Social Security benefits would add up to less than half of the revenue that we are going to take in in August alone. These are not my numbers. They come from the Bipartisan Policy Center. They illustrate clearly that we have the ability to pay these items and many others.

Let me be very clear. I am not suggesting this is a desirable outcome. I am not suggesting this bill is the substitute for raising the debt ceiling.

Mr. President, this chart illustrates that there clearly are more than enough financial resources that will be coming into the Treasury day in and day out in the form of ongoing tax revenue to easily be able to afford interest on our debt to avoid a default, Social Security payments to seniors so that they can be assured of the income they deserve, and Active-Duty military pay, with a great deal left over.

These are not my numbers. They come independently verified by many organizations, including the Bipartisan Policy Center. This bill is not meant as a substitute for raising the debt limit. It is a mechanism for minimizing the disruption that might otherwise occur if the debt limit is not raised prior to August 2.

It is my hope that this legislation never needs to be implemented. But I believe it would be irresponsible for us to go into this period without having planned for how we will handle it in the event this happens.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

EXECUTIVE SESSION

NOMINATION OF ROBERT S. MUELLER, III, TO BE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider Executive Calendar No. 276, which the clerk will report.

The bill clerk read the nomination of Robert S. Mueller, III, of California, to be Director of the Federal Bureau of Investigation for a term expiring September 4, 2013.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, before I begin, unless all time is yielded back, we have 2 hours on this debate. I ask unanimous consent that any quorum calls during that 2 hours be charged equally to both sides.

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

Mr. LEAHY. Mr. President, today the Senate will consider the President's nomination of Robert Mueller to continue serving as the Director of the Federal Bureau of Investigation. This is consistent with the President's May 12, 2011 request that Congress pass legislation to enable the Director to continue serving, in light of the leadership transitions at several key national security agencies.

Prior to the President's request, I had discussed this with President Obama, and one of the things he noted was that we were going to have a new Secretary of Defense, a new Director of the CIA, and that he did not want to have yet a third key member of the national security team be replaced at this time. I applaud the President for this, as he could have taken another route and named somebody who would serve for 10 years, beyond any time the President might be in office. Instead, the President decided to do what is best for the country and extend Director Mueller for 2 years. With the tenth anniversary of 9/11 approaching and the continued threat from al-Qaida, we find ourselves facing unique circumstances. We need leadership, stability, and continuity at the FBI as the President makes necessary shifts to his national security team.

After I met with the President and heard his request, I immediately went to work with a bipartisan group of Senators to draft and introduce a bill to create a one-time exception to the statute that limits the term of the FBI Director to 10 years. I worked in a bipartisan manner to hold a hearing and report the legislation to the full Senate on June 16, 2011. We worked in such a way it could not be seen as a Democratic or Republican bill but as bipartisan. Unfortunately, it then took a month to get consent from the other side to consider the bill. Once we obtained consent, the Senate was able to pass a version of it on July 21. The House of Representatives, to their credit, followed suit on July 25 and the President signed the bill into law yesterday.

The President's nomination of Director Mueller shows there was never any effort to impose a legislative appointment upon the President. The request to extend Director Mueller's term originated with the President, not Congress. Nor was it Director Mueller's idea. The President has prevailed upon Director Mueller and his family, for the good of the country, to alter their plans for Director Mueller to leave the FBI. Instead, both Director Mueller and Mrs. Mueller have answered the call of the country. Incidentally, I don't think I am disclosing anything inappropriate by saying that in my discussions with the President, when he was talking about extending the term of Director Mueller, I asked him: How does Director Mueller feel about this? The President said: I haven't talked with him yet, but he is a good, loyal American, a good Marine, and he will answer the call. And that is precisely what he did.

When we passed our legislation, I did insist we include a unanimous consent agreement to expedite consideration of this nomination when others insisted we adopt a form of statute that would require Director Mueller's renomination. The Majority Leader now has consent to take up the nomination, and after the use or yielding back of time for debate, the Senate will vote on the nomination. Some asked why I insisted upon such a unanimous consent agreement. I did it to prevent a recurrence of the delays and obstruction that have been used to complicate consideration

of so many of the President's nominations, especially in the area of national security, such as the Deputy Attorney General, the Assistant Attorney General for National Security, and so many others.

We have Senators who speak on the floor about the importance of protecting the security of the United States, but then at the same time delay and delay the people the President needs in place to protect our national security. The irony is that after these nominees have been held up month after month, they pass overwhelmingly in this body. In fact, there was even a hold originally on the legislation making Director Mueller's nomination possible. But now that is behind us and the Senate can vote to reconfirm Director Mueller to a new 2-year term before the August 2 deadline and avoid any lapse in leadership at the FBI.

Let me speak a little about the Director. He took over as FBI Director just days before the attacks of September 11, 2001. Since then, he has overseen and guided the Bureau through a major transformation and evolution. Of course, as in any major transformation, there have been problems, but the Director has consistently displayed professionalism and focus in increasing the FBI's national security and counterterrorism efforts, while still carrying out the Bureau's essential law enforcement responsibilities. So I applaud Director Mueller's commitment to ensuring that the FBI adheres to the values and freedoms Americans hold dear, while vigorously pursuing important law enforcement national security objectives.

As chairman of the Judiciary Committee, I intend to continue to conduct vigorous oversight of the FBI, and will work closely with the Director on these important issues. After all, oversight is one of Congress's most important responsibilities. For example, on June 17, I wrote a letter with Ranking Member GRASSLEY to Director Mueller about the proposed changes in the FBI's revised edition of the Domestic Investigations and Operations Guide. I remain committed to ensuring that this revised guide provides the FBI with the latitude it needs to carry out its duties while not infringing upon the civil liberties of Americans, and ensuring the Judiciary Committee and public are kept informed from its implementation.

I will continue to monitor the implementation of the USA PATRIOT Act, which Congress extended this past May. At the start of this Congress, I introduced legislation that would have extended the three expiring provisions of the USA PATRIOT Act, while improving oversight, promoting transparency, and expanding privacy and civil liberties safeguards in current law. Unfortunately, despite the fact that legislation was reported favorably by the Judiciary Committee, it was never allowed to receive an up-or-down vote during the debate to extend the expiring provisions of the USA PATRIOT Act earlier this year. Nonetheless, I will work with Director Mueller, the Department of Justice, and all Senators of both parties to ensure oversight of the USA PATRIOT Act authorities.

It is important that we vote for this renomination this afternoon, given the ongoing threats to our Nation, and I appreciate Director Mueller's willingness to continue his service. At the Judiciary Committee hearing on the legislation allowing for this extension, while I noted that Director Mueller has dedicated his life to public service, I also made a point to mention his wife, Ann. All of us who serve in public office know that it puts extra strain on our family members. I know how much of a partner she has been with him in bringing him to where he is, and I know it has to have been a large part of their life together. I am certain that they both were hoping to be able to have some time without the pressures of being in such demanding public service. So I thank him for being willing to serve, but I thank Mrs. Mueller, too. So often we forget that. Director Mueller has dedicated his life to public service, and we are grateful to him and his family for their continued sacrifice.

Mr. President, I see the distinguished ranking member on the floor, so I yield the floor to Senator GRASSLEY. And I note for the Senator from Iowa that I have already asked consent that when there is a quorum call, the time be divided equally.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I am very pleased to support the renomination of Robert Mueller to be Director of the FBI.

Director Mueller has served as Director since days immediately preceding the terrorist attacks of September 11, 2001. In the wake of that tragedy, he has overseen a top-to-bottom transformation of the FBI from a domestic law enforcement agency to a national security agency and with a necessary global presence to combat terrorism.

Director Mueller has led the charge to ensure that the FBI's transformation is successful. This includes upgrading the workforce from an agent-driven agency to one that includes an ever-increasing number of intelligence analysts. I applaud the hard work that has been done, and I also applaud the leadership of Director Mueller. But more work remains.

Despite the recent successes, the FBI also has its share of black marks and skeletons in the closet. I have been an outspoken critic of the FBI's culture for many years because of its unwillingness to own up to mistakes. Too often, officials sought to protect the agency's reputation at the expense of the truth. My concerns are magnified by the way the FBI has treated internal whistleblowers who come forward and report fraud and abuse. But these problems are not necessarily the fault of Director Mueller, and many of these problems were in place long before he arrived.

The Director has been forthright in coming before Congress and explaining these mistakes and not simply passing the buck. I appreciate his candor, and I believe the FBI is in good hands with his leadership. But I will continue, as he knows, to conduct extensive oversight of the FBI to ensure that taxpayers' dollars are spent appropriately and that the civil liberties of Americans are protected.

In 1976, following the excesses of J. Edgar Hoover, Congress limited the term of the Director of the FBI to one nonrenewable 10-year term. Congress did so to prevent the accumulation of excess power by a Director as well as to provide some political independence for the FBI.

Despite his knowing about Director Mueller's impending term limit and his initiating a search for a successor led by Attorney General and Vice President BIDEN, President Obama chose not to send the Senate a nomination for the Director of the FBI. Instead, the President decided, notwithstanding those statutory provisions, Director Mueller should continue to serve in this position for another 2 years.

Presidential decisions to make transitions in other national security positions are not a special circumstance supporting the extension of the Director's term. Those personnel changes were entirely within the control of the President. However, we do live in extraordinary times and currently face unusual national security threats. Between the recent death of Osama bin Laden and with the upcoming 10th anniversary of the 9/11 attacks, there is an increased threat of a possible terrorist attack. Against this backdrop and with a heavy heart, I agreed to support the President's request to provide a one-time exception to the 10-year term limit on the FBI directorship.

With some reluctance, I joined as a cosponsor of the original S. 1103. The President recently signed into law a modified version of that bill that provides a one-time extension of the FBI Director's term. Early in the process, I said that as a requirement for my support of any legislation extending the 10-year term, regular procedure be followed. The purpose of this requirement was to set a substantial precedent against pursuing a simple process eviscerating the 10-year term limit.

The process of getting to today's confirmation vote has met my early requirement. A precedent has been set that the FBI Director's term would not be routinely extended—the process of holding a hearing where the FBI Director testified, a legislative markup, and a floor vote in both the House and Senate. Further, the bill was coupled with a unanimous consent agreement requiring a vote on the renomination of

Director Mueller. Taken together, this process has established a historical record that we do not take this extension lightly and that any future extensions should have to go through no less than this same process.

The 10-year limit has achieved its intended purpose. Until Director Mueller, no Director subject to the limit has served the full 10-year term. The limit has been successful in reducing the power of the Director and in preserving the vital civil liberties of all Americans.

It has also provided important political independence for the FBI Director. Only one Director has been fired in this period, and this did not occur for political reasons. The prohibition on reappointment has also preserved the Directors's independence by eliminating any potential that the Director will attempt to curry favor with the Presidents to be reappointed.

Director Mueller has done an admirable job on some areas of reform in an agency under difficult circumstances. I strongly support Director Mueller and believe he will continue to provide steady leadership at this agency during what continue to be extraordinary times, and you can say extraordinary times going back to at least September 11, 2001, but as you look on the history of the war on terror, it probably started 25 years before that in one form or another. However, it is clear to me, as the legislation the President signed requires, that in 2 years Director Mueller will need to move on and the President will send the Senate a new nominee to fill his shoes.

In the meantime, we all ought to thank Director Mueller for his willingness to serve for another 2 years in this very important position because I am sure he was already ready to move on. So the people of the United States as well as this Congress need to say thank you, Director Mueller, for being willing to serve your people again.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Alabama.

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

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

Mr. SESSIONS. Mr. President, I support the President's nomination of Robert Mueller to be the Director of the FBI for an additional 2-year term.

I believe Mr. Mueller is a fine Director of the FBI. I had the opportunity to observe him within the Department of Justice for a number of years. I served as U.S. attorney in Alabama for 12 years, and during that time he was the U.S. attorney. He was an attorney in the Department of Justice, and he was one of the top administrators of the Department of Justice. Director Mueller was a decorated Marine officer and served in Vietnam. I truly believe he represents the highest and best ideals of American patriotism and capability.

He had the opportunity over the years to go into private practice and make a lot of money. He has stayed and committed himself to public service according to the highest ideals, I believe, of public service.

He had a 10-year term. Normally, we would expect that it would be just that, a 10-year term. The Director has given that long a period of time because there was a concern that when people stay too long, problems can arise in the system because it becomes personality driven rather than meritocracy and people can become entrenched in that sort of thing. So we have a 10-year term. I am not sure that is a perfect period of time, but that was the one that was decided, so it should not be lightly changed to a longer period of time without some serious thought.

Are we violating the very purposes of the act that limited his term? I am pleased that, instead of moving forward with the proposal as originally drafted, we are now moving forward with the proposal Senator COBURN offered, his substitute amendment. I think that is the better way to extend the term. I would like to talk about that a little bit.

The original proposal would have just amended the statute providing that the Director serve for only one 10-year term and created an exception to allow Director Mueller to serve an additional 2 years. I am concerned about the potential for creating a dangerous precedent that the 10-year term limit applies depending on who is the Director, his or her political popularity, and the political dynamics of the White House and the Congress. That was not our goal.

I do understand the President's desire to retain Director Mueller during this time in our Nation's history and to do so expeditiously and not to have some sort of interim uncertainty. Actually, I congratulate the President on his judgment in concluding that Director Mueller can do a good job and has done a good job. While it is true that the original legislative proposal would have accomplished those things, I believe it was the easy way out and would not only have been a temptation to future generations to replicate it, but, more important, it might have run afoul of the Constitution.

At the hearing before the Judiciary Committee, of which I am a member, concerns were raised about the original proposal. Those were raised by University of Virginia James Madison Distinguished Professor of Law John Harrison.

As we all recall, James Madison was considered to be the Founder of our Constitution, the most active member of our Constitutional Convention, the one whose notes told us what went on, the one who went to the convention with an outline, a framework for the structure of government that eventually became our Constitution.

Mr. Harrison testified that it was an unconstitutional ''attempt by Congress to exercise directly through legislation the appointments power.''

Article II, section 2, clause 2 of the Constitution, the appointments clause—it is in the Constitution—states that the President ''shall nominate and by and with the Advice and Consent of the Senate, shall appoint Ambassadors and other public Ministers and Consuls, Judges of the Supreme Court and all other Officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law.''

In the case of Buckley v. Valeo, the Supreme Court held that ''any appointee exercising significant authority pursuant to the laws of the United States is an 'Officer of the United States' and must, therefore, be appointed in the manner prescribed by [section] 2, [clause] 2, of that Article.''

In addition, the Supreme Court has long recognized that ''the power of removal [is] incident to the power of appointment.'' Therefore, Congress may not involve itself in the removal process insofar as it interferes with the ability of the President to exercise Executive power and to perform his constitutional duty.

Professor Harrison explained that because ''an appointment is a legal act that causes someone to hold an office that otherwise would be vacant or held by someone else,'' a ''statutory extension of the term of an incumbent causes the current incumbent to hold an office that otherwise would have been vacant upon the expiration of the incumbent's term. It is thus a statutory appointment.''

Professor Harrison further testified that the original proposal would have also run afoul of the fundamental constitutional principle that underlies the appointments clause. This is a fundamental principle because the President has the ultimate veto—the power to decide whether to appoint someone at all—and he has the absolute responsibility for their nomination, good or bad. He nominates them.

Indeed, the rationale for the structure of the appointments clause dates back to Federalist No. 76 in which Alexander Hamilton explained:

> The sole and undivided responsibility of one man will naturally beget a livelier sense of duty and a more exact regard to reputation. He will on this account feel himself under stronger obligation and more interested to investigate with care the qualities requisite to the stations to be filled, and to prefer with impartiality the persons who may have the fairest pretensions to them.

That is pretty effective language.

Dilution of the President's sole responsibility for nomination and appointment is inconsistent with constitutional principles.

Given that constitutional concerns were raised by these scholars, it was at

least arguable that had we proceeded with the original proposal, a judge could find Director Mueller's appointment and term of service to be unconstitutional if it were to be challenged by someone in court, and that was possible.

Particularly concerning was the suggestion that in a properly presented case involving an individual subject to a purported exercise of government power by the Director who was appointed pursuant to a statute such as the original proposal, a court could find that exercise of power to be invalid, either prospectively or retrospectively. In the past, courts have enforced the appointments clause by holding invalid the actions of purported officers whose appointments did not comport with the Constitution.

When questioned about this possibility at the hearing, both Director Mueller and former Deputy Attorney General of the United States James Comey agreed that if serious constitutional concerns could be raised, they would favor proceeding with the reappointment process in a different way, one that would pass constitutional muster and not raise questions.

Professor Harrison advises an alternative constitutional method, which is the proposal Congress passed and the President signed into law yesterday. He gave us a suggested way to proceed that would be constitutional, and we drafted it, agreed with it, and passed it.

I think it speaks pretty well of Congress that we are attuned to the complexities of the Constitution and are committed to being faithful to that document, not just taking convenience and going faster but taking the time to hear professors, to think it out, because in that way we respect the Constitution, we venerate it, we strengthen it. When we just bypass it or slide by, dismiss lightly concerns that actions of Congress or the President may be in violation of the Constitution and don't give due weight to that, we disrespect the document.

This law creates a new 2-year term that would run until September 4, 2013. It assumed that President Obama would nominate Director Mueller to that new term with the advice and consent of the Senate, requiring the confirmation vote we will proceed to shortly. Under the new law, Director Mueller is not eligible for another term after September 4, 2013, and after the expiration of that new term, the term for the Director of the FBI will revert to the previous law, the 10-year term; therefore, whoever is the President in 2013 can appoint a new Director to a 10-year term.

While I agree Congress should work to expedite the confirmation process in this unique situation, I also saw no reason to proceed in a constitutionally unsound manner. The formalities of the Constitution may sometimes create obstacles to getting things done as quickly as some would like, but the Constitution and its formalities exist for a very important reason; that is, our constitutional tradition of the adherence to the rule of law. We cannot circumvent those formalities in the interest of some expediency or because it is a convenient means to a desired end. The words of the Constitution have meaning. They are not suggestions that we are free to ignore if it is inconvenient today.

I believe in the process by which we are now proceeding—creating a separate 2-year term and then calling on the President to make a new nomination. He didn't have to renominate Director Mueller, but he indicated that was his desire, and we have accorded him the opportunity to do that. He has renominated Director Mueller, and I hope in a few moments we will confirm him to this important position.

One of the discussions we had at that hearing was with Professor Van Alstyne. I heard him make a speech many years ago—I was a U.S. attorney, so it must have been 15, 20 years ago—at the Eleventh Circuit Conference, I think, in Georgia. He spoke to the judges. He said he had come to the belief that if one really respected the Constitution, they would follow it faithfully, the good and the bad parts, because that was the only way you respected the Constitution, that was the way to honor the Constitution. That is the way to respect it, to follow what it says.

To the extent to which we are tempted to move around the plain words, the plain intent of the Constitution for convenience, we weaken that document. In the long run, a weakened document will be less of a bulwark protecting our liberties and our freedom as individual Americans.

I thank the President, I thank the leadership, and I thank Senator LEAHY, the chairman of our committee, for responding to the professor's request and ideas and proceeding in a way that I think raises no question about constitutionality—or if it does, it is small—and in a way that took a little more effort.

I once again express my deep admiration for Director Mueller. He is a thoroughly professional law enforcement officer. For virtually the entire time of his law enforcement career, he has tried individual cases, prosecuted individual defendants for all kinds of crimes and depredations. He has understood the reality of courtroom experience. He has worked as a prosecutor with the FBI investigative agents over his entire career as a law enforcement officer, and now, as the Director of the FBI, he brings a unique experience to it. I believe he has done a fine job, and I believe he will continue to do a fine job for the people of the United States.

Mr. HATCH. Mr. President, I rise today in strong support of FBI Director Robert Mueller continuing in his current position for another 2 years. He valiantly served our country in the Marine Corps, earning various commendations including the Purple Heart. He also served our country in a variety of other important positions including as a Federal prosecutor, as the head of the of the criminal division at the Department of Justice, and as Acting Deputy Attorney General. He is the second-longest serving director in the FBI's history.

Robert was sworn in as the FBI Director exactly 1 week before the terrorist attacks of September 11, 2001. He inherited an agency ill-equipped at that time for detecting the emerging threats posed by terrorist organizations such as al-Qaida. Change does not come easily to Federal Government agencies, but Director Mueller immediately committed to Congress that he would alter the status quo that dominated and redefined the culture of the Bureau to effectively address the new emerging threats facing our Nation.

As Congress began looking at providing the FBI with badly needed terror investigation tools such as the USA PATRIOT Act and the Foreign Intelligence Surveillance Act, Director Muller was a prominent and critical part of the process. In the 10 years since that terrible attack on our Nation, the agency that Director Mueller leads has detected numerous plots aimed at attacking Americans both at home and abroad. At the same time, the FBI still carries out its function as the Nation's leading criminal investigative agency at the Department of Justice.

Robert Mueller had a baptism by fire in those first days and weeks of his tenure. His leadership, character, and poise have remained constant and the net result has been a revamped FBI that is smarter, more nimble, and better equipped to meet the continuing threat of terrorism that America faces every day.

I not only support this opportunity for Director Mueller to serve for another 2 years, but I am very pleased that we achieved this end through a constitutional means. The initial legislation would have simply extended Director Mueller's statutory term without a new nomination and confirmation. That would have amounted to an appointment by the Senate. The Constitution, however, gives the appointment power to the President. We must not use unconstitutional means to achieve even desirable political ends.

I applaud the Senator from Oklahoma, Mr. COBURN, who offered the alternative of creating a single separate 2-year term that would be available only to Director Mueller. That approach leaves in place the statutory 10-year term for the position of FBI Director and respects the constitutional process of nomination and confirmation. It is indisputably constitutional. We have all taken the same oath to support and defend the Constitution, and that at least means we should choose a path that is constitutionally firm over a path that is constitutionally shaky. We did in this case, and I think it is a win-win. It achieves a

good purpose through a constitutional process.

So I am proud to vote once again to support Robert Mueller's nomination to be FBI Director. He is a great public servant and the right leader for these challenging times.

Ms. MIKULSKI. Mr. President, I rise today to support wholeheartedly the nomination of Robert S. Mueller III to continue serving as the Director of the Federal Bureau of Investigation, FBI, for an additional 2 years.

I have three criteria for nominees: (1) competence; (2) commitment to mission of the agency; and (3) highest integrity. Director Mueller surpasses all those tests with flying colors.

His competence cannot be questioned. Director Mueller came to the FBI just a week before the 9/11 terrorist attacks of 2001. Since then, he has provided steadfast leadership as the FBI has transformed from a traditional domestic law enforcement agency into a global counterterrorism and anticrime police force that has successfully kept Americans safe from terrorist attacks here at home and abroad. Prior to the FBI, he served our Nation as a decorated marine in Vietnam, and as a Federal prosecutor who tackled cases ranging from the bombing of Pan Am flight 103 to the prosecution of Panamanian dictator Manuel Noriega.

He has shown unwavering commitment to the FBI's mission. Director Mueller is the only FBI Director to serve out a full 10-year term. From his first day on the job, he fought to make sure the hardworking men and women at the FBI have the tools they need to carry out their extraordinary responsibilities. As chairwoman of the Senate Appropriations Subcommittee that funds the FBI and as a member of the Intelligence Committee, I am proud to call Director Mueller my steadfast partner in that fight. Together, we work to provide the FBI with the capabilities to stop terrorists before they attack us here at home, go after schemers and scammers who prey on hardworking American families, prevent cyberterrorists from devastating our technology infrastructure, and catch sexual predators before they harm our children. I look forward to continuing our strong partnership for the next 2 years.

Lastly, Director Mueller has strong integrity. He speaks truth to power, even when the truth is unpopular or inconvenient. He answered the call to service when President Bush asked him to serve as FBI director in 2001. And he has answered the call of President Obama when asked to serve 2 more years.

We live in extraordinarily critical times, facing threats from both within and outside our Nation, and the President's national security team has experienced major leadership changes in recent months. Keeping Director Mueller at the FBI for another 2 years means that one of the tested ''Nighthawks'' will continue guarding our Nation's national security. The broad bipartisan support in the Senate to have him continue serving as Director is a testament to the faith we place in this proven leader. We are privileged to have such a committed and dedicated public servant leading the FBI, and I am proud to support his nomination.

Mrs. FEINSTEIN. Mr. President, I rise to speak in strong support of the nomination of Robert Mueller to continue as the Director of the Federal Bureau of Investigation for an additional 2 years.

In his 10 years at the FBI, Director Mueller has served admirably, instituting important reforms at the Bureau and strengthening its counterterrorism capabilities. An extension of his term will insure that those efforts can continue and provide important stability to the President's national security team during this challenging time.

It is not surprising that when searching for a replacement for Director Mueller, the President determined that it would be best if the Director would continue his service. Director Mueller has a long and distinguished career in public service and we are fortunate that he has agreed to continue in his position.

I know that my colleagues are generally familiar with Mr. Mueller's background, but I think this is an appropriate time to review his many accomplishments.

Director Mueller first began his service to our Nation when he joined the U.S. Marine Corps after graduating from Princeton University. He served as an officer for 3 years, leading a rifle platoon of the Third Marine Division in Vietnam. He received the Bronze Star, two Navy Commendation medals, the Purple Heart, and the Vietnamese Cross of Gallantry.

After receiving his law degree from the University of Virginia Law School, Mr. Mueller headed to my home State of California to begin his legal career. He worked in San Francisco as a litigator until 1976, when he joined the U.S. Attorney's Office in the Northern District of California. Eventually, he would become the chief of the criminal division in that office.

In 1982, he moved to Boston to serve as an assistant U.S. attorney. He investigated and prosecuted major financial fraud, terrorism, and public corruption cases.

After serving in several positions in the public and private sectors, in 1998 Mr. Mueller was named U.S. attorney in San Francisco. That was when he first came to my attention as a skilled and committed prosecutor.

Mr. Mueller continued in that role until he was nominated to be FBI Director by President George W. Bush on July 5, 2001. That was an extremely challenging and difficult time to take on this responsibility, as he came to office only a few months before the terrorist attack on September 11, 2001.

Director Mueller more than rose to the occasion. He provided strong and steady leadership, and worked to transform the Bureau into an agency that can better detect and prevent terrorist attacks against the United States.

Under Director Mueller's direction, the FBI has played an essential role in more than 20 significant counterterrorism operations, while infiltrating and arresting groups of individuals charged with planning attacks against our country.

The FBI has also built its cyber investigation capability, focused on counterintelligence, investigated public corruption cases, and tracked and disrupted gang activity.

Time and again, Director Mueller has met the many challenges facing the Bureau, and it is now one of our most respected government institutions.

Of course, Congress had good reasons for placing a term limit on the Director of the FBI. History has shown that the enormous power wielded by the Director and the FBI can be subject to abuse in the wrong hands.

Congress has recognized those concerns with regard to the extension of Director Mueller's term. With the implementing legislation that has passed Congress, and this subsequent nomination, Congress and the President have created a one-time extension that would only apply to Director Mueller. Future FBI Directors would still be limited to a 10-year term.

Extending Director Mueller's term at the FBI for an additional 2 years will ensure that the important reforms and progress he has made will continue. Additionally, it will provide important stability to the President's national security team during this sensitive and challenging time and while it is otherwise going through important leadership changes.

This summer Leon Panetta has succeeded Robert Gates as Secretary of Defense. Although General David Petraeus has been confirmed to be the next Director of the CIA, he will not arrive at Headquarters in Langley to take leadership of the Agency until after Labor Day.

There are additional changes in key military leadership positions, as well as at the National Counterterrorism Center.

In the midst of these changes, Director Mueller will be an experienced, steady hand among the President's national security advisors. Keeping Director Mueller in his position will provide important continuity and leadership during this transition.

Personally, I have deep admiration and respect for Director Mueller. His integrity, courage, and dedication are an inspiration, and his leadership and effectiveness serve as an example for all. I am very pleased to call him my friend, and thank him for his willingness to continue to serve for another 2 years.

I urge my colleagues to support his confirmation.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

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

BUDGET CUT IMPACT

Mr. SANDERS. Mr. President, we are clearly at a momentous moment in American history. We are getting tens of thousands of people visiting our Web site, sanders.senate.gov, every day. People want to know what is going on. As the longest serving Independent in history in Congress, let me give my view of where we are right now.

First, I do wish to say I get a little bit tired of hearing some of our pundits and some of the politicians around here blithely talking about trillions of dollars in cuts. I see some of these guys making huge salaries on TV saying: Why don't they just come to an agreement—$2 trillion in cuts, $3 trillion in cuts. That may be OK if one is making a whole lot of money on television doing a television show, but, clearly, those people have not been talking to real Americans.

Let me go over what the media and many of us in Congress have not been talking about, and that is what the impacts of these trillions of dollars of cuts are about. These are not just words on a piece of paper. These are cuts which are going to have devastating impacts on people who are already suffering as a result of the worst recession since the Great Depression. Some people come up with this great idea and they say: The cost-of-living adjustment for Social Security is too high today, seniors and disabled vets are getting too much, and ''noted economists''—I have not heard from these noted economists—think it is too extravagant.

Mr. President, go back to Baltimore and I will go to Vermont and we will ask seniors whether they think the COLAs they are getting now are too extravagant, given the fact they haven't gotten a COLA in the last 2 years. Studies I have seen say not only are the COLAs today not too extravagant for Social Security and disabled vets, they are, in fact, too low because they underestimate the real expenses of seniors, which largely have to do with health care and prescription drugs. The costs are soaring. Any of these pundits or any of these economists who go out and talk to real people and say Social Security COLAs are too high are going to get laughed right out of the room because it isn't true.

If we come forward with this so-called chained CPI, this new formulation for COLAs, this is what it will mean in the real world: If someone is 65 today, when they become 75 in 10 years, that will result in a $560 decline in what they otherwise would have gotten in Social Security benefits, and when they are 85, 20 years from today, that will be a $1,000-a-year decline. I know in DC, with the lobbyists making millions a year, when we talk about $1,000, that is what these guys spend on a fancy dinner. It is laughable. They don't know what goes on in the real world.

There are millions of seniors today hanging on, trying to pay their prescription drug costs, trying to pay their out-of-pocket costs for health care, and $1,000 a year in 20 years is a lot of money for those people. In my view, it would be immoral and unacceptable to do what a number of plans out here are talking about; that is, to cut Social Security benefits very significantly. Clearly, that is where the Republicans are coming from, but it distresses me that I hear the President and Democrats in Congress also talking about that. This Senator will do everything he can to protect this enormously important program which, by the way, just in passing, has not contributed one nickel to the deficit because it is funded by the payroll tax and has a $2.6 trillion surplus. From a moral perspective, we cannot and must not cut Social Security.

There are other geniuses out there who are saying: Well, the way Medicare health care costs are going up, maybe it is time we did something like make major cuts in Medicare, including raising the eligibility age from 65 to 67. What is the problem? What is 2 years? Clearly, those folks have not talked to anybody who has been struggling when they are 60 or 63 and looking forward to Medicare at 65. What happens if a person is a modest-income person and they are 66 years of age and they are dealing with a health care crisis? Maybe they were hospitalized, but the government has said, pundits have said, my Republican friends have said, we are going to raise the Medicare age to 67. Tell me what happens. Let the American people tell me what happens to those millions of people? What are they supposed to do? They get diagnosed with cancer, they have a serious heart problem, they are 66, have no money in the bank, what happens to them? How many of those people will not survive?

Then other people say: Well, Medicaid is an easy program to cut. I mean, let's be politically honest about Medicaid. Medicaid is for lower income people. They don't have lobbyists, they don't make large campaign contributions. Many low-income people don't vote. They are easy to go after. Let's cut hundreds of billions of dollars from Medicaid. Let's be clear. According to a recent study at Harvard University, some 45,000 Americans die each year unnecessarily because they don't get to a doctor on time. That is 45,000 Americans, 15 times what we lost in the disaster of 9/11. Every single year those people are dying.

What happens if we make savage cuts in Medicaid? How many children do we throw off the Children's Health Insurance Program? What happens to the older people who are now in nursing homes on Medicaid? What happens to all those people? I guess we don't have to worry about them. Their lobbyists are not here. What happens to people on disability? We turn our back on those people, that is what we do.

One of the very interesting aspects of this whole debate and why the American people are so angry, so frustrated, and so disillusioned is that Congress is moving in a direction of exactly the opposite way that the American people want us to handle deficit reduction. Every single poll I have seen and in my experience in talking to people in the State of Vermont, people want shared sacrifice. People understand that the wealthiest people in this country are doing phenomenally well. Over a recent 25-year period, 80 percent of all new income went to the top 1 percent. The rich are getting richer, and you know what. Their effective tax rates today are one of the lowest in American history, about 18 percent. So the richest people in America who are doing phenomenally well are paying a lower tax rate than nurses, teachers, and police officers. The American people who see the middle class declining and the rich getting richer are saying: Hey, it is only fair that the wealthiest people help us contribute to deficit reduction. We can't place the whole burden on the backs of people who are getting poorer and poorer as a result of the recession.

The American people also understand we have large multinational corporations, such as General Electric, ExxonMobil, and many others that have been making billions of dollars in profits in recent years and don't pay a nickel in Federal taxes. Then, on top of that, we have the absurdity of a tax policy which allows the wealthy and large corporations to stash huge amounts of money in the Cayman Islands and in other tax havens so we are losing about $100 billion a year in revenue. The American people are looking around and saying: That is crazy. The wealthy and large corporations, which are doing phenomenally well, which are not paying their fair share of taxes, have to contribute to deficit reduction. It cannot simply be on the backs of the elderly, the children, the sick, the poor. That is what the American people are saying in poll after poll.

There was a poll that just came out the other day—just one more of many polls. Washington Post: Should the wealthiest people in this country be asked to pay more? That is the question. They asked: In order to reduce the national debt, would you support or oppose the following: raising taxes on Americans with incomes of over $250,000 a year. The response in that poll was 72 percent of the American people said yes, 27 percent said no. Overwhelmingly, every poll we see says the wealthy have to pay more in taxes, and then the same polls say: Protect Social Security, protect Medicare, protect Medicaid, protect education. Here is the irony: We are marching down a

path which will do exactly the opposite of what the American people want. Our Republican friends have been absolutely fanatically determined that no matter what happens, billionaires and large corporations will not pay a nickel more in taxes. That has been their religious belief, not a nickel more from the wealthiest people in this country. I have to say Democrats have not been particularly strong in opposition to that nor has the President been strong, with retreat after retreat.

In recent months, we have heard more and more discussion from Democrats about cuts in Social Security, cuts in Medicare, cuts in Medicaid. Now there is apparently a willingness to come forward with a proposal that would include only cuts and no revenue at all—no revenue at all.

I think the American people are angry. I think they are frustrated. I think they are disillusioned because what they want to see happen is deficit reduction done through shared sacrifice, although with the wealthy and large corporations playing their role appears not to be happening. And when they have said loudly and clearly that we must protect Social Security, Medicare, and Medicaid, they are also seeing that it is not happening.

So I just conclude by saying I think there is a path toward deficit reduction which is fair and responsible. It does ask the big-money interests to understand that they are Americans also and they have to play a role in deficit reduction. It does say that at a time when we have tripled military spending since 1997, we have to make significant cuts there as well.

I hope our Republican friends give up their fanatical opposition to asking billionaires and millionaires and large corporations to play a role in deficit reduction. I hope my Democratic friends will stand tall. And I hope that at the end of the day, we have the deficit-reduction program the American people will feel good about.

With that, I yield the floor.

The PRESIDING OFFICER (Mr. MERKLEY). The Senator from Maryland.

Mr. CARDIN. Mr. President, I ask unanimous consent to speak as in morning business.

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

FAA REAUTHORIZATION

Mr. CARDIN. Mr. President, we all know we are running against the deadline of Tuesday, August 2, on raising the debt of our Nation, and there is a real risk that if we don't make that deadline on Tuesday, there will be checks from the Federal Government that will not be able to go out. The number of 70 million is used as the number of checks written each month by the Federal Government that go to employees, that go to contractors, that go to recipients of certain benefits.

Let me talk about 4,000 Federal workers who already have been furloughed. It doesn't have to do with raising the debt ceiling; it has to do with the failure of the House of Representatives to send a clean extension of the Federal Aviation Administration—the FAA reauthorization bill—for us to consider. As a result of the failure to pass the reauthorization of the Federal Aviation Administration or to pass a short-term extension of the FAA, 4,000 workers at the Federal Aviation Administration have been put on furlough. That in and of itself has a major impact on our economy. That is 4,000 Americans who are no longer receiving a paycheck. It affects people who work for the FAA in such fields as safety engineers, computer scientists, aeronautics engineers, physical scientists—the list goes on and on—jeopardizing the progress we have made in keeping our airways safe and jeopardizing the convenience to those who travel by air. Many of those workers live in the State of Maryland, so it is having a direct effect on the State I have the honor of representing in the Senate.

It goes beyond just the Federal workforce who have been put on furlough as a result of the failure to pass a short-term extension of the FAA. It also goes to construction contracts that are funded through aviation funds. At many airports around the Nation, there have now been stop orders on construction of runways, construction of towers, and construction of other improvements that are important to keep our airports modern and safe and convenient in handling the increased number of air passengers.

Let me tell my colleagues that, yes, it affects those large contractors who are doing the work of the Federal Government. It is going to affect their payrolls and their workforce, but it also affects a lot of small businesses in Maryland and around the Nation.

Let me give one example. Chappy Corporation is an electrical and mechanical operations small business specializing in airport landing systems and lighting. Chappy Corporation is the lead contractor implementing BWI's—the main airport in Maryland—ASDE–X project, a runway safety mechanism that enables air traffic controllers to detect potential runway conflicts by providing detailed coverage of movement on runways and taxiways. For the safety of all of us, I hope we would want to move forward with those types of improvements in our major airports in the Nation, including the one which most Marylanders use—BWI Airport. Chappy Corporation has been told to stop work on this important aviation safety project, thus decreasing their value and making it more difficult to make payroll. It is already tough for small companies out there today, and now, because of the failure of the House to send over to us a clean extension of the FAA bill, which we have done many times in the past, we have a company such as Chappy which is running the risk of its strength to continue with its current workforce and to do important work at airports for safety.

It also goes beyond the Federal employees and the contractor employees who are not getting a paycheck and the contractors whose work has been stopped and they are not getting their construction contract payments. It also affects the Federal Aviation Administration's revenues. They collect a lot of revenue. There is a ticket tax. When a person buys an airline ticket, they pay a tax that goes into the Federal Aviation Administration's funds which are used for improvement projects at our airports. That amounts to about $30 million that will not be collected. What happens to that money? Well, we lose it in the Federal Treasury. People say: Well, maybe it will make it less expensive for people to travel. But that is not the case.

Let me quote a headline from Reuters: ''Airlines Raise Fares as Taxes Lapse.''

I am quoting:

> Many U.S. airlines have raised fares in recent days to take advantage of a lapse in U.S. ticket tax collection after Congress failed last week to fully fund the Federal Aviation Administration's budget, but passengers are not likely to notice any price difference.
>
> JetBlue Airways Corp. and Southwest Airlines Co. began raising ticket prices by at least 7.5 percent on Friday, according to FareCompare.com. Other airlines, such as Delta Air Lines and United Continental Holdings Inc., boosted prices on Saturday.

So we can't collect the 7.5-percent tax and the airlines are pocketing the money. The people who are purchasing tickets are still paying the same amount even though none of that money is going to improve our airports. It makes no sense whatsoever.

All of these occurrences—the Federal workers not getting a paycheck and being put on furlough, contractors not getting paid and construction work not being done, revenues not being collected that are necessary for the Federal Government—are hurting our economy. All are making it more difficult for our recovery.

Why has this happened? The reason, quite frankly, is that we have not been able to pass the reauthorization bill. We passed the reauthorization bill early in the session, the Senate did. The House passed a bill about 100 days ago but has refused to appoint conferees to work out the differences. Then the House sends over—because we didn't meet the deadline—an extension bill that includes a partisan labor provision, an antilabor provision. Now, that should never be in an extension bill. It shouldn't be in any legislation. But it should be negotiated between the conferees of the House and Senate so we can get a reauthorization bill done. They shouldn't use an extension bill in order to get that done, and that is what they have done. As a result, we have the consequences of Federal workers being furloughed, contractors not being paid, and revenues necessary for our airport improvements not being collected.

So what should we do? What do we need to do? Well, we need to first pass a short-term extension, a clean short-term extension without these killer amendments attached to allow our workforce to be able to work and to get their paychecks, to allow contractors to continue the work they are doing, and to allow the government to collect the revenue necessary to keep our airports modern. That is the first thing we should do.

Secondly, we need to negotiate in good faith between the House and the Senate conferees so we can pass the Federal Aviation Administration reauthorization bill. That bill contains many very important provisions, including what we call NextGen, which is the way in which we can operate our air service in a much more efficient way, using less fuel, less time, and helping our economy. The FAA reauthorization bill is estimated to create hundreds of thousands of jobs for our country. We need to get that done. So we need to negotiate the bill, get that done, and all of that will help create more jobs for our community.

I urge my colleagues, particularly those in the House, to send us a clean extension bill, negotiate in good faith, and let's get the FAA bill done.

Actually, I see the ranking member of that committee, our colleague from Texas, who may wish to talk about it or some other issue.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I am here to talk about the renomination of FBI Director Mueller, but I certainly heard my colleague from Maryland, and I agree we must pass a clean extension of the FAA. We are losing the revenue, and we are losing the capability for projects that are ongoing to continue. Work has stopped at many of the airports that have building and repair projects that are supported by the FAA.

Honestly, the House needs to send a clean extension. There is a clean extension pending in the Senate. It has been objected to by one Member. This is not the way to go forward. I happen to agree with much of what the House wants to do, but not in this way. We have to put that in the context of the whole bill, which we certainly should be doing, and I hope the House will send us a clean extension so there will not be another weekend of disruption and people can get on with the projects.

I come to the floor today to speak about FBI Director Robert Mueller. He has been FBI Director since 2001. During a critical time when our country has experienced such major leadership changes on our national security team, this nomination offers the necessary stability and continuity from a proven leader who has wide support.

Director Mueller has strong bipartisan support. He was appointed on August 2, 2001—just before the 9/11 tragedy—by President Bush, and he began serving a week before the September 11 attacks. His term is said to expire next week on August 2.

The FBI has never experienced a larger transformation than while under his leadership, adding counterterrorism, counterintelligence, and cyber security to the Bureau's traditional crime-fighting mission. In the 10 years Mr. Mueller has been Director of the FBI, he has worked tirelessly to ensure that no international terrorist attacks have occurred on U.S. soil since 9/11, and there have been several plots that have been uncovered and kept from occurring.

Director Mueller has ensured that the FBI is a full member of the U.S. intelligence community and serves as a critical and singular link between the intelligence and law enforcement communities in the United States. He served our Nation with valor and integrity as a marine in Vietnam and as a Federal prosecutor. He answered the call to service from President Bush to be FBI Director and is once again answering the call by agreeing to serve 2 more years under President Obama. He is an admirable public servant, and I urge his swift confirmation.

THE DEBT CEILING

Mr. President, we are less than 6 days away from the date the Department of the Treasury has signified would shut down the Federal Government and exhaust all borrowing authority.

We all know we are at this point because we have a fundamental difference in the principles on how our government should be run. We all know we are at this point because the financial viability of our Nation is at stake.

I believe this debt ceiling debate presents Congress with a critical opportunity to get our country back on a sustainable and prosperous path. We must send a message to the markets, to the American people, and to American businesses that we are going to get our fiscal house in order with spending cuts, caps on future spending, and permanent budget reform in the form of a balanced budget amendment.

What we need now is a serious proposal to provide certainty and clear commitment to a reform measure that ensures spending cuts before the debt ceiling is raised. The Senate majority leader's and the House Speaker's plans have similarity, and I believe a common ground can be found in the two.

First, neither of the plans proposes tax increases to achieve deficit reduction, and both plans aim for significant deficit savings in the amount of $1.2 trillion over the next 10 years.

Now, is that what we wanted? No. I would have had more cuts. We should be reaching for $4 trillion in cuts, not $1.2 trillion. But we have had plans put forward for $4 trillion, we have had plans put forward for more, and we could not get those through. We could not get one through the Senate. Furthermore, entitlements are not in the plans that are before us, and entitlement reform is essential for us to address. We can certainly put Social Security on the fiscally responsible path that will make it secure for 75 years with very minor changes and gradual changes if we do it now. This is an opportunity. Because we have only 6 days, we are not going to be able to do it in this vehicle.

But there is a plan going forward that our leader, Senator MCCONNELL, and Senator REID, along with a bipartisan group of Senators, have put forward a plan. I think we need to look towards the long term and not let this opportunity pass to do something that will be enduring for the fiscal responsibility of our country.

But we have 6 days, and now we have to do something as responsible as possible with the time we have left and keep open the option of doing what we should be doing for the long term before the end of this year. That is what Senator MCCONNELL, Senator REID, and many other Senators have put on the table. That is what we need to try to achieve.

But we have made great strides. What Republicans said from the beginning is, they are not going to support tax increases of any kind in this economic climate. Businesses are not hiring. A 9.2-percent unemployment rate is unacceptable. Our businesses are afraid of the Obama health care plan and its costs. They are factoring that into their plans, and they are not hiring people because of the expense. Add more tax increases on top of that and our economy is going to be stagnant for a long time. So tax increases are off the table.

But I do hope we can also make the cuts that will put us on a fiscally responsible plan so we will not have to address this debt ceiling ever again.

So we have made a major achievement. Sometimes it seems as though when we have to come together to do something that is not ideal, we do not take acknowledgment of the fact that we are making one smaller step in the right direction. I think in order to avoid a fiscal calamity, we do need to make the strongest step we can make, which is cutting spending and doing it without increasing taxes.

The idea that we could tax our way out of debt has been totally discounted. Neither of these plans includes tax hikes to offset the deficit reduction, and that is a strong endorsement. Both proposals also include budget enforcement of discretionary caps by requiring automatic across-the-board cuts if the caps are not met. That will put a Governor on future spending that will keep the promise we are making to cut spending.

Both proposals establish a bipartisan committee to identify further deficit reduction that would include tax reform and fix the broken entitlement programs. I hope we will not throw that out the window. Having a commission—I know people roll their eyes and say: Oh, another commission. Really?

Well, if we have a finite end date and have the opportunity to make more real cuts, it is worth another chance. We do need to make entitlement reforms.

If we can do tax reform that lowers the tax rate for everyone and brings in revenue by having more people hired off the unemployment rolls, that is a win. We raise revenue by putting more people back to work. That is the way you raise revenue, not by tax increases that put a lid on hiring.

So I think we have some good things that can be put together. We need to make sure we go forward, as much as we can with a divided Congress, and try to make a step in the right direction. Then, hopefully before the end of the year, we will be able to take stronger steps that will have a more lasting impact.

I, for one, think it is not even a possibility that we would allow the debt ceiling to be met and start the process then of watching the President decide who gets paid and who does not.

I have a bill I have introduced with strong support that would make the priority paying the interest on our debt and paying our soldiers, our men and women who have boots on the ground in harm's way. If you are Active-Duty military, you should not waste 1 minute thinking about whether you are going to make your mortgage.

I want to say that I commend USAA. USAA is the corporation that serves so many of our military personnel. They have put out their policy that in case the debt limit is reached, USAA has stated that for those military members, who are on active duty and have their paychecks directly deposited into their USAA account, they are going to provide a one-time, interest-free advance for their paycheck.

They also know the stresses on those members of the armed services. USAA is doing a wonderful thing by putting the families of loved ones across the sea fighting for our security at ease.

So I commend USAA. At the same time, I would like for my bill to be passed that assures that those military servicemembers who are not customers of USAA will also have the comfort of knowing their paychecks will be there on time. So I hope if all else fails in this body, we can pass the legislation that says we will pay our debts and we will pay our military and Social Security recipients will also be paid.

But I do not think we ought to get that far at all. That is why I am urging our Members to work with our leaders. Do not throw stones at our leaders. They have a tough job corralling 100 pretty big egos, and we ought to be helping them get to the point where we are all comfortable that we are doing the right thing. Sometimes we cannot get 100 percent of what we want when there are 100 people who have their individual ideas as well.

So I hope we will take this chance to do so much for our country that we have the opportunity to do. We may have to do it in smaller steps to reach that goal, but if we reach the goal, we will have secured the future for our children, and that is what we are here for.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WEBB. Mr. President, I ask unanimous consent to speak as in morning business.

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

THE DEBT CEILING

Mr. WEBB. Mr. President, I would like to express my support for the majority leader's plan to raise the debt ceiling and reduce the deficit. Our Nation, as we all know, faces a looming crisis.

The markets have already warned us. Businesses are already postponing investments. We know the consequences of inaction. They are predictable. Borrowing costs for businesses and individuals will escalate. Interest payments on the debt will grow. Already anemic job growth will decline. Our Nation will run the risk of another financial catastrophe and possibly a return to recession. As Chairman Bernanke recently stated, the outcome would be ''calamitous.''

Many Americans are struggling. Far too many remain out of work. They cannot be asked to absorb the shock waves of yet another failure to act. It is time, as the Senator from Texas just pointed out—and others have—for both sides and both Chambers to find common ground.

Reasonable and responsible editorials from across the country have endorsed the majority leader's proposal. Well-meaning people on all sides have a genuine concern and have shown genuine concerns. We all—most all of us—share those concerns about the implications of not acting.

There are in the other party some individuals who view themselves as revolutionaries in the best sense of the word. They appear less concerned with the here and now than with where they want to take the country in the future. We all understand the two are connected and that looking to the future is vital to the country. The question, though, is the harm that might be caused by precipitous action.

Columnist George Will wrote a column a few days ago likening the tea party movement of today to the beginning of the Goldwater-Reagan conservative era; that the Goldwater movement of 1964, even though it did not bring Senator Goldwater to the Presidency, was the first step toward the conservative revolution that culminated in Ronald Reagan's election in 1980.

I am going to quote a couple of sentences Mr. Will wrote:

> The tea party, [which in his view is] the most welcome . . . development since the Goldwater insurgency in 1964, lacks only the patience necessary when America lacks the consensus required to propel fundamental change. . . .

Mr. Will goes on to say:

> If Washington's trajectory could be turned as quickly as tea partyers wish . . . their movement would not be as necessary as it is.

Those are Mr. Will's words. That is Mr. Will's considered opinion. That may be so, and it may not be so. But the first rule of good governance is to do no harm. That does not mean we should not make cuts. That does not mean we should not look toward some of the directions this debate has taken us. But it means be careful when you are dealing with a fragility of national policy at a time like this.

Some things sound better in a speech to a room full of activists than they actually are in the reality of how to govern and the practicality of how to actually bring about change, where change is needed.

Senator Goldwater did not attempt to torpedo the economy in order to get his way. Ronald Reagan, in whose administration I proudly served, by the way, raised the national debt 18 times—more than any other President.

I fought in Vietnam as an infantry marine. I am very proud of that. Those of us who did fight in Vietnam all remember the regretful quote of one infantry officer who lamented that during one battle he had to call in heavy artillery and airstrikes on a populated village; that he had to destroy a village in order to save it.

I do not think the Republicans who are using this issue as a lever to bring about their view of radical change want to look back at a fractured economic recovery, a downgraded credit rating for the world's No. 1 economy, a citizenry that has become more angry and less capable of predicting its own financial future, and then say, as if all of this were not predictable, that they destroyed the American economy in order to save it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. LEAHY. 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. LEAHY. Mr. President, I know my distinguished colleague, the senior Senator from West Virginia, is going to be seeking recognition, and perhaps others. I certainly have no objection to that. I realize we are on the Mueller nomination.

I ask unanimous consent that notwithstanding any interruption for other business, the Mueller vote still be at the time we originally planned, which is around 4 p.m.

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

Mr. LEAHY. I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

FAA REAUTHORIZATION

Mr. ROCKEFELLER. Mr. President, last week I came to the Senate floor to

ask unanimous consent to pass something called—a very easy thing—a clean extension of the FAA bill, something the Senate has done 20 times. This is the 21st time—4 years waiting to pass a reauthorization bill.

But for the first time in these 4 years, the Republicans objected to this extraordinarily routine request. Shortly, I will renew my request to pass our 21st short-term extension of the FAA. But before I do, I want to highlight the very painful consequences of failing to pass this bill, which we can only do by getting a clean extension.

By objecting to my request last week, Republican Senators made sure that 4,000 hard-working FAA employees were furloughed already. Hundreds of critical airport safety capacity air traffic control projects were brought to a halt. Payments were stopped to hundreds of small businesses dependent upon reimbursement from the FAA for their work.

The Federal Government is being forced to forego almost $30 million a day in aviation tax revenue that is critical, obviously, to supporting our overall airport infrastructure program. The introduction of the newest Boeing aircraft is being delayed because the FAA cannot certify that the planes operate safely.

I know in Washington we have a tendency to view these fights as purely policy disagreements that have no real impact on people. I stress that there is an enormous effect on people and businesses, large and small, and on the economy of the United States. Because some Republicans have refused to allow another clean extension of the FAA programs, something we have done 20 times in the last 4 years, we are inflicting real pain on very real people.

People are suffering. Small businesses are hurting. We are losing jobs and will lose a lot more. Even consumers are losing out on the airline ticket tax holidays.

The majority of the airline industry has greedily chosen to pocket those revenues rather than reducing ticket prices. In other words, they have a tax holiday because the expiration of the tax has already taken place a number of days ago. So they are taking this tax holiday, and rather than leaving at the present level the cost of a ticket for consumers—as Alaska Airlines is doing and Virgin Airlines is doing and one other airline is doing—they are taking the money to themselves, giving it to themselves.

I find that extraordinary. It reminds me of ''Too Big to Fail''—the movie—the greed, the promise to help with small mortgages and they got all the money and didn't spend a dime to help with small mortgages.

The damage we are doing to our aviation system is incredibly real. If we fail to act in a timely manner, it may be so devastating as to become irreversible. It makes sense when we think about it. If one were to operate on somebody and cut beyond a certain point, they can't reverse the damage.

With so much pain being inflicted on so many, one may ask why my Republican colleagues have refused repeated requests to pass a clean extension—something we have done 20 times in the past 4 years.

They are willing, evidently, to hurt so many of these people for the benefit of one company. It is called Delta Airlines. As the chairman of the House Transportation Committee has stated publicly, the House inserted language on the Essential Air Service Program to leverage the Senate on including provisions relating to the National Mediation Board.

What do I mean? What they sent to us was all about essential air service. But that is not what it is about at all. The chairman, my counterpart in the House told me many times that essential air service is not a big deal to him. He doesn't particularly have a dog in this hunt. We need to do some reform on it, which we offered to do. He didn't mention a thing about the National Mediation Board. That is the only thing that motivates the House.

Delta Airlines is nonunion. The other airlines, for the most part, are union. Delta Airlines has had four elections in the last several years to unionize. Each time the company has prevailed over the union. So one might ask: Why is it that they are so strongly suggesting they need this National Mediation Board, which they changed in their bill.

It had been changed 2 years ago to say the number of votes that were cast were the number of votes that were reflected. In their bill, they want to say that anybody who does not vote in a union certification election, by definition, has voted no. I have never heard of that in America anywhere else. It is a rather ridiculous ploy.

This is not policy, this is pettiness. It has become the typical ''my way or the highway'' thinking of the House Republicans.

I note that we have forgone almost $150 million in tax revenues by failing to act. It will go up by about $25 million a day, which, when we think about it, would come close to paying for the whole Essential Air Service Program anyway, in just a week or so. Again, by the end of the week, we will have lost more revenue used for aviation infrastructure spending than on the entire Essential Air Service Program cost all of last year. It is embarrassing.

I wish my Republican colleagues would have defended the prerogatives of the Senate. Instead, some chose to back the House leadership.

Last week, as my friend from Utah—who is here now—outlined so honestly, Senate Republicans are not permitting the Senate to pass a clean extension because they want the Senate to accept language altering 85 years of labor law and legal precedent.

I wish I understood why the policy objections of one company—Delta Airlines—mattered so much to so few and also mattered so much more than the livelihood of thousands of American workers who have or will be furloughed.

Last year, the CEO of Delta made $9 million. Whether that was a salary or salary plus options, I know not. Delta paid its top executives almost $20 million. Yet it is fighting to make sure its employees cannot organize—they already had four elections, and in all four Delta has prevailed—for fear they may secure a few extra dollars in their paychecks.

At the same time, it is pushing for special interest provisions in the FAA bill. Delta is not shy. Delta announced it was abandoning air services to 26 small, rural communities—leaving many of them, obviously, without any air service. One only has to live in a small, rural community or a State such as mine to understand what that means and what the cost truly is.

Delta then had the gall to announce publicly it would seek EAS subsidies to continue this service. Maybe Mr. Anderson and his colleagues can forgo some of their own salaries to help subsidize the air service. That is not my business. Maybe they could use some of the millions of dollars they are collecting in a tax holiday windfall to pay for this service. That is not my business, but it is theirs, and it is shameful.

Let me be clear. House Republicans and their Senate allies have thrown nearly 4,000 FAA employees out of work already, stopped critical airport safety projects, hurt hundreds of small businesses, and gutted the Aviation Trust Fund—or began to—so Delta Airlines—that one company—doesn't have to allow its employees to organize in a fair or timely manner, if they chose to.

The needs of one company should not, in any deliberative body, dictate the safety and soundness of our aviation system. We need to pass a clean extension that will get people back to work and businesses and their employees back to work and build out our airport infrastructure.

It is so simple to pass a clean extension bill. We have done it so often. We have done it 20 times. The one time where there was some policy attached was 2 years ago, when the House and the Senate totally agreed on what was in the extension, and it passed. But it is such a simple thing to do. By not doing it, it is holding up our whole process.

UNANIMOUS CONSENT REQUEST—H.R. 2553

Therefore, I ask unanimous consent that, as in legislative session, the Senate proceed to the consideration of Calendar No. 109, H.R. 2553; that a Rockefeller-Hutchison substitute amendment, which is at the desk, be agreed to; that the bill, as amended, be read the third time and passed; and that the motions to reconsider be laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. I object, Madam President.

The PRESIDING OFFICER. Objection is heard.

Mr. HATCH. Madam President, I will take a few minutes to explain why I am, once again, objecting to the legislation offered by my dear friend from West Virginia, my Finance Committee colleague. I wish to make it absolutely clear that a long-term FAA reauthorization is a priority for this country, and it is a personal priority for me.

Once again, I point out that I have worked with Chairman BAUCUS on reporting a Finance Committee title to the bill that passed the Senate earlier this year. The current lapse in FAA taxes and expenditures authority from the Airport and Airway Trust Fund is a detrimental situation brought on by the Senate majority's refusal to discontinue granting excessive favors for big labor and their refusal to cut any wasteful spending.

As I have said, I share House Transportation and Infrastructure Committee Chairman MICA's frustration that favors to organized labor have overshadowed the prospects for a long-term FAA reauthorization.

Last year, the National Mediation Board changed the rules under which employees of airlines and railroads are able to unionize. For decades, the standard has been that a majority of employees would have to agree in an election to form a union. However, the National Mediation Board rules changed that standard so all it takes to unionize is a majority of employees voting. This means the NMB wants to count an employee who doesn't vote as voting for big labor. Somehow, organized labor is able to claim it is democratic to appropriate someone else's vote without that person's input and participation.

The FAA reauthorization bill that passed the House earlier this year undoes this heavyhanded rule and lets airline employees decide for themselves how to use their own votes. The House bill would merely undo a big partisan favor done at the behest of big labor and put efforts to unionize airline workforces on the same footing they have been on for years.

The House bill does not create a new hurdle to unionization. Instead, it restores the longstanding ability of airline employees to make decisions for themselves. The House bill only undoes the NMB action that was taken to reverse 70 years of precedent for narrow political gain.

In addition to an impulse to cater to big labor, the Senate majority also is resistant to any attempt to cut any government spending, no matter how wasteful that spending may be. The House bill I am going to ask unanimous consent for in a few minutes has aroused the ire of the majority because it contains a provision that would limit essential air service eligibility to communities that are located 90 or more miles from a large- or medium-hub airport. This would save $12.5 million a year. That is right, million with an ''m'', not a ''b'' or a ''t.''

The majority is resisting a provision that already passed this body as part of the Senate's long-term reauthorization bill that would save $12.5 million a year, and they are willing to put the FAA's finance at risk in the process. The House bill I am going to offer also contains an additional proposal to limit essential air service subsidies for communities where the cost per passenger is greater than $1,000. This provision would affect a grand total of three airports in the whole country. It is my understanding these three airports would also have ceased to receive EAS subsidies under another provision in the Senate-passed, long-term FAA bill that limited subsidies to airports averaging 10 or more passengers a day.

To sum this up, our friends on the other side, the Democrats, are holding this up over wasteful spending and handouts for President Obama's big union allies.

The point is, the Senate majority has cut the FAA off from its primary source of financing and created confusion for travel companies and tax-paying passengers by objecting to a short-term extension measure that doesn't do one single thing that is not done by a bill that passed the Senate by unanimous consent on April 7 of this year.

I wish to briefly discuss and hopefully clear away some of that confusion. Passengers who bought tickets while the taxes were still being collected may be entitled to a refund if they are traveling during a period in which the taxes have lapsed. I wish to make it clear that the inability of the Senate majority to process legislation should not constitute an additional burden to the already beleaguered travel industry. It is the responsibility of the IRS to refund ticket taxes, and while I recognize they want to do the right thing for taxpayers, I encourage the IRS to work closely with the travel industry. The travel industry is not responsible for the lapse in FAA taxes, and they should not bear extra costs because of that.

The lack of a long-term bill is bad for airports all across the country because they don't have the funding stability to plan and complete projects. Kicking the can farther down the road is not a viable alternative to actually doing what is in the best interests of all parties.

As a Senate conferee to the FAA bill, I stand ready to do everything I can to get to work with my House and Senate colleagues on a long-term FAA reauthorization, as soon as they are willing to get down to work.

UNANIMOUS CONSENT REQUEST—H.R. 2553

Madam President, as in legislative session, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2553, which was received from the House. I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER (Mrs. HAGAN). Is there objection?

Mr. ROCKEFELLER. Madam President, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Vermont.

Mr. LEAHY. Madam President, have the yeas and nays been ordered on the Mueller nomination?

The PRESIDING OFFICER. No.

Mr. LEAHY. I ask for the yeas and nays on the Mueller nomination.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Madam President, how much time remains until the vote on the Mueller nomination?

The PRESIDING OFFICER. Four minutes.

Mr. LEAHY. Madam President, I hope all Senators will step forward and vote for this nomination. I can think of no reason why they should not. Director Mueller is typical of many in our government who serve the people of America tirelessly, without any gain to themselves but instead for what is best for all Americans and for our country. Director Mueller has worked—along with the thousands of individuals at the Department of Justice and the FBI who work around the clock every day to keep America safe to protect us from crime and to protect us from terrorists. Unfortunately some people try to lump together and deride government employees. The fact is the people at the FBI and Department of Justice are very brave men and women, many of whom put their lives on the line for us day by day, and we ought to acknowledge that.

Bob Mueller is the public face of the FBI, as its long-serving Director. Amazingly, he and Ann, his wife of many years, along with their grown children, are able to separate that their private life from the public life. Like so many who serve this country, Director Mueller's public life takes an inordinate amount of his time, and I think it is a testament to his dedication that he was willing to do this job for another two years, but it is also important to acknowledge the sacrifice of his wife Ann and his children. I think all Americans share in the good fortune that when the President asked Director Mueller to step forward and serve for another 2 years, he answered the call.

I also want to compliment President Obama. He knew he had the opportunity to name somebody who would be there as long as he, Barack Obama, may be President, whether he serves one term or two, and beyond. Instead, the President, as he has often done, did what he thought was best for the country.

Director Mueller is a fine public servant, and I would urge all Senators to vote ''aye'' on this nomination.

Madam President, how much time remains?

The PRESIDING OFFICER. There is 1 minute.

Mr. LEAHY. Madam President, I see no one else seeking the floor, so I yield back the remainder of the time, which is now about 30 seconds.

The PRESIDING OFFICER. All time has expired.

The question is, Will the Senate advise and consent to the nomination of Robert S. Mueller, III, of California, to be Director of the Federal Bureau of Investigation for a term expiring September 4, 2013.

The clerk will call the roll.

The assistant bill clerk called the roll.

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote No. 118 Ex.]

YEAS — 100

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

The nomination was confirmed.

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

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

The majority leader.

MORNING BUSINESS

Mr. REID. Madam President, I have spoken to the Republican leader fairly recently—it is all relative time, I guess. There will be no more rollcall votes tonight.

I ask unanimous consent that the Senate proceed to a period for morning business until 6:30 p.m. tonight, with Senators permitted to speak for up to 10 minutes each. Senator COBURN is not on the floor, but I understand he wanted to speak for more than 10 minutes. I ask that Senator COBURN be recognized at 5:30 p.m. for 30 minutes.

Mrs. BOXER. Reserving the right to object, and I will not object, I would like to get 20 minutes to speak following Senator COBURN.

Mr. REID. Sounds good to me.

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

Mr. REID. The rest of the Senators will be limited to 10 minutes.

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

Mr. REID. Madam President, I ask unanimous consent that at 6:30 p.m., I be recognized.

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

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

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

The Senator from Kansas.

THE DEBT CEILING

Mr. MORAN. Madam President, I have spoken several times over the last several weeks with regard to the issue at hand. Clearly, the time continues to escape us, and the day of reckoning is coming in regard to the debt ceiling issue. I have said from the very beginning that in my view it would be irresponsible not to raise the debt ceiling, but it would be as irresponsible if not more so to raise the debt ceiling without reducing the spending, getting our books more in balance, and moving us in the right direction toward a balanced budget in the future. I recognize this cannot be accomplished overnight, and I recognize there are those who bring different points of view and perspectives to the Senate floor. This is a body of people who represent individuals who live in all 50 States and have points of view and philosophies and backgrounds that are different than perhaps the constituents I represent from the State of Kansas.

I have been a strong supporter of the legislation entitled ''cut, cap, and balance.'' I actually believe it is not just cut, cap, and balance; it is cut, cap, balance, and grow. We could do so much for our country both in the fiscal sense and with the idea that we could better pay our bills if the revenues are increased by putting people to work, by creating a climate in which people could find jobs, people could improve their situation in regard to their jobs, and in the process of doing that the revenues increase to the Federal Treasury.

It was back in the days of President Clinton that we came the closest to having our books balanced. While there was spending restraint and disagreement among Republicans and Democrats about new spending programs or bigger government, in my view, the real reason we had a balanced budget was because the economy was growing.

So I again ask my colleagues to pay attention to what I believe was the message of the 2010 election: It is the economy. It is the desire of people to have a better life, to save money for their children's education, to save money for their retirement, and to be satisfied that the job they have today is the job they will have tomorrow.

I believe there is much that we can do with regard to the regulatory environment, making the Tax Code fair and certain, issues regarding access to credit, a trade policy that will allow us to increase exports—both agricultural and manufactured goods—and a trade policy that reduces our reliance on foreign energy and gives us greater control over its costs. But the time has come for us to reach an agreement, and we anxiously await what action the House of Representatives may take.

In light of this point in time, I would like to share with my colleagues in the Senate an e-mail I received from one of my constituents, a Kansan named Gina Reynolds. Gina is from Shawnee. She expresses this point of view I think very appropriately for where we are today. In asking Gina if I could share with you what she wrote to me, she indicated this was the very first time she had ever written a Member of Congress. Here is what she had to say that I hope we will take into account. Again, while we bring philosophies and viewpoints and approaches to government to Washington, DC, there is an opportunity for common sense and good judgment to prevail.

Here is what she says:

> I firmly believe the United States needs to start living within our means. However, I am frustrated beyond belief with the inability of Congress to do their jobs and ensure that we do not throw the country back into recession. While I and my husband are employed, we feel lucky to have jobs. We work hard, pay our taxes and try to raise our children the right way. It absolutely boggles my mind that we cannot come to a compromise on the debt ceiling issue that is so critical to the financial markets and the average American citizen.
>
> For it is us, the middle class, that will suffer the most; from lost jobs, to lost 401Ks, and lost savings. We need real tax reform, real entitlement reform (for even though I am 42 years old, I do not believe I will ever see a dime of Social Security) and real spending cuts. Congress has had months to work on this issue, and now the time is to act in the best interests of the People, not the political interest groups, not some ideology.

It is sad to say, but I honestly don't know if my children will have a better future than me. I know that there are a lot of tough decisions yet to be made regarding spending and taxes, but we only make it harder by defaulting on any of our country's obligations. I am fiscally conservative and generally vote Republican, but I do not blindly follow any one path. I try to use my vote wisely and pledge my loyalty to my God and my country, not a political party.

I believe we have the greatest country on Earth, but our inability to compromise, to stop acting like spoiled children, saddens me. The Founding Fathers were able to compromise and write a document that has stood the test of time for 235 years. Can we not now do the same? Please do the right thing for the American People, the ones frustrated and angry and hurt by this self-produced impasse.

I thank Gina Reynolds for her message to me and Members of the Senate, for taking the time to communicate with her Senator, with me as a Member of Congress. I think she in many ways expresses a conservative yet commonsense point of view so many Kansans have.

I often think too many times we are caught in a circumstance that we find an inability to resolve. Sometimes we are trapped by our political party. In my view, while we ought to have strong opinions and ought to have a solid philosophy, we need to make certain that we are motivated for the right reasons and that the good of America is at the forefront of our minds.

I indicated in my maiden speech when I spoke here on the Senate floor 4 months ago as a new Senator that when I need a perspective as to what we need to do here—and sometimes we get bogged down in those things that are a lot less important—I will put my walking shoes on, my running shoes, and I will walk up to the Lincoln Memorial. You go by the World War II Memorial, you walk on past the Vietnam Wall, and you walk by the Korean War Memorial, and in each one of those locations, I am reminded that no American memorialized in those settings fought and died, sacrificed for their country for purposes of Republicans or Democrats but because they believed they had an obligation to serve our country and because they believed that in that service, they had the opportunity to make life better for their family and for future generations of Americans. We need to remind ourselves that we need that perspective. It is not a fight between the Republicans and Democrats. It is about doing what is right for America. We owe it to those who sacrificed in military service for our country, and particularly those who have died in that service, we will do what is right. I know my colleagues share that point of view. I think from time to time we have to be reminded about what the priorities have to be, what the focus must be.

Again, I appreciate the sentiments expressed by this Kansan and would indicate that we, as American citizens, and certainly me, as a Member of the Senate, our primary responsibility as citizens is to make certain we pass on to the next generation of Americans this country called the United States of America in which we maintain the freedoms and liberties guaranteed by our Constitution and we allow the next generation of Americans, our children, our grandchildren, and young men and women yet to be born, people we don't even know, the opportunity to pursue the American dream.

I think this Kansas constituent of mine expressed those sentiments very well, and I look forward to working with my colleagues to see that we do what is right for the future of our Nation and that this next generation of Americans can pursue that which we all idolize and believe in, the American dream.

I yield back.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Madam President, let me, first of all, compliment my friend and colleague, the Senator from Kansas, for his comments and for his approach. He made a few comments we haven't heard much of in this Chamber or in the other Chamber in the last few days. He said before he was a Democrat and before he was a Republican, he was an American. I want to compliment him on those sentiments, and I want to rise in that same vein because whether you are somebody from Kansas or somebody from North Carolina or folks I hear from Virginia who keep saying to me: Why can't you guys get this thing done? Why can't you both be willing to give a little to put our country first? As somebody who has had the honor of serving as Governor of Virginia and somebody who served as a businessman for 20 years, I never thought that I would be standing on the floor of the Senate 6 days, 5½ days away from the United States of America potentially defaulting on our obligations. Yet most of the debate and, Lord knows, almost all of the press conferences have been less about solutions and more about who is to blame.

Whether they are sitting in the gallery or they are watching at home or, like most Americans, trying to get through an unbearably hot summer, they wonder who are these folks they hired to get the people's business done.

I have been involved with a group of Senators over the last 9 months who have done something I didn't think was extraordinary, but unfortunately today is pretty extraordinary. There is a group of Democratic and Republican Senators who have said the most important issue we face in our country is to get our debt and deficit under control, and who have said that the only way we can get that under control is to sit together for hours on end, reason together, argue, and do something as basically American as compromise.

After months and months of going back and forth, last Tuesday, when we revealed the so-called plan—which, frankly, the Gang of 6 has built upon the work of a previous year's work of Democrats, Republicans, Independents, and business leaders, the President's deficit commission—a remarkable thing happened for a couple of days in this body. Instead of everybody coming out and saying why this couldn't happen, they said: Hey, this isn't perfect, but this would actually lower our deficit by close to $4 trillion, take on tax reform, take on entitlement reform, and cut spending. It might just be a path out.

Well, that lasted a couple of days, and then we got back to who was going to score points in the next 24-hour news segment.

Well, I desperately hope and pray that at this moment in our country we will rise to the task and make sure, with the eyes of not only the Nation but the world on us, that we do our basic job. Let's make sure the United States of America doesn't default next Tuesday.

The only way I think we are going to get there is if we lower the rhetoric, lower the finger-pointing, and recognize it is going to take ideas from both sides. It is going to take a change in attitude from some.

There is a Congressman who gave a press conference sometime in the last day or two who paraphrased Winston Churchill. He said:

> We're going to fight you on the beaches. We're going to fight you at sea. We're going to fight you in the air to make structural changes in the way this place known as Washington, DC, operates.

Who is the ''you'' he is going to fight? Is he going to fight people who say maybe America and Americans want us to actually work together and compromise? I mean, this kind of sentiment goes beyond the pale in a moment when our Nation is in this kind of crisis.

There has been a lot of talk recently—particularly coming from the other body—that the only way to solve this problem is an amendment, a constitutional amendment. Well, I would point out 49 States have that kind of amendment. They have to balance their books. My State, Virginia, and the Presiding Officer's State, North Carolina, meet that goal. There are an awful lot of States that have that kind of amendment in place. I don't know what kind of accounting they use, but I have not heard many folks point to the California State budget and say: That is a balanced budget.

So some kind of process argument isn't going to solve the problem. We have to make the hard choices. We have to cut spending. We have to reform our entitlements. We have to reform our Tax Code to generate additional revenues.

The numbers don't lie. We are spending at an all-time high, 25 percent of our GDP. We are collecting revenues at only 15 percent of GDP. It doesn't take a rocket scientist to figure out any time our Nation's budget has been in relative balance is when we have been with spending and revenues at 19.5 percent to 20.5 percent. Why can't we come together to put a plan in place that does that?

Folks who are watching are saying: Well, there is actually a plan. More than one-third of the Senate has said: We will be with you—about an equal

number of Democrats and Republicans. But instead we are going back and forth, ping-pong, who is going to have which plan? Who is going to win each day? It is also pretty remarkable at this moment in time—I don't know who this Congressman is, but when we have roughly one-fifth of the House who at least on record saying they will never vote to increase the debt limit, I wonder when they took the oath to uphold the laws of our country, which said we have to pay our bills, how that commitment matches with those promises or those political positions.

My sense is they want to have an amendment to the Constitution. What they are advocating, this we will never change, our way or the highway approach, the amendment they ought to talk about is basically restructuring our whole Constitution and turning our government into a parliamentary system. There are a lot of places around that if you win an election, you get to choose the chief executive. You get to control the legislature. You can pass anything you want. Yet these very same folks are the ones who say they want to support the Constitution.

Well, the Constitution and the genius of our Constitution was the fact that the Founders said the most basic American principle was checks and balances. We have a House, we have a President, and actually they have to work together. Somehow the attitude of some of these Members in the House, do it our way or let's drive our country over the cliff, is dramatically as un-American as anything I have ever seen.

At the same time, we hear other Members who say: Maybe we just need a little more economic shock to make us do the right thing. What are these folks thinking of? The stock market closed down 200 points today. It has been down about 400 points this week. There are an awful lot of Americans who only now are starting to recover from the financial crisis of 2 years ago. There are an awful lot of retirees who saw their 401(k)s plummet 2 years ago, who slowly have seen that nest egg that is going to get them through rough times recover.

Now 400 points—how much more stock market decline do we need before we all have the courage to do the right thing, 1,000 points? Do we need to put another 1 million Americans out of work? Do we need to throw more people out of their homes because of the tax increase that will result—the real increase that will result with the rise in interest rates that will happen next week?

There are others who say: Let's do it short term. Let's kick the can down the road for a short while, something that is being discussed in the House. It doesn't matter whether it is Democrat or Republican. It matters because that approach will result in a lowering of our debt rating. I know people's eyes glaze over when they hear about debt ratings. Unfortunately, debt ratings matter—and we are the only country in the world with a AAA debt rating. That means we are kind of the gold standard.

If we have that debt rating reduced, it is not only a black eye for America, it not only means that what we have to pay in interest rates will go up, not just for government but if you have a school bond, if you have a State bond, the prices are going to go up. You have an auto loan, a home mortgage, you have a student loan, you are a business trying to expand, the cost of that is all going to go up.

The very same folks who say they will never look at raising more revenues don't seem to mind at all that if we have to have an interest rate rise because of a default or downgrade of our debt, doesn't that take more money out of Americans' pockets? I just don't get it.

Frankly, as the Presiding Officer knows, I have been pretty obsessed about this issue for months on end. I hope that we will check our Democratic and Republican hats and go with what my colleague, the Senator from Kansas, said and recognize when we get out of bed tomorrow morning we get out of bed as Americans, not as Democrats or Republicans; that we not only get over the debt limit, which, hopefully, through some convoluted process we will, but we also recognize that getting past August 2 doesn't mean, OK, we are done, everybody go have a nice August. All that does is buy us a bit of time to decide whether we are going to come back to the really hard issues of not only how we start with some spending cuts, which will be part of our down payment, but how we really make sure the entitlement programs—important to so many of us on both sides of the aisle, but particularly on this side of the aisle—are actually there 10, 20, 30 years from now.

The notion that they are not going to change, that they cannot continue to be sustainable at the current rate, it is not Democratic or Republican.

Thank goodness a lot of us are living a lot longer. When I was a kid there were 15, 16 people paying in for every Social Security retiree. Now there are 3. We have to make sure that for my kids, your kids, that there is Social Security in their framework. At the same time we have to have our colleagues on the Republican side recognize that we have to reform our Tax Code in a way that makes it simpler, flatter, and, yes, generates some additional revenue.

The only way we are going to get there, if and when we get past this August 2 date, is if we combine that effort with long-term debt reduction. I am more than open to any valid, balanced comprehensive bipartisan plan that is around.

For the effort of the so-called Gang of 6, a third of the Senate said, yes, this is worth considering. It isn't perfect, I can assure you. Some would even say, from some of the descriptions I have heard, that it may not meet all of those. But I will tell my colleagues three things it is: It is comprehensive, bipartisan, and, under any analysis, it does what our country desperately needs: It starts to drive our debt-to-GDP ratio in the right direction, which is a fancy way of saying we can maintain our books on a path to lead us to fiscal stability. Frankly, what that would also allow us to do is get back to what we should be spending our time on, which is creating growth in this economy and starting to unleash American creativity and innovation. But that is not going to happen if we spend all of our time pointing fingers back and forth about how we got here or which short-term plan best meets the short-term interests of the next 5 or 6 days.

I, for one, believe the plan Senator REID has laid out is not perfect, but it gives us the time to deal with this debt and deficit problem in a serious way. It gives us the ability to ensure that we don't have a credit downgrade. Unfortunately, the plan being debated in the House right now may have some merits, but the one thing that is clear is that it will lead to a downgrade—not my words, but the words of all the rating agencies. Whether we like them or not, they are the folks who set that standard.

Again, I urge folks who are making statements such as ''We are going to fight you on the beaches, we are going to fight you at sea, we are going to fight you in the air,'' to consider your fellow Americans here. If you don't like our system of government, then be honest and propose a change to a parliamentary system. If you do honor and respect the Constitution which we all took an oath to uphold, recognize that it is a Constitution that puts in place checks and balances to have us all work together, give a little, and recognize that when we get out of bed in the morning, we are not a Democrat or a Republican but an American first and foremost.

I hope and pray we will find the path through these next 5 days and that we won't do the unthinkable. I have said on a couple of occasions—I am sure it will come back and bite me—that if we don't do this we should all get fired, because the fact is the most basic promise we make is to uphold the laws and rules of our country. Frankly, I can't think of anything that is more quintessentially American than making sure we pay our bills and that we honor our obligations. So let's get that done, and then let's work together to make sure we put in place the long-term, comprehensive, bipartisan approach that is needed so we can get this Nation back on the right fiscal path but, more importantly, back on the right path to ensure that everybody gets that fair shot for that economic growth we all seek so much.

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

The PRESIDING OFFICER (Mr. WHITEHOUSE). 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. I ask to speak as in morning business.

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

SPENDING

Mr. COBURN. Mr. President, we have a lot in front of us as a nation. Our perception is that our country is anxious, and I think it has good reason to be anxious, but it doesn't have anything to do with the debt ceiling debate. It should be anxious because we are not listening. We are not paying attention to the anxiety and fear and worry that the country they know and the freedoms and liberties they have are slipping away from them. They are slipping away because we are putting America into debtor's prison. We are slowly losing our ability to make free choices about our future because we failed to be responsible in the past with the money the American people have given us.

We have had a lot of debates and a lot of statements over the last couple of weeks, but no one ever talks about what the real problem is. The real problem is we are spending money on things with good intentions that don't accomplish their purposes. We are spending money we don't have on things we don't absolutely need, and the programs we do have, we fail to oversee to see that they are running both efficiently and effectively. As a consequence, we find ourselves in the midst of an economic downturn with a $1.5 trillion to $1.6 trillion deficit, borrowing $4 billion a day. That means every day and a half, we borrow more money than the State of Oklahoma spends in a year. We hear all of the political speeches and all of the fingerpointing, but we don't hear the real solutions to our problem.

Let me explain what I mean. Everybody agrees we are going to have to make some cuts, but not everybody is honest about the numbers associated with those cuts. Everybody agrees we are going to have to tighten our belt, but nobody wants to offer specifically where to tighten our belt. What I wish to do today is offer specific places where the government today—right today, in this body and the one across the Capitol—could make a big difference in the outcome of our future by cutting specific programs this week and next week.

That is the one rare thing we never hear in Washington. Everybody says we need to cut, but when it gets down to talking about what to cut, nobody wants to come up with any cogent ideas because they don't want to take the political heat, because every program, no matter how well intended and how inefficient, has those people who are going to fight for that program because it has money coming into the coffers for something.

The other point I wish to make is the reason we are anxious and the reason we are worried is we have abandoned the very principles our Founders gave us that would keep us healthy, and that was the Constitution and its enumerated powers section, which spelled out very succinctly what was our responsibility and what was the States' responsibility.

So we have whole departments. One, for example, would be the Department of Education that Thomas Jefferson said if we ever have the Federal Government doing anything on education, we would have to change the Constitution. That is a direct quote of his. He was one of our Founders. He, as well as Madison and Monroe and others, wrote extensively about what their intentions were in the Federalist Papers. Yet we have allowed ourselves to be walked, like in a dream state, into the contention that the Constitution does not make any difference and that it would, in fact, if we paid attention to it, limit our opportunities for the mistakes we have made. The mistakes we have made—though well-intentioned—are that we can be the answer for every problem in America. We cannot.

What made our country great was self-reliance, individual freedom and initiative, personal responsibility and accountability. That is what built our country, in a system that said: If, in fact, you work hard, the opportunity is there for you to gain, for you and those you love. Now we have a government that at every place, for every decision that is for the economic benefit of those individuals who would grab that dream, they are confronted with layers upon layers of bureaucracy, with rules and regulations, to the point where no longer are they presumed innocent by the Federal Government, they are presumed guilty, and they have to prove themselves innocent to the bureaucracy to be able to accomplish that which would set them free, that which would put them ahead, that which would establish an opportunity to gain the wealth this country promised.

I put forward a week ago last Monday $9 trillion in potential cuts. Now, I know people are not all going to agree with me, but every one of these cuts is backed up with a government study that says what we are doing in these programs is not effective. Whether it is the Congressional Research Service, the inspector generals, the Government Accountability Office, OMB, or the Congressional Budget Office, there are over 3,000 footnotes to the 600 pages that are in here that explain very well why we should not be doing this $9 trillion worth of stuff.

I understand we can have a great debate on whether, one, it is our constitutional responsibility. Some of it certainly is when it comes to defense. No. 2, we can have a great debate on what we think are priorities, those things that fit within the Constitution that are our responsibility. But we cannot debate the facts of the outright waste, the outright fraud, the outright abuse, and the outright duplication of multiple sets of programs.

This is far from a complete list, as shown in this chart. But over the next 10 years, we could save $150 billion to $200 billion just by eliminating duplicative programs. We have over 100 programs on surface transportation. That is 100 sets of bureaucracies, 100 offices, 100 sets of regulations, 100 sets of rules. The question we ought to ask is, If we have responsibility on surface transportation, why in the world do we have 100 different programs?

We have 82 teacher improvement and training programs run by the Federal Government. Nobody will come down here and answer me why. It is indefensible we have it. Yet nobody will come down here and join me to eliminate it. We have to be asking the question: Do we have good reason to be anxious when we will not do the obvious?

We have over 180 economic development programs, but we have 88 economic development programs that we spend $6.8 billion a year on run by four separate agencies, and not one of them has a study that shows they are effective in developing economic activity—not one of them. So why would we continue to send money into programs with good intentions that are not working? Yet we have over 180 of them, 88 within four departments. We have not been able to find all the rest of them, but we know they exist.

That is 88 sets of bureaucrats, well-intentioned Federal Government workers doing what this Congress and Congresses before us have told them to do but not accomplishing the purpose for which that money—almost $7 billion a year—is sent.

We have 80 other separate programs for transportation assistance. You see the little community vehicles, the ones to help those who have a disability. Why do we have 80 separate programs? Nobody can answer that. It is easy to figure out how they happen. They are well-intentioned. We ought to help people who cannot get around. The question that ought to be asked is, Is that a State responsibility or a Federal responsibility? If it is a Federal responsibility—that is debatable, but if it is, why would we have 80 separate programs?

We have 56 different programs run by seven different agencies to teach Americans financial literacy. We have to ask ourselves the question: How can a government that is running a $1.6 trillion deficit and has $14 trillion of debt—and our debt-to-GDP ratio is 100 percent—how do we have any authority to teach anybody about financial literacy? That is No. 1.

No. 2, where is it in the Constitution that we are responsible for teaching people financial literacy? That is both a State function, a city function, and a

family function. Yet we have 56 programs, and not one of them has a metric to study whether it is effective—not one of them.

Job training: We spent $18.8 billion on job training this last year. We have 47 different programs. The Government Accountability Office says, of those 47 programs, all of them overlap except 3. So based on the study of the people we pay to study this, the most we should have is 4 job training programs. And we are going to spend almost $19 billion on that? Here is what we know. The results cannot justify that we are spending the money because the results do not show performance. Yet we are spending $18 billion.

We have 20 different programs for homeless assistance and prevention. That is a great role. We all want to help the homeless. We want to do whatever we can to get them in a stable situation, to assist them. But 20 different programs? Why would we do that? Why wouldn't we have one? And why wouldn't only the one program be administered through a State if, in fact, it is our role? I happen to think that is the State of Oklahoma's role to take care of the homeless people in Oklahoma, not the Federal Government's. But if it is the Federal Government's role, why would we have 20 programs?

Food for the hungry: 18 separate programs, 5 different agencies. Again, I am all for helping those people who need to have food. Why would we have 18 sets of bureaucracies, 18 different sets of rules—18 different sets? And 2 of these actually work; 16 do not, but we have not eliminated them. We are still sending the money out the door.

Disaster response and preparedness inside FEMA: Just for disaster response and preparedness, there are 17 programs just inside FEMA. That does not count all the disaster response and preparedness programs in all the other government agencies. That is just inside FEMA. We have to ask the questions: What are we doing? One, what have we done in the past? And what are we going to do about the problems that are in front of us today?

So I would propose that we are off base, and we have a good reason to be anxious about us because we will not address these problems. When we bring amendments to the floor, they get routinely defeated. Why is that? Is it that we are being dishonest about the facts or is it we are protecting the politicians so they are not attacked by the very people who are benefiting indirectly—not directly, but indirectly—from these programs, the bureaucracies and the other quasi-governmental agencies that feed off these programs?

So where do we go to start fixing this $1.6 trillion deficit? I had some wonderful employees of the Social Security Administration come to me about a year and a half ago, and they said—and they wanted to remain anonymous; and I understand why—they said our disability program is broken. We are giving disability checks to thousands of people every year who are not disabled.

So we started looking at it in the Permanent Subcommittee on Investigations, and here is what we found. If we take veterans totally out of the mix—this does not apply to veterans—1 in 18 people in this country today is collecting a disability check.

As a physician, I have done all sorts of disability examinations. What we are finding is about 40 percent of the people who are on disability are not disabled because the law says to be disabled in this country, and to receive a check from the rest of us for that disability, there can be no job in the economy they can do.

Yet we have judges who never deny anybody when they come through the disability program. We have people on disability who are working full time at other jobs. Once they are eligible for a disability check, 2 years after that they are eligible for health care.

So now we have undermined the system that was designed to help the truly disabled by having thousands upon thousands upon thousands of people collecting a disability check, which means there is not going to be a check for somebody else.

The disability trust fund, which we pay into when we work—as well as SSI, which is a separate fund that comes just from our tax dollars—is belly up. Next year, the Social Security disability trust fund runs out of money. The reason it is running out of money is the Social Security system does not say: If you were disabled and now you are not, why are you still taking the money when you are back at work? They do not do their job because the leadership at Social Security does not demand that the job is being done.

So we have significant ways of improving that to make sure we are helping those people who are truly disabled. But we cannot get anybody to help us get that law passed. To say we want to clean up Social Security disability does not mean we do not care about the people who are disabled. It means we care about those who are going to be disabled in the future, so we will have a dollar to help them when that need arises for them.

So it is just one of those areas. It has not been looked at in 25 years. The Social Security system—once you are on, you are on. They rarely take anybody off. The fraud associated with collecting a disability check and working for cash in our economy—and working not for cash, even working full-blown jobs—we had three instances where we had the Government Accountability Office film people, two of whom actually worked as salaried employees for the Federal Government, who were collecting disability at the same time they were collecting checks from the Federal Government as a Federal employee. And it is not small; it is big.

So there is $60 billion over 10 years that we could save just by reforming the Social Security disability system. That does not say we do not want to help people who are disabled. It says we want to do the best for our country and help those people who are disabled. But we have undermined self-reliance. We have found people who want to take advantage of our charity and love and care. So, therefore, they cheat the system. We have an incompetent bureaucracy that does not take them off the system, and we have an incompetent system of jurisprudence within the Social Security Administration that puts people on who should never be on. But the attack comes that we do not care about people if, in fact, we want to fix this program.

Social Security: Everybody says do not touch Social Security. This Congress and the Congress before it has stolen $2.5 trillion from the money we put into Social Security. They have written a little, bitty IOU note and said: Well, when you need the money, we will pay it back.

What does that mean? That means the full faith and credit of this country has to be good enough that when we get ready to pay the $2.5 trillion back, we can borrow the money at an acceptable interest rate to be able to pay it back.

So what do the Social Security Administration trustees say we need to do? They say we have to make it sustainable. And, oh, by the way, wouldn't it be nice if the poorest people on Social Security could get a little bump so we could help those who are truly dependent on it and make it sustainable so we never have to discuss Social Security again? Even with the baby boomers, we ought to do that.

So what we have done is designed a solvent path over 75 years based on Social Security where we are likely to achieve it. We did not raise anybody's taxes. We help those the most who are in need the most, and for those who are the most well off, we said: You cannot have quite as much. In other words, we means tested it.

We said: If you are very wealthy, you will eventually get your money out, but not like everybody else will. The people who need it the most, we are going to help the most. It alters the retirement age just to go along with life expectancy. It does not alter life. It alters that 2 years over 60 years.

But the fact is, our life expectancy is far advanced from what it was when we first started Social Security.

When we first started, we had almost 50 people working for everybody who is on Social Security. Now we have less than five, and it is not going to be long where we are going to have less than three. It is not sustainable unless we change that. So the point is, I understand Social Security is important to people in this country. But if we do not change it, in 2035, we are going to get two-thirds of the benefits you put in. We are not going to get any more than that.

So do we fix it now and make it sustainable forever or do we just wait until it goes belly up, knowing we cannot borrow the $2.5 trillion that was

stolen from it and let it go belly up? The typical politician says: I do not want to do that because I do not want to take the heat to have to explain that to people on Social Security or coming on Social Security.

I do not have any problems trying to explain it. It is the right thing for us to do. We have to fix it, and we can fix it, if, in fact, we are going to save our country. That is one of the things we have to do to make sure the people who buy our bonds, loan us the money, recognize we have a salvageable situation. Ignoring Social Security—it is our second biggest issue now, other than health care—it is our second biggest issue. To ignore it and not fix it says we will not be able to borrow the money for it or anything else.

Let me spend a minute going through a couple things we can do next week that would save a lot of money—not hard, not controversial. The question America ought to ask is, Why have we not already done it? Let me give some examples. We ought to quit paying unemployment compensation to millionaires. Do you realize last year we paid $20 million out in unemployment compensation to people who were making $1 million that year. Is that nuts or what?

Unemployment is to help those people who are in need who are unemployed. It is not to give money to people who do not need it because they are unemployed. Yet we spent almost $20 million last year paying people unemployment compensation who made $1 million last year.

We could save $1 billion over 10 years if we quit making payments to dead people. You say: Oh well, you do not make payments to dead people. Yes, we do—$100 million a year that bureaucracies pay to people who are dead and a good portion of it we never get back. It is gone. We do not follow that up.

We know we can save $5 billion a year minimum—minimum—if we just eliminated some of the overlapping programs I talked about. That is a very conservative estimate. It is probably more akin to $25 billion a year. But let's say it is one-fifth of that—$5 billion a year. That is $50 billion. That would keep us from borrowing money for 14 days just by eliminating duplication in government programs.

We could eliminate $2 billion over 10 years by eliminating sweetheart contracts and bonuses to contractors who work for the Federal Government who do not earn their bonuses. Yes, we do that. We pay bonuses to people who both do not perform and do not perform on time. You would not do it. If someone came in to do something for you on a fixed price with a bonus based on quality and time and they did not meet it, you would not pay them the bonus. But your Federal Government does anyway.

We could save $1 billion over 10 years by collecting unpaid taxes owed to us by our own Federal employees. Taxes that are owed, they have been adjudicated, there is nothing else going on, it is final, it is set, but we do not take the money out of their pay. That number is growing every year, the amount of money they owe.

We could save $3.82 billion by reducing the amount of money Congress spends on itself by just 15 percent. Would it be too much to ask of the Congress to tighten its belt by 15 percent and save 1 day's borrowing? No. I turn back, on average, about $500,000 to $600,000 a year on what is allocated to my Senate office. I do not do that to be able to say I do it; I do it because I do not need it because I know how to run an office efficiently and pay people effectively. But the fact is, we have too big a budget, and we need to trim it. We need to lead by example.

We could save $480 million a year just by having HRSA, the Health Resources and Services Administration, pay the right prices for drugs in their programs versus paying too high prices—prices higher than what they contracted for. One-half billion dollars does not sound like much. But $½ billion over 10 years, that is $5 billion. That is one three-hundredths of what our problem is right now in terms of the deficit.

We could save $5 billion by eliminating unnecessary government printing. We could do that tomorrow—$5 billion.

We could get $15 billion back by getting rid of unnecessary government buildings we are not using, that are costing us $8 billion a year to maintain. I cannot remember the exact number. I think we have 63,000 facilities right now the Federal Government owns—63,000 that are underutilized or not utilized at all. That is 12,000 more than we had 2 years ago, and we are signing new leases for buildings all the time and abandoning the buildings the government owns.

The Federal Government should dispose of excess property within 5 years. According to President Obama's own administration, we could save, at a minimum, $15 billion. Every time we have tried to do this, somebody stops it in the Senate.

We can end subsidies for ethanol blending. We voted on it, had 74 Senators vote on it, but it did not happen. That is $2 billion we could save this year if we passed it tomorrow. We can decrease the number of limousines owned by the Federal Government, save $115 million. We could reduce the Federal vehicle fleet, $5.6 billion.

The Federal Government—you will not believe this number—the Federal Government owns 662,000 cars—662,000. The average mileage on them is less than 20,000 miles. The fleet has grown by 5 percent and the cost of maintaining and servicing the fleet has grown over 25 percent in the last 2 years—$4.6 billion a year just maintaining these 600,000-plus cars.

The amount of vehicles in our fleet could easily be decreased by 20 percent. We have all the capability of having GoToMeeting, of having Internet, of having live chats, of having telecommunications with visual conferencing. We have all those things available. We do not need the cars we have. Even the Obama administration agrees we can do that.

We could save $43 billion by decreasing travel by government agencies—same reason. We spend $15 billion a year on travel—$15 billion. Anything that is not mission critical and that could be done through teleconferencing ought to be done. We advertise. The advertising budget for the Federal Government, $5.6 billion a year. They do not pay for public service ads. These are ads outside of public service ads—$5.6 billion. We spend $1 billion a year hosting government conferences. The Federal Government now owns 685 million acres in the United States. The cost to maintain that, we are not funding. The land is falling in worse disrepair. We are adding land every year. There is lots of land we could give up that is not a precious resource, is not a heritage area, is not forest, is not a park. Yet we own it.

We could save a lot of money by not having so much land and put it back on the tax rolls. We could save $4.1 billion just on our last 2 years' average, in terms of slowing down and not buying additional land, unless there is a direct necessity for the Federal Government to have it.

We could save $19 billion over 10 years by combining the PXs and exchanges on our military bases—$19 billion just by putting them together. That is what we could save.

The PRESIDING OFFICER. The Senator has used 30 minutes.

Mr. COBURN. I ask unanimous consent for 3 additional minutes.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Mr. President, reserving the right to object—I shall not object—but I would like to add 3 minutes to my time as well.

Mr. COBURN. No objection.

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

Mr. COBURN. Let me end with this. It costs us, to educate a student on our military bases, an average of $51,000 a student. If we look at the locations where all those are located, the cost outside is one-fourth of that. We could easily do that and pay the community. But we will not.

I will end with this. We can solve our problems. There is $9 trillion worth of specific savings in this. We do not have to agree with all this. We do not even have to agree with half of it. If we agreed with one-third of them, we would be well on our way. The fact is, nobody wants to be specific. We need to be specific. Everybody wants to talk in generalities. Nobody wants to make the hard choices. Hard choices are what we are here for.

Our time has come to stop living the next 30 years on the backs of our kids. It would be my hope that as we go through this process the next 2 weeks,

we will see a renewal in the spirit of our country that says: We are going to live within our means, we are going to reward self-reliance, we are going to reward individual accountability, we are going to reward personal responsibility, and we are going to put the role of the government back where it should be both at the Federal and State level and have commensurate policies that will reflect that, that will renew our country, that will create jobs, that will create opportunity for the future of our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

DEBT CEILING

Mrs. BOXER. Mr. President, I wish to say to the Senator from Oklahoma that standing and going through the list of things that offer opportunities for saving is very important. I have a list as well. For example, on my list, we know of well over $1 trillion of money owed to the United States of America by people who have not paid it. If we even got a portion of that over a 10-year period—that is over a 10-year period—we could do that. I look forward to working with the Senator on that.

But tonight we are not facing a 3-week timeframe as my colleague perhaps suggested, we are just facing down a 5-day timeframe and we are facing a manmade crisis and, by that, I have to say a Republican-made crisis on raising the debt ceiling.

We have never in the history of this country faced a situation such as this. Why do I say this? Because the debt ceiling has been raised 89 times—89 times—and I can tell you because I voted for it a number of times and voted no four times.

Yes, on occasion you vote no on it and send a message, but you don't bring it down. I have never seen anything like this. We are going down a dangerous path. When I say we have raised the debt ceiling 89 times, that is in the RECORD—55 times under Republican Presidents, 34 times under Democratic Presidents. The debt limit was raised the most times during Ronald Reagan's Presidency. During his 8 years, the debt limit was increased by 200 percent. And this is what President Ronald Reagan said when it was time to raise the debt ceiling, which, again, under his Presidency was raised 18 times:

> The full consequences of a default—or even the serious prospect of default—by the United States are impossible and awesome to contemplate. Denigration of the full faith and credit of the United States would have a substantial effect on the domestic financial markets and on the value of the dollar in exchange markets. The Nation can ill afford to allow such a result.

That was in a letter written to Senator Howard Baker in 1983.

The debt limit was raised seven times during the Presidency of George W. Bush. During his 8 years, the debt limit was increased by 90 percent. Honest to goodness, I don't remember one Republican colleague—and I could be wrong on this—who suggested that we don't raise the debt ceiling when George W. Bush was President.

I will tell you something. We all know that when you raise the debt ceiling, it is for debts already incurred.

George W. Bush took a surplus of over $200 billion a year and he turned it into a deficit. The reason we have to raise the debt ceiling, mostly, is because of George W. Bush. I never heard one Republican in those years say: Let's bring this down; let's not raise the debt ceiling. They went on a binge. They put two wars on the credit card. They never paid for those wars. They put a tax cut for the richest people in America on that credit card. They didn't care. They put a prescription drug benefit which tied the hands of Medicare and said: You can't negotiate for lower drug prices, and instead of being affordable for the government, it became a budget buster—they put that on the credit card. I never heard them say: Let's not raise the debt ceiling, even though, under their policies, they took a surplus and turned it into a deficit. They took us off a path where we were about to finish up with our debt, frankly, and added debt as far as the eye could see.

The hypocrisy, honestly—and I am being cautious in the way I express myself—doesn't even begin to describe what is going on here. It is disingenuous, it is just plain wrong to play politics with this.

We know politics is at play here. I have run for election many times in my career—I think 11 or 12 times—and I know you have to pay attention to politics when you are running. We all understand that. We are not naive about it. We are tough on the trail. We know. But there is a time to govern. There is a time to set aside the politics and govern. If ever there were a moment in history, it is now.

I have to say that my friend Senator COBURN said people are anxious in the country, but they are not anxious—he basically said specifically that their anxiety has nothing to do with the debt ceiling. I disagree respectfully. Anybody who has a 401(k) and has seen the stock market down 400 points is worried. Anyone who gets a Social Security check is worried. Anyone who fears we could default is worried. Anyone on Medicare is worried. Anyone on veterans disability is worried. Every Federal employee is worried. Every Federal private contractor in business is worried. Every worker who works for those people is worried, too, because they know very well that if we don't come together in a fair compromise, we will not be able to pay all of our bills. Again, raising the debt ceiling is something you have to do because you have already incurred all of the debt.

I would like to talk a little bit about how we got into this unnecessary crisis and how we need to get out of it. We got into it because Republicans said they would not vote for a clean increase in the debt ceiling, as has been done 89 times before. They wanted to extract a pound of flesh and say: We demand that you cut spending now, tie it to this debt ceiling, and that is what we want. We said: OK, we are ready to talk.

As a matter of fact, the Democrats on the Budget Committee put out an excellent plan. It cut not $850 billion, as JOHN BOEHNER's plan does, but $4 trillion, and it protects Social Security, Medicare, and it basically said: We have a problem, and we are going to solve it with $2 trillion in cuts and $2 trillion in revenues—50–50, which is kind of a fair way to approach it—and we are going to ask millionaires and billionaires to pay their fair share.

Frankly, that plan is the ideal plan. It is a fair plan; it gets us on safe, good, solid fiscal ground; and it says we will have cuts and we will have revenue, and we will move forward and look at Medicare and Social Security to make them stronger—not to cut benefits. If I were acting like the Republicans over in the House, I would stand here and say: That is the only plan I will ever consider. I love that plan. It speaks to my values. It speaks to my State's values. But I understand that in a negotiation, in a situation such as this, no side gets everything they want.

Now President Obama says: Let's all come together and work on a plan. Let's do something big, something real. First, ERIC CANTOR, the Republican whip, marched out of there with his teddy bear and his blanket, and then a few weeks later BOEHNER walks out.

I have to say that I watched Speaker PELOSI sit at the White House many times. She sat across from George W. Bush. She did not agree with him. She felt that he had added to the debt, that he had added to the deficit. She disagreed with him on protecting millionaires and billionaires. She disagreed with him on the environment and on the war in Iraq. NANCY PELOSI never stalked out of a meeting. I find it, frankly, appalling that that is what happened.

But the President keeps reaching out because he will take the personal hits because this country gave him everything, and he is not going to allow it to fall and to default and become a deadbeat nation.

Speaker BOEHNER said: I am going to put together my own plan. So he puts together his own plan. Frankly, it hardly has any cuts. He comes back very short—$850 billion in cuts—and doesn't get past this problem we are facing. He only says it is for 4, 5, or 6 months, and then we are going to be back in the soup, in this mess, in this chaos, and back into the market selloffs, back into the uncertainty, back in the time when people can't even sleep well at night because Speaker BOEHNER and his people over there

want to keep this thing boiling over. They think somehow it is good for them. I say it is not good for them.

But you know what, I don't care if it is good or bad for them or whether it is good or bad for us. What I care about, what you care about, what we care about is this Nation that is everything to us. We have to stand up for this Nation. That means we have to leave the political labels at the door and set aside our favorite plan, as I have set aside my favorite plan, and support a real compromise.

Let me tell you the real compromise we have before us. It is the Reid approach. It is a real compromise because what does compromise mean? Nobody gets everything they want, but everybody gets something they want. What do the Republicans say they want? They wanted cuts and no revenues. They got that in the Reid plan. Our leader, Majority Leader REID, has heard them. Not only does he have cuts, he has twice as many cuts as the Boehner plan—cuts that hurt a lot of the things that many of us don't want to hurt, but we understand we have to give something. So they get that. What do we get? We get certainty. We believe it is very important that we take this issue of the debt ceiling and get it past the election, past January or February of 2013, and get back to the business of job creation and all of the things we need to do—we get that.

We also talked about a committee that would look at the long-range problems of this deficit and debt and the need to do reforms and the need to look at what revenues make sense. There is a committee in that bill. This is a true compromise. I agree that the other things the Democrats got are no cuts in Social Security and Medicare.

But if you really, truly look at this, the Reid plan gives the Republicans more than even he gives the Democrats. But it is worth it to us to get certainty in the markets, protect Social Security and Medicare, avoid the chaos of the Boehner plan, and avoid the danger we face if our bonds are downgraded.

The Boehner plan risks catastrophic default, and we are concerned that if it were to pass, we would again see this economy being held captive; we would again be facing deep cuts in Medicare and Social Security; we would again be facing all kinds of hostage-taking to protect the millionaires and the billionaires.

I believe that no one who loves this country, regardless of political label, should take any action to result in America becoming a deadbeat nation.

I am a first-generation American on my mother's side. My mother never even went to high school because during her time in high school her father got very ill and she had to go to work. Because I was born in this country, even though we had barely anything, I was able to get an education. I was able to go toe-to-toe with my colleagues who went to fancy schools. I remember when I went to Brooklyn College in New York, they raised the tuition from $9 a semester to $14 a semester. My dad said, ''Honey, you are getting awfully expensive.'' But I got a college education in this country. I got to the Senate in this country.

But I have to say, if we are going into a circumstance where everything we do to fight for the middle class is held hostage to protect the richest among us—the billionaires, the millionaires, the multinational corporations—if that is the pattern we are getting into here, I fear for this country. We can't let it happen, and that is why we have been very clear that the Boehner plan just continues this hostage taking. So the Reid alternative is the true compromise. It gives us substantial cuts in deficits, it gives us a process for more deficit and debt reduction, and it gives us certainty in the marketplace.

In closing, I would say this: When each of us has won our election, we go up there to the place where the Presiding Officer is sitting and we put our hand on the Bible and we swear to uphold the Constitution. I had the honor of serving with Senator Robert Byrd—and most of us here have—and he always carried around this Constitution in his pocket. Today, I took a look at section 4 of the 14th amendment, and it says: The validity of the public debt of the United States shall not be questioned.

I held up my hand and I swore to uphold this Constitution. It says the validity of the public debt of the United States, authorized by law, shall not be questioned. So I am not going to play games with this, and I am not going to allow the public debt to become a political football.

Before I leave the floor, let me show a couple more charts. This is what Speaker BOEHNER said on July 22 of this year. He said:

> I'm not really interested in a short-term increase in the debt limit.

And on May 9 he said:

> Our economy won't grow as long as we continue to trip it up with short-term gimmicks from Washington.

That is what Speaker BOEHNER said. So what does he give us? A short-term extension of the debt limit. A few months. We can't do that. In his own words he says that would hurt the economy.

ERIC CANTOR said to Politico:

> If we can't make the tough decisions now, why would we be making those tough decisions later? It is my preference we do this thing one time. Putting off tough decisions is not what people want in this town.

Yet what do they do? They send us—and we don't know if they will get the votes to send us, but they are planning to send us—a short-term deal which leaves this great Nation in chaos.

You talk to every businessman and they will tell you the thing they worry about the most is uncertainty. And that is the path of uncertainty. ERIC CANTOR said it, BOEHNER said it: No short-term deal. But they are sending us a short-term deal.

I will close with this from the New York Times. The headline reads: ''The Mother of All No-Brainers.''

> If the debt ceiling talks fail, independent voters will see that Democrats were willing to compromise but Republicans were not. If responsible Republicans don't take control, independents will conclude that Republican fanaticism caused this default. They will conclude that Republicans are not fit to govern. And they will be right.

I appeal to our Republican colleagues in this Senate Chamber who have shown, working with Senator DURBIN, working with Senator WARNER, working with others on our side—Senator CONRAD—they are willing to come forward and do something meaningful and put the politics aside. I hope they will do just that. They will find in Leader REID someone who understands the art of compromise, who understands we have to put aside our party labels and do what is right for this Nation.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER (Mr. BENNET). The Senator from West Virginia.

TRIBUTE TO WEST POINT CADET JACOB BOWER

Mr. MANCHIN. Mr. President, I rise today to pay honor to a life cut tragically short, to a young man whose service to this country went beyond the call of duty.

West Point Cadet Jacob Bower, from my great State of West Virginia, and my hometown of Fairmont, died at the age of 18 last week and will be laid to rest Friday at a family cemetery with full military rights.

Cadet Bower was the sort of young man who would make any—any—parent proud. He was a three-sport athlete at East Fairmont High School, where he graduated in 2011. He was in the National Honor Society and was valedictorian of his graduating class. He was a role model and led his peers by example.

Cadet Bower had something that set him apart: He was a young man who felt the spark to attend West Point. I learned from his mother Ginger that as a young man—or a boy, really—he was very interested in history. He studied the paths that have formed our greatest leaders—the men and women whose names are in the history books. He learned the best of the best have attended our military academies, and he told his mother that is what he wanted to do. I think he wanted to be in the history books. He wanted to be a part of that. He wanted to give something back. He told his mother: Mom, I have had everything given to me. It is time for me to give back now.

Cadet Bower was 18 when he died during a land navigation exercise Thursday of what may be a heat-related cause, though we are not sure yet and it is too early to tell. We do know that Cadet Bower trained vigorously before

the exercise and had successfully completed the first 3 weeks of his 6 weeks of basic training.

Nothing can explain a death so tragic, a life cut so unfairly short. This is the one time, above all others, that you have to believe and trust in your faith. My wife Gayle and I send our prayers and thoughts to Cadet Bower's mother Ginger, his father Dean, his brother Ryan, and the entire Bower family and all their friends. We continue to pray every day for the safety of the brave women and men who put their lives on the line every day for all of us.

Mere words cannot pay tribute to the magnitude of this tragedy and the depth of his sacrifice. In these challenging times, our entire country would do well to think of Cadet Jacob Bower as we work together to put this country first, as he did, before our own interests. Our thoughts and prayers are with this family. May God bless them through this difficult time, and may God continue to bless the United States of America.

Mr. President, I yield the floor.

THE ECONOMY

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, let me salute my colleague from West Virginia. It is a sad task that we have to come to the floor to recognize those who have passed. He pays tribute to a young man whose life was cut too short but who was determined to serve our country, and I thank him for bringing that man's life to our attention in the Senate and to those who follow this across the Nation. I am sure the Senate joins him in expressing our sympathy to the family on the tragic loss of their son. I thank Senator MANCHIN for coming to the floor.

Many people have asked about the state of the recession in our Nation and what it will take to turn this economy around. There is a lot of speculation, and I don't profess to be an expert, but I think there are two things that are hurting us and that we will have to deal with to bring ourselves out of the current state we are in. One of them is the price of real estate. I don't think we have quite reached the point where we know where the bottom is in the real estate values in many parts of America. That has been a real problem, because for many homeowners and buyers it means they are underwater—the value of their home has gone down below the value of their mortgage. Some of them have given up, others have to give up when they lose their jobs. This real estate market and its volatility, the foreclosures that have followed, still haunt us years after the subprime mortgage fiasco that led us into the recession.

But I think there is another element that is even more basic. My mother and father were married in 1928. My first brother was born in 1930 and the other in 1932. They started their family in East St. Louis, IL. My dad was working for a railroad. My mother, an immigrant, began working as a switchboard operator at a telephone company in East St. Louis, IL. They each had eighth grade educations and they were hard-working folks. That is the way they were raised. They started their family as the Great Depression started, and they never forgot it as long as they lived.

I used to take a look at their lifestyle and think that is the lifestyle of every family in America, because that was all I knew. Now that I look back on it, it was a lot different. My mom and dad, because of that Depression experience and starting a family, had some basic rules in our house: Never borrow money. Save it. When you have saved enough, buy what you need. Otherwise, wait and do without. I thought that was the way everybody lived. It certainly was the way I was raised, and my brothers.

They also had some basic things they did to save money. Even after years had passed—decades had passed, and they were comfortable, by middle-class standards—they were always very careful in the way they spent their money. I always felt perhaps there was a fear that those bad times might come back and they wanted to be ready. That was the way I was raised. It is the way my wife and I raised our children, and it was the way my wife was raised, being from Depression-era families who had lived through that experience. They modeled their lives afterwards based on the fears and concerns they had during the Great Depression.

Something happened over the last several years which calls that to mind. In 2007, households across America had borrowed the equivalent of 127 percent of their annual income—127 percent. In the 1990s, the average was 84 percent. So it was literally a 50-percent increase in household indebtedness in a matter of 15 or 16 years. Though Americans have been working hard to reduce that debt, because they understand what a drag it is on their lifestyle and their wages, the debt-to-income level in America is still 112 percent—still substantially higher than it was back in the 1990s, when it was 84 percent. That slows down economic recovery. People who are trying to shed debt are careful not to incur new debt, not to buy the things that would put them in debt, and that slows down the purchase of goods and services, which is exactly the opposite of what you need when you are recovering from a recession.

So I think those two elements—the value of real estate and household debt—are holding us back in this economic recovery. There is one aspect of household debt I wish to call to the attention of the Senate in our record of proceedings, and that is the fact that in October of last year we reached a milestone in America, though most people didn't notice. For the first time in the modern history of our country, total student loan debt exceeded total credit card debt in the United States, with $850 billion outstanding in student loan debt across America.

Mr. President, I don't know your circumstance, but mine was borrowing money to go to school with National Defense Education Act loans. This will date me for sure, but when I graduated law school in the late 1960s, and they accumulated all the money I had borrowed—undergraduate and law school—they came to me and said: Now you have to start paying it back, 12 months from graduation. You had to pay 10 percent a year until you paid it off, with a 3-percent interest rate. I gulped and said: How much is it? They said: It is $8,500. I thought I was finished. I couldn't imagine coming up with $8,500 a year, plus interest, to pay off my student loan. My wife and I had a baby and another on the way, and I was starting a new job that didn't pay a lot of money. I couldn't imagine how I was going to do that, but I did.

Now that I look back on that, and consider what students face today, it is no wonder they laugh when I tell that story—$8,500. They would be lucky to get through the book store for $8,500 at most colleges and universities today. I may be exaggerating a little bit. The cost of college has been skyrocketing, with the average 4-year nonprofit college tuition last year at $27,000. The in-State tuition at a public 4-year university averaged $7,600.

The cost of room and board, of course, would raise that higher. Tuition has been running faster than inflation for the last 20 years, sometimes growing at more than double the rate of inflation. But household income hasn't been growing. More and more families, unable to pay for their kids' education, join their kids in borrowing money, student loans. Sometimes they cosign. In a bad economy, some students who never anticipated having to take out student loans were forced to do it, and others have had to borrow more than they expected they would.

In 2009 alone, student borrowing grew by 25 percent. Today, two-thirds of college students borrow to pay for college. The result is a generation of young Americans beginning their professional lives with unprecedented levels of debt. The average student leaves college with $31,000 in student loan debt, but it is not unheard of to run into students who have a lot more debt, sometimes as high as $100,000, for an undergraduate degree. Going on to graduate school or law school is very expensive.

I went to Georgetown Law School. I can't even remember what the tuition was when I went there, but I would be amazed if it was more than $1,500 a year. It is now $50,000 a year at Georgetown Law School, which means if you borrowed the money to finish law school on top of your undergraduate debt, you just added $150,000 in debt to your life before you draw your first paycheck.

If you are lucky and one of the best law students, you might get into a law

firm that pays you a huge amount of money. Most law school graduates will not. They will make life decisions then based on their indebtedness and how to pay it off.

Students who begin their adult lives paying $600 or $1,000 a month on their student loan payments have to make some difficult choices. They may put off doing the job they really wanted to do or buying a house or even getting married. They may end up moving back home with their parents, which more and more students do. It is tough to imagine how you get out of that debt burden and create a life that leads to savings and happiness and retirement.

High levels of household debt keep these borrowers from contributing to our economic recovery. We need young people to invest in the economy and help it. Some of these students will find they can't afford monthly payments and they face default.

Here is something we cannot say enough to students today who are considering a college education: There is something you ought to know about a student loan. It is not like your car loan. It is not even like your home loan. It is not like your credit card debt because student loan debt is not dischargeable in bankruptcy.

What does that mean? If you get in deeply over your head and cannot possibly make the payments, you are stuck. You can't discharge that debt in bankruptcy. You will carry it with you to the grave. It is with you for the rest of your life.

That is the difference between student loan debt and a lot of other loans people take out.

Mr. President, as tuition growth has outpaced Federal student loan limits, private banks and lenders have entered the higher education marketplace with private student loans. I don't know why, and I certainly wish I would have been more attentive to this when it happened, but we decided years ago to treat government student loans the same as private student loans, which means if a private entity loans money for school, they are protected as creditors like the government.

In other words, even if you borrowed $10,000 from a local bank to go to college as a student loan, you can't discharge that in bankruptcy either. You are stuck with that for a lifetime. It doesn't apply to virtually any other debts, other than perhaps a tax liability under the Bankruptcy Code. So it is an unusual situation we have created, an unusual burden on young people.

Federal student loans for most undergraduates are capped at $5,500 for the first year of school and go up to $7,500 a year by the time a student graduates. That doesn't always cover the cost for students when tuition can exceed $30,000 at private colleges, so students turn to private student loans to fill the gap. This can be disastrous. These private loans are made with interest rates and fees as high as credit cards. There are reports of private loans with variable interest rates reaching 18 percent. Unlike Federal student loans, there are few consumer protections. Students don't have access to flexible repayment plans, free deferment, or loan forgiveness with private student loans. Some students who take out private loans find themselves trapped under an enormous amount of debt. Because of the bankruptcy law, it is a debt they are stuck with the rest of their lives.

Now, I want to say a word about another phenomena. Today, Secretary Ernie Duncan spoke before Chairman HARKIN's Appropriations Subcommittee on Education. I think Secretary Duncan is one of the President's best appointments, not to mention the fact we have been personal friends for a long time, and I have watched as he struggled to change the Chicago public school system. It goes beyond his efforts in public service. He has given a lifetime to education. His mother was a teacher. He used to tutor kids after school. He has it in his blood, and it shows, and I think he is a man of great, immense personal talent and integrity, and he has done some remarkable things in the tenure that he has had at the Department of Education.

Today when he came to testify, we talked about a phenomena that relates to this. I explained to him how I borrowed money to get through college and how students today borrow more than ever, with student loan debt passing credit card debt. Then we talked about the phenomena of for-profit colleges. Here is what the facts are:

When we look at students who have finished high school, 10 percent of them go to for-profit schools. These for-profit schools are not the local community colleges or even the traditional public or private universities. They are businesses. Ten percent of the students go to these private for-profit schools, but the for-profit schools end up receiving 25 percent of all Federal student aid, far in excess of what you might expect with 10 percent of the students. Twenty-five percent of the Pell grants and Federal student loans go to for-profit schools.

Then there is the default rate. The student loan default rate is highest at the for-profit schools. For-profit colleges represent 44 percent of all defaults on student loans. The rate for public colleges and universities is in the single digits, but 25 percent for for-profit schools. What it tells us is these students who are attracting more Federal student aid end up defaulting more when it comes to the payment of their debt.

For-profit colleges are the fastest growing sector of higher education. In Illinois, enrollment has more than doubled over the last decade in these schools.

The largest chain of for-profit colleges, the University of Phoenix, has become the second largest higher education system in America. There are over 450,000 students in the University of Phoenix, more than the combined enrollment of all the big 10 colleges and universities.

A for-profit college education isn't cheap. Tuition at for-profit schools is 5½ times the price of community colleges and twice as much as public 4-year colleges. Two-thirds of the for-profit students receive Pell grants which target low-income students and don't have to be repaid. But Pell grants aren't enough to pay for for-profit schools. To make up the difference, students take out loans. At 4-year, for-profit schools, 96 percent of students are borrowing money. When students leave school, many for-profit college students find their training didn't prepare them for a job, and employers don't recognize their degrees.

Buried in debt, without good career and job prospects, these students simply can't keep paying the loans. That is why the default rate is so high.

Within 3 years, 25 percent of students who leave a for-profit college will default on their student loans. Let me tell you the story of two of them.

Christine lives in southern Illinois. She received a degree in medical billing and coding from Sanford-Brown College. She took out student loans to pay for college, and she now owes a total of $24,000 for her 2-year associate's degree. She now refers to that degree as, and I quote, ''completely worthless.'' Christine said that when she went interviewing for jobs, one company told her her degree was a strike against her. Another said they don't hire Sanford-Brown graduates because they have to retrain every one of them. She wasn't able to find a job, and she put her loans in deferment to go back to school and borrow more money.

Another student, Michelle, spoke at a forum I held in Chicago a year ago. Michelle received a degree in criminal justice from Westwood College, and she wanted to be a police officer. After graduating, she learned that the law enforcement agency she applied to in Illinois would not recognize her diploma from Westwood. She was left with nearly $90,000 in debt. She has no career prospects.

Michelle is living at home with her parents in their basement. She is working part-time seasonal retail jobs struggling to pay about $900 a month on her student loans. She can't borrow any more money now to even go back to school and get a degree that might help her. Instead of contributing to society, she is trapped. Michelle's school loaded her up with Federal and private student loans for a degree that wasn't worth anything when she graduated.

Because of her student loan debt, she is not going to be buying a house, she can't save for retirement, she certainly can't invest. She can't even go back to school to start over. And because there is no escape for her, no bankruptcy protection, she may be burdened with this debt for the rest of her life.

Mr. President, we can't continue on this path. When I sat down on the budget negotiations, one of the things President Obama put on the table was extending Pell grants. There was a time when I would have instinctively said: Sign me up. I believe if you don't help that generation of students, like myself, who don't have the resources to go to school, you are denying them the opportunity that I had. I think young people deserve that opportunity.

But I have to say now when I hear Pell grants and student loans and consider these for-profit schools, I stop and think. We have to step back and ask which of these schools are good and worth supporting and which are not.

I said to Secretary Duncan today we should have accreditation standards so these schools are known to be worth the money the students are paying to attend. We should follow their progress to make sure if they are steering young people in debt and then dumping them into a jobless situation in life, that we stop subsidizing them with Federal student loans and Pell grants. That is incumbent upon us.

The administration recently took up the for-profit college cause. They are asking for more reporting. It is a step in the right direction. As I said to Secretary Duncan, we should have done more. We are going to find the worst of the worst. Maybe we will stop them from exploiting the students, but there are going to be a lot of awful schools still in business because our standards are not as strong as they should be at the Federal level.

Mr. President, as we consider the future of higher education, let's consider the fact that the cost of it is outstripping the resources of many families, the debt that students incur will change their lives, and there is a process of exploitation at many of these for-profit colleges that we should not tolerate. It is not fair to the students nor their families. It certainly isn't fair to America's taxpayers because, as they default on these student loans, the American taxpayers will be the ultimate losers.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The majority leader.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session.

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

Mr. REID. Mr. President, I ask unanimous consent that we move to Calendar No. 196; that the nomination be confirmed; the motion to reconsider be considered made and laid upon the table with no intervening action or debate; that no further motions be in order to the nomination; that any statements related to the nomination be printed in the RECORD; that the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

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

The nomination considered and confirmed is as follows:

DEPARTMENT OF STATE

William J. Burns, of Maryland, a Career Member of the Senior Foreign Service with the Personal Rank of Career Ambassador, to be Deputy Secretary of State.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate resumes legislative session.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that we extend the morning business hour until 7 p.m.

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

Mr. REID. I also ask that the consent agreement be modified that Senators be allowed to speak for up to 10 minutes each during that period of time.

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

ADDITIONAL STATEMENTS

HENRY D. MOORE PARISH HOUSE AND LIBRARY

• Ms. COLLINS. Mr. President. On August 22, 1911, more than 1,000 people, including Governor Frederick Plaisted, gathered in the small downeast Maine town of Steuben to dedicate the Henry D. Moore Parish House and Library. Given that the crowd was far larger than the entire population of the town and the difficulty of travel from the State capital to Maine's easternmost county in those days, this clearly was an important event.

Its importance was twofold. First, the people of Steuben worked hard to wrest a living from the sea; it was a life that offered the rewards of independence in surroundings of great natural beauty, but few of the amenities found in more prosperous, less remote towns. Now, thanks to this marvelous gift, they had a center for intellectual and spiritual growth, a place to come together as a community.

Just as important as the gift was the giver. Henry Dyer Moore was born in Steuben in 1842, the son of a carpenter and shipwright. From that modest start, he went on to achieve remarkable success in business, with interests that ranged from snuff to railroads and banking. His career took him to the centers of commerce, but his heart never left Steuben.

In the century since, the people of Steuben have turned that gift into a treasure. Today, the Henry D. Moore Parish House and Library hosts concerts, plays, adult education classes, and many other events. The library resources are considerable and modern, and are a great asset to the entire region, including the students at the Ella Lewis Grammar School. The building is more used than ever, and more beautiful than the day it was dedicated.

There is another fascinating aspect to this story. Henry D. Moore had a cousin, 6 years younger. He, too, came from a seafaring family of Steuben, and he, too, went on to achieve astonishing success. John Godfrey Moore was a pioneer in the telegraph industry and one of the most prominent international financiers of his day. Like his older cousin, he never forgot the place of his birth. The land he bought, preserved, and kept open to the public on the Schoodic Peninsula near Steuben is now one of the most spectacular sections of Acadia National Park.

One might simply observe that philanthropy ran in the Moore family. The greater truth is that such generosity runs throughout Maine and across America. Achieving success and then giving back to the place and the people that instilled the values that led to success is among the highest qualities of our national character.

Cherishing the gift and building upon it for the generations to come is another. That quality is demonstrated today by the people of Steuben, ME, and I offer my congratulations as they gather again to celebrate the centennial of the Henry D. Moore Parish House and Library.•

FARMERS AND MERCHANTS UNION BANK

• Mr. KOHL. Mr. President, today I recognize the 150th anniversary of Wisconsin's own Farmers and Merchants Union Bank. I am honored to have the opportunity to celebrate this extraordinary milestone.

The year 1861 will forever mark the beginning of one of the most trying times in American history. With the onset of the Civil War, financial and banking institutions suffered as a result of the division of our Nation. Inspired by the courage and determination of President Abraham Lincoln, businessman John Wheeler chose that year to open two banks in the town of Columbus, WI. On September 5, John Wheeler became the first president of the Farmers and Merchants Union Bank of Columbus.

Wheeler's passion and commitment to customer service continued in those who followed him as bank leaders. His grandson J. Russell Wheeler was committed to honoring the legacy his grandfather left behind and expanding the bank's profile, reach and influence. He commissioned renowned architect Louis Sullivan who has often been called the ''father of the skyscraper,'' to design and oversee the construction of the new Farmers and Merchants Union Bank building. Sullivan acted as a mentor to architect Frank Lloyd Wright and was diligent in making sure

every detail lived up to the standards on which the institution was founded. The product of Sullivan's work has become one of Wisconsin's prized architectural attractions. On October 18, 1972, the bank was entered on the National Register of Historic Places, and later designated a national historic landmark.

Today, Farmers and Merchants Union Bank strives to provide the best in modern banking to customers in Columbus, Fall River, Friesland, Juneau, and the areas that surround those Wisconsin communities. Their mission endures as ''an independent bank known for maintaining a reputation for integrity and fair dealing and promoting growth and stability in the communities they serve.''

I have great admiration for independent banks that are focused on building communities in both the good and hard times. For 150 years, Farmers and Merchants Union Bank has done just that; continued to represent the importance of local ties and their critical role in the health and vitality of the Wisconsin communities they serve.

So for their commitment to providing every customer with the highest quality banking service and to reaching out to the community—a dedication that has helped sustain this institution for a century and a half—I am proud to celebrate this historic occasion and the 150 years of service that the Farmers and Merchants Union Bank has provided to the people of the State of Wisconsin.●

TRIBUTE TO STEVE LEVESQUE

● Ms. SNOWE. Mr. President, today I wish to recognize Steve Levesque, the executive director of the Midcoast Regional Redevelopment Authority, or MRRA, which is the entity charged with the transition of the former Brunswick Naval Air Station into a vibrant commercial center. Steve has been a longtime leader in economic development in the State of Maine, having previously served as commissioner of the Maine Department of Economic and Community Development. His most recent efforts have earned him recognition from the Association of Defense Communities, which presented Steve with its Base Redevelopment Leadership Award last week at its annual conference in Norfolk, VA.

An era came to an end on May 31 when the Brunswick Naval Air Station, also known as BNAS, was officially closed as an unfortunate casualty of the base realignment and closure process. As the executive director of the MRRA, Steve Levesque was charged with the unenviable task of overseeing the reuse of the 3,200-acre former air station. Many anticipated that the closure would be a devastating blow to the Midcoast economy, but under Steve's leadership the air station's closure has transformed into an exciting redevelopment project with much hope for the future.

Always reluctant to accept credit for the successes at Brunswick Landing, Steve is always quick to laud the efforts of those around him. While the MRRA staff and board unquestionably embody the finest attributes of Maine's legendary work ethic, Steve's buoyant outlook, foresight, and true leadership capacity have undoubtedly accelerated the redevelopment of BNAS into Brunswick Landing, which is home to an ever-growing number of businesses focused on projects as diverse as aviation, advanced composites, and education. Tenants include both new and existing business from across the globe, including Kestrel Aircraft, Molnlycke Health Care, Southern Maine Community College, and Bowdoin College.

Under Steve's leadership, there are presently 10 companies in the process of relocating to Brunswick Landing, and many other businesses are actively considering moving to the site because of the proactive efforts of Steve and his team at MRRA. There are 90 jobs associated with those 10 firms, and an additional 515 are projected. In April, Steve also oversaw the successful launch of Brunswick Executive Airport, and just over a month later hosted the first annual Brunswick International Fly-In for pilots from across the region and the entire country.

In acknowledging Steve's commitment to Brunswick Landing with its prestigious Base Redevelopment Leadership Award, the Association of Defense Communities noted that ''[m]uch of the success so far in promoting the base's redevelopment can be attributed to Levesque's strong working relationship with the Navy, the state's congressional delegation, the governor's office, the legislature, local officials and the business community.'' I can attest that Steve has been a reliable partner and a tremendous asset to the redevelopment effort as he has labored tirelessly to ensure that the Midcoast region is an attractive locale for businesses seeking to open, expand, and grow.

Steve exemplifies the very best of Maine. Aside from his professional duties, he has been active in the local community as the founder of the Maine Moose Junior Hockey team. From 2006 until 2010, Steve served as the president and general manager of the Maine Moose, sharing his love of hockey with kids from across the State. Steve's passion for and commitment to public service and the people of Maine is truly commendable.

I have long respected Steve Levesque for his intelligence, confidence, and ability to accomplish great things. At a time when job creation and economic growth are paramount to revitalizing midcoast Maine's economy, I know no one more suited to the task than Steve Levesque. I thank Steve for his incredible work thus far, and wish him success as he continues his efforts to construct Maine's Center for Innovation at Brunswick Landing.●

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 9:33 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 1383. An act to temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning pursued by individuals enrolled in the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs before the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore (Mr. INOUYE).

At 12:13 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1938. An act to direct the President to expedite the consideration and approval of the construction and operation of the Keystone XL oil pipeline, and for other purposes.

H.R. 2608. An act to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958, and for other purposes.

At 2:59 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1309. An act to extend the authorization of the national flood insurance program, to achieve reforms to improve the financial integrity and stability of the program, and to increase the role of private markets in the management of flood insurance risk, and for other purposes.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1309. An act to extend the authorization of the national flood insurance program, to achieve reforms to improve the financial integrity and stability of the program, and to increase the role of private markets in the management of flood insurance risk, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 1420. A bill to require that the United States Government prioritize all obligations on the debt held by the public, Social Security benefits, and military pay in the event that the debt limit is reached, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 1938. An act to direct the President to expedite the consideration and approval of the construction and operation of the Keystone XL oil pipeline, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KERRY, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 175. A resolution expressing the sense of the Senate with respect to ongoing violations of the territorial integrity and sovereignty of Georgia and the importance of a peaceful and just resolution to the conflict within Georgia's internationally recognized borders.

By Mr. KERRY, from the Committee on Foreign Relations, with an amendment in the nature of a substitute and with an amended preamble:

S. Res. 216. A resolution encouraging women's political participation in Saudi Arabia.

From the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 17. A concurrent resolution expressing the sense of Congress that Taiwan should be accorded observer status in the International Civil Aviation Organization (ICAO).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Ms. KLOBUCHAR:

S. 1422. A bill to establish a grant program in the Department of Transportation to improve the traffic safety of teen drivers; to the Committee on Commerce, Science, and Transportation.

By Mr. TOOMEY (for himself, Mr. CASEY, and Mr. WYDEN):

S. 1423. A bill to clarify the orphan drug exception to the annual fee on branded prescription pharmaceutical manufacturers and importers; to the Committee on Finance.

By Mr. MCCAIN (for himself and Mr. KYL):

S. 1424. A bill to clarify the responsibilities of the Secretary of the Interior in making a determination whether to take off-reservation land into trust for gaming purposes; to the Committee on Indian Affairs.

By Mr. DEMINT (for himself, Mr. GRAHAM, Mr. RISCH, Mr. RUBIO, Mr. VITTER, Mr. HATCH, and Mr. COBURN):

S. 1425. A bill to amend the National Labor Relations Act to ensure fairness in election procedures with respect to collective bargaining representatives; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KERRY:

S. 1426. A bill to authorize certain authorities by the Department of State, and for other purposes; to the Committee on Foreign Relations.

By Mr. LUGAR:

S. 1427. A bill to amend the Food, Conservation, and Energy Act of 2008 to authorize producers on a farm to produce fruits and vegetables for processing on the base acres of the farm; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SANDERS:

S. 1428. A bill to phase out the use of private military contractors; to the Committee on Armed Services.

By Mr. NELSON of Florida:

S. 1429. A bill to establish a bipartisan commission on insurance reform; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LAUTENBERG (for himself and Mr. ROCKEFELLER):

S. 1430. A bill to authorize certain maritime programs of the Department of Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KOHL (for himself, Mr. CONRAD, Mr. THUNE, Mr. JOHNSON of South Dakota, Mr. TESTER, and Mr. JOHANNS):

S. 1431. A bill to amend section 242 of the National Housing Act to extend the sunset provisions for the exemption for critical access hospitals under the FHA programs of mortgage insurance for hospitals; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. NELSON of Florida:

S. 1432. A bill to amend the Internal Revenue Code of 1986 to modify the exception from the 10 percent penalty for early withdrawals from governmental plans for Federal and State qualified public safety employees; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself, Ms. CANTWELL, Mr. INOUYE, Mr. KERRY, Mr. LAUTENBERG, Mr. WARNER, Mr. BEGICH, Mr. DURBIN, Mrs. BOXER, Mr. MENENDEZ, Ms. MIKULSKI, Mr. CARDIN, and Mrs. MCCASKILL):

S. 1433. A bill to pay personnel compensation and benefits for employees of the Federal Aviation Administration; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. KLOBUCHAR (for herself, Mr. DURBIN, Mr. KERRY, Mr. LUGAR, Mrs. BOXER, Mr. KOHL, Ms. CANTWELL, Mr. CARDIN, Mr. HARKIN, Mr. FRANKEN, Mr. HOEVEN, Mr. WYDEN, Mr. KYL, Mr. BARRASSO, Mr. CONRAD, Mr. MCCAIN, Mr. LIEBERMAN, Mr. MERKLEY, Mr. AKAKA, Mr. ALEXANDER, Ms. AYOTTE, Mr. BAUCUS, Mr. BEGICH, Mr. BENNET, Mr. BINGAMAN, Mr. BLUMENTHAL, Mr. BLUNT, Mr. BOOZMAN, Mr. BROWN of Massachusetts, Mr. BROWN of Ohio, Mr. BURR, Mr. CARPER, Mr. CASEY, Mr. CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. COCHRAN, Ms. COLLINS, Mr. COONS, Mr. CORKER, Mr. CORNYN, Mr. CRAPO, Mr. DEMINT, Mr. ENZI, Mrs. FEINSTEIN, Mrs. GILLIBRAND, Mr. GRAHAM, Mr. GRASSLEY, Mrs. HAGAN, Mr. HATCH, Mr. HELLER, Mrs. HUTCHISON, Mr. INHOFE, Mr. INOUYE, Mr. ISAKSON, Mr. JOHANNS, Mr. JOHNSON of Wisconsin, Mr. JOHNSON of South Dakota, Mr. KIRK, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEE, Mr. LEVIN, Mr. MANCHIN, Mrs. MCCASKILL, Mr. MCCONNELL, Mr. MENENDEZ, Ms. MIKULSKI, Mr. MORAN, Ms. MURKOWSKI, Mrs. MURRAY, Mr. NELSON of Nebraska, Mr. NELSON of Florida, Mr. PAUL, Mr. PORTMAN, Mr. PRYOR, Mr. REED, Mr. REID, Mr. RISCH, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. RUBIO, Mr. SANDERS, Mr. SCHUMER, Mr. SESSIONS, Mrs. SHAHEEN, Mr. SHELBY, Ms. SNOWE, Ms. STABENOW, Mr. TESTER, Mr. THUNE, Mr. TOOMEY, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. VITTER, Mr. WARNER, Mr. WEBB, Mr. WHITEHOUSE, and Mr. WICKER):

S. Res. 240. A resolution condemning the horrific attacks on government buildings in Oslo, Norway, and a youth camp on Utoya Island, Norway, on July 22, 2011, and for other purposes; considered and agreed to.

By Mr. MENENDEZ (for himself and Mrs. MURRAY):

S. Res. 241. A resolution expressing support for the designation of November 16, 2011, as National Information and Referral Services Day; to the Committee on Health, Education, Labor, and Pensions.

By Mr. CARDIN (for himself and Mr. WICKER):

S. Con. Res. 26. A concurrent resolution supporting the goals and ideals of the designation of the year of 2011 as the International Year for People of African Descent; considered and agreed to.

ADDITIONAL COSPONSORS

S. 48

At the request of Mr. INOUYE, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 48, a bill to amend the Public Health Service Act to provide for the participation of pharmacists in National Health Services Corps programs, and for other purposes.

S. 195

At the request of Mr. ROCKEFELLER, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 195, a bill to reinstate Federal matching of State spending of child support incentive payments.

S. 274

At the request of Mrs. HAGAN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 274, a bill to amend title XVIII of the Social Security Act to expand access to medication therapy management services under the Medicare prescription drug program.

S. 347

At the request of Mr. BURR, the name of the Senator from Illinois (Mr. KIRK) was added as a cosponsor of S. 347, a bill to amend the Internal Revenue Code of 1986 to provide for reporting and disclosure by State and local public employee retirement pension plans.

S. 362

At the request of Mr. WHITEHOUSE, the name of the Senator from North Carolina (Mrs. HAGAN) was added as a cosponsor of S. 362, a bill to amend the Public Health Service Act to provide for a Pancreatic Cancer Initiative, and for other purposes.

S. 398

At the request of Mr. BINGAMAN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 398, a bill to amend the Energy Policy and Conservation Act to improve energy efficiency of certain appliances and equipment, and for other purposes.

S. 418

At the request of Mr. HARKIN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 418, a bill to award a Congressional Gold Medal to the World War II members of the Civil Air Patrol.

S. 555

At the request of Mr. FRANKEN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 555, a bill to end discrimination based on actual or perceived sexual orientation or gender identity in public schools, and for other purposes.

S. 697

At the request of Mr. CASEY, the name of the Senator from Kansas (Mr. MORAN) was added as a cosponsor of S. 697, a bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for amounts paid by a spouse of a member of the Armed Services for a new State license or certification required by reason of a permanent change in the duty station of such member to another State.

S. 866

At the request of Mr. TESTER, the names of the Senator from Kansas (Mr. MORAN) and the Senator from Florida (Mr. NELSON) were added as cosponsors of S. 866, a bill to amend title 10, United States Code, to modify the perfiscal year calculation of days of certain active duty or active service used to reduce the minimum age at which a member of a reserve component of the uniformed services may retire for nonregular service.

S. 913

At the request of Mr. ROCKEFELLER, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 913, a bill to require the Federal Trade Commission to prescribe regulations regarding the collection and use of personal information obtained by tracking the online activity of an individual, and for other purposes.

S. 951

At the request of Mrs. MURRAY, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 951, a bill to improve the provision of Federal transition, rehabilitation, vocational, and unemployment benefits to members of the Armed Forces and veterans, and for other purposes.

S. 1025

At the request of Mr. LEAHY, the names of the Senator from North Dakota (Mr. HOEVEN) and the Senator from Louisiana (Mr. VITTER) were added as cosponsors of S. 1025, a bill to amend title 10, United States Code, to enhance the national defense through empowerment of the National Guard, enhancement of the functions of the National Guard Bureau, and improvement of Federal-State military coordination in domestic emergency response, and for other purposes.

S. 1048

At the request of Mr. MENENDEZ, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 1048, a bill to expand sanctions imposed with respect to the Islamic Republic of Iran, North Korea, and Syria, and for other purposes.

S. 1049

At the request of Mr. KYL, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 1049, a bill to lower health premiums and increase choice for small business.

S. 1061

At the request of Mr. BARRASSO, the name of the Senator from Arkansas (Mr. BOOZMAN) was added as a cosponsor of S. 1061, a bill to amend title 5 and 28, United States Code, with respect to the award of fees and other expenses in cases brought against agencies of the United States, to require the Administrative Conference of the United States to compile, and make publically available, certain data relating to the Equal Access to Justice Act, and for other purposes.

S. 1087

At the request of Mr. BARRASSO, the name of the Senator from Utah (Mr. LEE) was added as a cosponsor of S. 1087, a bill to release wilderness study areas administered by the Bureau of Land Management that are not suitable for wilderness designation from continued management as de facto wilderness areas and to release inventoried roadless areas within the National Forest System that are not recommended for wilderness designation from the land use restrictions of the 2001 Roadless Area Conservation Final Rule and the 2005 State Petitions for Inventoried Roadless Area Management Final Rule, and for other purposes.

S. 1094

At the request of Mr. MENENDEZ, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1094, a bill to reauthorize the Combating Autism Act of 2006 (Public Law 109–416).

S. 1251

At the request of Mr. COBURN, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 1251, a bill to amend title XVIII and XIX of the Social Security Act to curb waste, fraud, and abuse in the Medicare and Medicaid programs.

S. 1258

At the request of Mr. MENENDEZ, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1258, a bill to provide for comprehensive immigration reform, and for other purposes.

S. 1335

At the request of Mr. INHOFE, the name of the Senator from Pennsylvania (Mr. TOOMEY) was added as a cosponsor of S. 1335, a bill to amend title 49, United States Code, to provide rights for pilots, and for other purposes.

S. 1350

At the request of Mr. COONS, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1350, a bill to expand the research, prevention, and awareness activities of the Centers for Disease Control and Prevention and the National Institutes of Health with respect to pulmonary fibrosis, and for other purposes.

S. 1365

At the request of Mrs. HUTCHISON, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 1365, a bill to provide funds to ensure that members of the Armed Forces, including reserve components thereof, and supporting civilian personnel continue to receive pay and allowances for active service performed when a funding gap caused by the failure to enact interim or full-year appropriations for the Armed Forces occurs, which results in the furlough of nonemergency personnel and the curtailment of Government activities and services.

S. 1392

At the request of Ms. COLLINS, the names of the Senator from Texas (Mr. CORNYN), the Senator from Wisconsin (Mr. KOHL), the Senator from Mississippi (Mr. WICKER) and the Senator from Florida (Mr. NELSON) were added as cosponsors of S. 1392, a bill to provide additional time for the Administrator of the Environmental Protection Agency to issue achievable standards for industrial, commercial, and institutional boilers, process heaters, and incinerators, and for other purposes.

S. 1403

At the request of Mr. HARKIN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1403, a bill to amend part B of the Individuals with Disabilities Education Act to provide full Federal funding of such part.

S.J. RES. 17

At the request of Mr. MCCONNELL, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of S.J. Res. 17, a joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

S.J. RES. 21

At the request of Mr. MENENDEZ, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S.J. Res. 21, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KOHL (for himself, Mr. CONRAD, Mr. THUNE, Mr. JOHNSON of South Dakota, Mr. TESTER, and Mr. JOHANNS):

S. 1431. A bill to amend section 242 of the National Housing Act to extend the sunset provisions for the exemption for critical access hospitals under the FHA programs of mortgage insurance for hospitals; to the Committee on Banking, Housing, and Urban Affairs.

Mr. KOHL. Mr. President, I rise today to discuss the Health Care Capital Access Reauthorization Act. This

legislation will allow Critical Access Hospitals, CAHs, to continue to access the Federal Housing Administration's, FHA, 242 program.

There are approximately 1,327 CAHs throughout the United States. These hospitals are vital to our health care system because they provide individuals who live in rural areas care they might not otherwise have. Many of these hospitals were built over 40 years ago and are in need of significant renovations. Without the exemption, many rural hospitals would not qualify for the low-cost loan insurance based on patients' average length of stay or because the hospital operates a nursing home, and as a result, many rural hospitals would face higher financing costs on construction and renovation loans.

Many CAHs provide a significant level of non-acute or long-term services, and therefore do not qualify for the FHA 242 program based on length of stay. Additionally, some CAHs operate nursing homes, further lengthening the average stay and causing the hospital to be ineligible for the 242 program. In 2006, Congress recognized the uniqueness and importance of these hospitals and passed the Rural Health Care Capital Access Act. This Act provided an exemption from the acute care provision in the FHA 242 program for Critical Access Facilities. The exemption expires on July 31.

After July 31, CAHs applying for financing will be unable to receive financing if the exemption is not extended. Since the initial exemption was passed in 2006, 10 rural hospitals in 10 states have received mortgage insurance through the program as a result of the exemption in Edgerton, Wis., Columbus, Mont., Springfield, Ga., Monticello, Ill., L'Anse, Mich., Cambridge, Neb., Hot Springs, S.D., Grand Coulee, Wash., Moab, Utah and Holyoke, Colo. The program has provided financing for these hospitals on loans ranging from $14 to $31 million and totaling more than $241 million.

The legislation I am introducing today would provide a five-year extension of the exemption in the Rural Health Care Capital Access Act, allowing the many rural hospitals that provide significant levels of non-acute or long-term care to continue applying for financing under a FHA 242 program. Without the exemption, these rural hospitals would not qualify for an FHA loan based on patients' average length of stay, resulting in fewer options for construction and renovation loans.

I would like to thank the original coponsors of this bill: Senators CONRAD, TIM JOHNSON, THUNE, JOHANNS, and TESTER for their leadership and support for Critical Access Hospitals. I look forward to working with my colleagues on this important issue to move the Rural Health Care Capital Access Reauthorization Act towards passage.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 240—CONDEMNING THE HORRIFIC ATTACKS ON GOVERNMENT BUILDINGS IN OSLO, NORWAY, AND A YOUTH CAMP ON UTOYA ISLAND, NORWAY, ON JULY 22, 2011, AND FOR OTHER PURPOSES

Ms. KLOBUCHAR (for herself, Mr. DURBIN, Mr. KERRY, Mr. LUGAR, Mrs. BOXER, Mr. KOHL, Ms. CANTWELL, Mr. CARDIN, Mr. HARKIN, Mr. FRANKEN, Mr. HOEVEN, Mr. WYDEN, Mr. KYL, Mr. BARRASSO, Mr. CONRAD, Mr. MCCAIN, Mr. LIEBERMAN, Mr. MERKLEY, Mr. AKAKA, Mr. ALEXANDER, Ms. AYOTTE, Mr. BAUCUS, Mr. BEGICH, Mr. BENNET, Mr. BINGAMAN, Mr. BLUMENTHAL, Mr. BLUNT, Mr. BOOZMAN, Mr. BROWN of Massachusetts, Mr. BROWN of Ohio, Mr. BURR, Mr. CARPER, Mr. CASEY, Mr. CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. COCHRAN, Ms. COLLINS, Mr. COONS, Mr. CORKER, Mr. CORNYN, Mr. CRAPO, Mr. DEMINT, Mr. ENZI, Mrs. FEINSTEIN, Mrs. GILLIBRAND, Mr. GRAHAM, Mr. GRASSLEY, Mrs. HAGAN, Mr. HATCH, Mr. HELLER, Mrs. HUTCHISON, Mr. INHOFE, Mr. INOUYE, Mr. ISAKSON, Mr. JOHANNS, Mr. JOHNSON of Wisconsin, Mr. JOHNSON of South Dakota, Mr. KIRK, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEE, Mr. LEVIN, Mr. MANCHIN, Mrs. MCCASKILL, Mr. MCCONNELL, Mr. MENENDEZ, Ms. MIKULSKI, Mr. MORAN, Ms. MURKOWSKI, Mrs. MURRAY, Mr. NELSON of Nebraska, Mr. NELSON of Florida, Mr. PAUL, Mr. PORTMAN, Mr. PRYOR, Mr. REED of Rhode Island, Mr. REID of Nevada, Mr. RISCH, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. RUBIO, Mr. SANDERS, Mr. SCHUMER, Mr. SESSIONS, Mrs. SHAHEEN, Mr. SHELBY, Ms. SNOWE, Ms. STABENOW, Mr. TESTER, Mr. THUNE, Mr. TOOMEY, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. VITTER, Mr. WARNER, Mr. WEBB, Mr. WHITEHOUSE, and Mr. WICKER) submitted the following resolution; which was considered and agreed to:

S. RES. 240

Whereas, on July 22, 2011, at least eight people were brutally killed when government buildings were bombed in Oslo, Norway;

Whereas, also on July 22, 2011, at least 68 people, a majority of them children and young adults, were brutally killed when a youth camp was attacked on Utøya Island, Norway;

Whereas, also on July 22, 2011, as many as 96 people were injured by these dual attacks;

Whereas these twin attacks brought horrific violence, pain, and suffering upon innocent Norwegians and their families and friends;

Whereas the Government and people of Norway have condemned the terrorist attacks and called the events an ''atrocity,'' a ''nightmare,'' and a ''national tragedy'';

Whereas Norway is recognized around the world as a country that is both peaceful and peace-seeking;

Whereas Oslo, Norway, is home to the Norwegian Nobel Committee, which annually selects winners of the Nobel Peace Prize;

Whereas Norway was a founding member of the United Nations in 1945, a Norwegian was the first Secretary-General of the United Nations, and Norway was a founding member of the North Atlantic Treaty Organization (NATO) in 1949;

Whereas Norway has for years offered safe haven to refugees and the politically persecuted from around the world;

Whereas over 4,500,000 Americans of Norwegian ancestry now reside in the United States, with the state of Minnesota being home to the largest number of people of Norwegian heritage outside of Norway itself;

Whereas the Prime Minister of Norway, Jens Stoltenberg, has said, ''We must never let our values, our way of life, be destroyed by blind violence,'' and pledged that Norway ''will respond with more democracy, more openness, and more humanity, but never naivete'';

Whereas the Foreign Minister of Norway, Jonas Gahr Støre, remarked, ''The nature of the Norwegian democracy will not change. Norway will continue to stand for engagement in the world where we commit our resources and our convictions.'';

Whereas President Barack Obama remarked that ''[i]t's a reminder that the entire international community has a stake in preventing this kind of terror from occurring,'' and later said, ''You should know that the thoughts and prayers of all Americans are with the people of Norway and that we will stand beside [Norway] every step of the way.'';

Whereas, on Monday, July 25, 2011, there was a moment of silence throughout Norway and other Nordic countries, followed by a memorial attended by more than 150,000 people outside the city hall in Oslo for a ''Rose March,'' in which participants carried white or red roses; and

Whereas Crown Prince Haakon of Norway told those gathered at the memorial, ''Tonight the streets are filled with love.'': Now, therefore, be it

Resolved, That the Senate—

(1) condemns in the strongest terms the senseless terrorist attacks that occurred in Norway on July 22, 2011, causing many deaths and injuries;

(2) further condemns all terrorist actions, including those motivated by hatred and religious or cultural intolerance;

(3) expresses deep sympathy, solidarity, and condolences to the victims of the atrocious acts, their families, and the people and Government of Norway;

(4) emphasizes the bonds of friendship and shared heritage between the United States and Norway;

(5) expresses unwavering support to the Government and people of Norway as they recover from these horrific attacks;

(6) affirms its resolve to combat all forms of senseless violence and terrorism, both domestically and abroad; and

(7) calls on all people to join together to denounce acts of hatred and fear and promote peace and tolerance in their communities and around the world.

SENATE RESOLUTION 241—EXPRESSING SUPPORT FOR THE DESIGNATION OF NOVEMBER 16, 2011, AS NATIONAL INFORMATION AND REFERRAL SERVICES DAY

Mr. MENENDEZ (for himself and Mrs. MURRAY) submitted the following resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. RES. 241

Whereas information and referral services link the consumer who has a need or problem with the most appropriate service to address that need or solve that problem;

Whereas quality information and referral services are the keystone point of entry to the entire human services structure delivery system;

Whereas information and referral services have been recognized in Federal legislation for more than 35 years since the 1973 reauthorization of the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), and the subsequent establishment of the national Eldercare Locator and the development of Aging and Disability Resource Centers;

Whereas, as of the date of agreement to this resolution, the United States is served by information and referral through 2-1-1 programs, aging information and referral services, Aging and Disability Resource Centers, child care resource and referral services, military family centers, and other specialty information and referral services;

Whereas individuals who understand the variety of services available are better equipped to make decisions;

Whereas, in 1997, the national 2-1-1 initiative began with the United Way of Metropolitan Atlanta creating the first 24-hour telephone information and referral service using the easy-to-remember 2-1-1 dialing code for access;

Whereas, in 2000, the Federal Communications Commission reserved the 2-1-1 dialing code for community information and referral services, intended as an easy-to-remember and universally recognizable number that would serve as a vital connection between individuals and families in need, and appropriate community-based organizations and government agencies, on a regular basis and in times of disaster;

Whereas the Alliance of Information and Referral Systems has been providing professional standards and credentialing programs for those operating information and referral services;

Whereas expanding access to information about, and referrals to, services provides individuals with lower-cost and safer options for managing their needs, and is likely to reduce confusion, frustration, and inaccessibility to services; and

Whereas requests for assistance through information and referral services and 2-1-1 have increased across the United States due to the economic crisis: Now, therefore, be it

Resolved, That the Senate—

(1) expresses support for the designation of November 16, 2011, as National Information and Referral Services Day—

(A) to raise public awareness about the existence and importance of information and referral services available to all people in the United States; and

(B) to more effectively target those services to reach individuals most in need;

(2) encourages activities in communities across the United States involving schools, nonprofit organizations, businesses, and other entities to ensure information and referral services are part of everyday life in addition to emergency preparedness programs; and

(3) reaffirms the importance of clear and consistent professional standards to govern every aspect of quality information and referral services.

SENATE CONCURRENT RESOLUTION 26—SUPPORTING THE GOALS AND IDEALS OF THE DESIGNATION OF THE YEAR OF 2011 AS THE INTERNATIONAL YEAR FOR PEOPLE OF AFRICAN DESCENT

Mr. CARDIN (for himself and Mr. WICKER) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 26

Whereas the year of 2011 is recognized as the ''International Year for People of African Descent'';

Whereas the African Diaspora is expansive, spanning the globe from Latin America and the Caribbean to Asia, with persons of African descent living on every continent, including Europe;

Whereas in recognition of the African Diaspora, on December 18, 2009, the United Nations General Assembly adopted Resolution 64/169, designating the year of 2011 as the ''International Year for People of African Descent'';

Whereas the historical bonds and shared experiences that tie the African continent with the world must be recalled;

Whereas the global contributions of people of African descent must be recognized as a means of preserving that heritage;

Whereas a central goal of recognizing the year of 2011 as the International Year for People of African descent is to strengthen national actions and regional and international cooperation for the benefit of people of African descent in relation to—

(1) the full enjoyment of economic, cultural, social, civil, and political rights for people of African descent;

(2) the participation and integration of people of African descent in all political, economic, social, and cultural aspects of society; and

(3) the promotion of greater knowledge of, and respect for, the diverse heritage and culture of people of African descent; and

Whereas the Final Act of the Conference on Security and Cooperation in Europe, done at Helsinki August 1, 1975, states that ''participating States will respect human rights and fundamental freedoms . . . for all without distinction as to race, sex, language or religion'': Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) supports the goals and ideals of the designation of the year of 2011 as the International Year for People of African Descent;

(2) encourages the recognition and celebration of the collective history and achievements made by people of African descent;

(3) reaffirms the importance of inclusion and the full and equal participation of people of African descent around the world in all aspects of political, economic, social, and cultural life;

(4) recognizes bilateral and multilateral efforts to promote democracy, human rights, and rule of law, including those efforts that target the eradication of poverty, hunger, and inequality; and

(5) reaffirms the commitment of Congress to address racism, discrimination, and intolerance in the United States and around the globe.

AMENDMENTS SUBMITTED AND PROPOSED

SA 586. Mr. KIRK submitted an amendment intended to be proposed by him to the bill S. 1323, to express the sense of the Senate on shared sacrifice in resolving the budget deficit; which was ordered to lie on the table.

SA 587. Mr. BROWN of Ohio (for himself, Mr. ROCKEFELLER, Mr. SANDERS, and Ms. COLLINS) proposed an amendment to the bill S. 1188, to require the purchase of domestically made flags of the United States of America for use by the Federal Government.

TEXT OF AMENDMENTS

SA 586. Mr. KIRK submitted an amendment intended to be proposed by him to the bill S. 1323, to express the sense of the Senate on shared sacrifice in resolving the budget deficit; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—MAXIMIZING SPECTRUM EFFICIENCE AND VALUE

SECTION 201. SHORT TITLE.

This title may be cited as the ''Maximizing Spectrum Efficiency and Value Act of 2011''.

SEC. 202. FINDINGS.

Congress finds the following:

(1) Demand for spectrum is sharply rising due to the growing advanced network of communications devices that rely on spectrum to transmit and receive information.

(2) It is necessary for the United States to maintain its investments in innovation of spectrum and broadband infrastructure to ensure the United States is a global leader in the wireless age.

(3) Spectrum is a finite resource, and in order to spur innovation, the United States must provide for better and more efficient spectrum management.

(4) Many spectrum holders do not efficiently use their frequency assignments, and a re-structuring of the usable spectrum is a viable solution to make up for this lost opportunity.

(5) Making available additional spectrum to meet the demands of broadband technologies and services will prevent dropped connections, blocked service, decreased connection speed, and even higher prices for certain advanced applications.

(6) The availability of increased spectrum will allow advanced technologies such as 4G mobile services, high-speed wireless, high definition television, and more to continue operating without network problems and interferences.

(7) The United States public debt totals more than $14,300,000,000,000.

(8) Congress should look for ways to increase the government's revenues without additional taxpayer burdens.

(9) Auctioning spectrum is the most economically sound method for accurate valuation and assignment of spectrum to develop the next generation of wireless technologies, expand broadband service to under served areas of our county, develop an interoperable public safety network and reduce our deficit.

(10) Recent spectrum auctions in Germany and India raised a combined $20,000,000,000.

(11) Frequencies within the spectrum have substantial market value and could raise near $30,000,000,000 in a public auction.

(12) Barriers such as regulatory and administrative delays are not conducive to the free market approach and can hurt innovation.

(13) Government spectrum, while extremely important, is vast and should be included in any spectrum reform initiative.

SEC. 203. AUTHORITY FOR INCENTIVE AUCTIONS.

Section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) is amended—

(1) in paragraph (3), by striking subparagraph (F) and inserting the following:

''(F) for any auction of eligible frequencies described in section 119(f)(1) of the National Telecommunications and Information Administration Organization Act, the recovery of 110 percent of estimated relocation costs as provided to the Commission under section 119(e)(1)(D)(iii) of the National Telecommunications and Information Administration Organization Act.''; and

(2) in paragraph (8)—

(A) in subparagraph (A), by striking ''subparagraphs (D), and (E)'' and inserting ''subparagraphs (D), (E), and (F)''; and

(B) by adding at the end the following:

''(F) VOLUNTARY INCENTIVE AUCTION REVENUE SHARING.—

''(i) IN GENERAL.—Notwithstanding subparagraph (A) and except as provided in subparagraphs (B) and (C), if the Commission determines that it is consistent with the public interest in utilization of the spectrum for a licensee to relinquish voluntarily some or all of its licensed spectrum usage rights in order to permit the assignment of new initial licenses subject to new service rules, the proceeds from the use of a competitive bidding system under this subsection in granting such rights to another licensee shall be shared, in an amount or percentage that the Commission considers appropriate, with the licensee who voluntarily relinquished such rights.

''(ii) AMOUNTS DEPOSITED INTO THE SPECTRUM RELOCATION FUND.—The Commission shall deposit in the Spectrum Relocation Fund, established under section 118 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 928) (47 U.S.C. 928), $13,000,000 of the proceeds described in clause (i) to carry out the requirements of section 119(b) the National Telecommunications and Information Administration Organization Act.

''(iii) AMOUNTS NOT SHARED DEPOSITED IN TREASURY.—In any case in which a licensee voluntarily relinquishes licensed spectrum usage rights under clause (i), the Commission shall deposit in the Treasury, where such amounts shall be dedicated for the sole purpose of deficit reduction, any portion of the proceeds described in clause (i) that the Commission does not share with the licensee (except proceeds retained under subparagraph (B), the deposits described in subparagraph (C), and the deposits described in subparagraph (F)(ii)).

''(iv) ESTABLISHMENT OF RULES.—Not later than 1 year after the date of enactment of the Maximizing Spectrum Efficiency and Value Act of 2011, the Commission shall establish rules for the implementation of voluntary incentive auction revenue sharing under this subparagraph.

''(v) CONTENT OF RULES.—In establishing rules under clause (iv), the Commission shall ensure that—

''(I) the rules—

''(aa) identify the initial spectrum band or bands that will be eligible for incentive auctions under this subparagraph;

''(bb) establish a maximum revenue sharing threshold applicable to all licensees within any auction, unless the establishment of such threshold would increase the amount of spectrum cleared or would increase the net revenue from the auction of such spectrum; and

''(cc) minimize the cost to the taxpayer of the transition of the spectrum to be auctioned to its newly identified use; and

''(II) any licensing conditions established are restricted to interference, ethical, geographical, and qualifications of licensees.

''(vi) PROHIBITIONS.—

''(I) The Commission may not establish any licensing condition relating to the Federal Communications Commission's final order with regard to Preserving the Open Internet; Broadband Industry Practices (GN Docket No. 09–191, WC Docket No. 07–52)(adopted December 21, 2010).

''(II) The Commission may not restrict the number, type, or specific bidders from participating in any public auction.

''(III) The Commission may not prescribe rates, terms, or condition services that may be offered by bidders.

''(IV) The Commission may not impose any new license requirements or rules on the successful bidders once the public auction has been completed.

''(vii) SCHEDULE FOR AUCTIONS.—

''(I) INITIAL AUCTION.—The Commission shall commence incentive auctions under this subparagraph not later than 2 years after the date of enactment of the Maximizing Spectrum Efficiency and Value Act of 2011.

''(II) OTHER SPECTRUM.—The Commission may, in its discretion and at any time after the date of enactment of the Maximizing Spectrum Efficiency and Value Act of 2011, use the authority provided in this subparagraph in connection with the auction of other licensed spectrum, provided that the auction of such other spectrum is conducted pursuant to the rules established under this subparagraph.''.

SEC. 204. FEDERAL SPECTRUM REALLOCATION COMMISSION.

(a) IN GENERAL.—Part B of title I of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 921 et seq.) is amended by adding at the end the following:

''SEC. 119. FEDERAL SPECTRUM REALLOCATION COMMISSION.

''(a) DEFINITIONS.—In this section—

''(1) the term 'Chairperson' means the chairperson of the Reallocation Commission designated under subsection (b)(3)(B);

''(2) the term 'Director' means the Director of the Reallocation Commission appointed under subsection (b)(5);

''(3) the term 'executive agency' has the meaning given the term in section 105 of title 5, United States Code;

''(4) the term 'Federal entity' means any department, agency, or other instrumentality of the Federal Government that utilizes a Government station license obtained under section 305 of the Telecommunications Act of 1934 (47 U.S.C. 305);

''(5) the term 'Reallocation Commission' means the Federal Spectrum Reallocation Commission established under subsection (b)(1); and

''(6) the term 'relocation costs'—

''(A) means the costs incurred by a Federal entity to achieve comparable capability of systems, regardless of whether that capability is achieved by relocating to a new frequency assignment or by utilizing an alternative technology; and

''(B) includes—

''(i) the costs of any modification or replacement of equipment, software, facilities, operating manuals, training costs, or regulations that are attributable to relocation;

''(ii) the costs of all engineering, equipment, software, site acquisition and construction costs, as well as any legitimate and prudent transaction expense, including outside consultants, and reasonable additional costs incurred by the Federal entity that are attributable to relocation, including increased recurring costs associated with the replacement facilities;

''(iii) the costs of engineering studies, economic analyses, or other expenses reasonably incurred in calculating the estimated relocation costs that are provided to the Commission under subsection (e)(3)(C) and approved by the Office of Management and Budget under subsection (e)(3)(D);

''(iv) the one-time costs of any modification of equipment reasonably necessary to accommodate commercial use of such frequencies prior to the termination of the Federal entity's primary allocation or protected status, when the eligible frequencies are made available for private sector uses by competitive bidding and a Federal entity retains primary allocation or protected status in those frequencies for a period of time after the completion of the competitive bidding process; and

''(v) the costs associated with the accelerated replacement of systems and equipment if such acceleration is necessary to ensure the timely relocation of systems to a new frequency assignment.

''(b) COMMISSION.—

''(1) ESTABLISHMENT.—There is established an independent commission to be known as the 'Federal Spectrum Reallocation Commission'.

''(2) DUTIES.—The Reallocation Commission shall carry out the duties described in this section.

''(3) MEMBERSHIP.—

''(A) APPOINTMENTS.—

''(i) IN GENERAL.—The Reallocation Commission shall be composed of 9 members appointed by the President, with the advice and consent of the Senate.

''(ii) REQUIREMENTS FOR MEMBERSHIP.—

''(I) IN GENERAL.—Of the 9 members appointed by the President under clause (i)—

''(aa) not more than 1 member may be a current employee or contractor of the Department of Defense;

''(bb) not more than 1 member may be former employee or contractor of the Department of Defense;

''(cc) not less than 1 member shall be a representative of the commercial mobile technology industry; and

''(dd) not less than 1 member shall be a representative from a standards setting-body that is accredited by the American National Standards Institute to develop voluntary industry standards.

''(II) PRIVATE SECTOR REPRESENTATION.—In making appointments under clause (i), the President shall ensure that there is robust private sector representation on the Reallocation Commission.

''(iii) TRANSMISSION OF NOMINATIONS.—Not later than 180 days after the date of enactment of the Maximizing Spectrum Efficiency and Value Act of 2011, the President shall transmit to the Senate the nominations for appointment to the Commission.

''(iv) CONSULTATION.—In selecting individuals for nominations for appointments to the Reallocation Commission, the President shall consult with—

''(I) the Speaker of the House of Representatives concerning the appointment of 2 members;

''(II) the majority leader of the Senate concerning the appointment of 2 member;

''(III) the minority leader of the House of Representatives concerning the appointment of 1 member; and

''(IV) the minority leader of the Senate concerning the appointment of 1 member.

''(v) NONPOLITICAL NATURE OF APPOINTMENT.—No political test or qualification may be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, or employees of the Reallocation Commission.

''(B) CHAIRPERSON.—At the time the President nominates individuals for appointments under subparagraph (A), the President shall designate 1 of the individuals nominated to serve as the Chairperson of the Reallocation Commission.

''(C) TERMS.—

''(i) IN GENERAL.—Each member of the Reallocation Commission may serve until the Commission sunsets.

''(ii) CHAIRPERSON.—The Chairperson shall serve until the confirmation of a successor.

''(iii) VACANCIES.—Any vacancy in the Reallocation Commission shall be filled in the same manner as the original appointment.

''(D) COMPENSATION OF MEMBERS.—

''(i) IN GENERAL.—Each member, other than the Chairperson, shall be paid at a rate equal

to the daily equivalent of the minimum annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Reallocation Commission.

''(ii) CHAIRPERSON.—The Chairperson shall be paid for each day referred to in clause (i) at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level III of the Executive Schedule under section 5314 of title 5, United States Code.

''(4) MEETINGS.—

''(A) IN GENERAL.—Each meeting of the Reallocation Commission, other than meetings in which classified information is to be discussed, shall be open to the public.

''(B) ACCESS TO INFORMATION.—All the proceedings, information, and deliberations of the Commission shall be open, upon request to—

''(i) the Chairman and the ranking member of the Subcommittee on Communications, Technology, and the Internet of the Committee on Commerce, Science, and Transportation of the Senate, or such other members of the Subcommittee designated by the Chairman or ranking member of the Subcommittee;

''(ii) the Chairman and the ranking member of the Subcommittee on Communications and Technology of the Committee on Energy and Commerce of the House of Representatives, or such other members of the Subcommittee designated by the Chairman or ranking member of the Subcommittee; and

''(iii) the Chairmen and ranking members of the Subcommittees on Commerce, Justice and Science, and Financial Services and General Government of the Committees on Appropriations of the Senate and of the House of Representatives, or such other members of the Subcommittees designated by such Chairmen or ranking minority party members.

''(5) DIRECTOR OF STAFF.—

''(A) IN GENERAL.—The Reallocation Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a Director.

''(B) PAY.—The Director shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(6) STAFF.—

''(A) IN GENERAL.—Subject to subparagraphs (B) and (C), the Director, with the approval of the Reallocation Commission, may appoint and fix the pay of additional personnel as may be necessary to enable the Reallocation Commission to perform the duties of the Reallocation Commission.

''(B) LIMITATION.—The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual appointed under this paragraph may not receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

''(C) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the Director, the Secretary of Commerce may detail any of the personnel of the Department of Commerce to the Reallocation Commission to assist the Reallocation Commission in carrying out its duties.

''(D) GAO AGREEMENT.—The Comptroller General of the United States shall provide assistance, including the detailing of employees, to the Reallocation Commission in accordance with an agreement entered into with the Reallocation Commission.

''(7) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson may procure temporary and intermittent services under section 3109 of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

''(8) OTHER AUTHORITY.—The Chairperson may lease space and acquire personal property to the extent funds are available.

''(9) FUNDING.—There are authorized to be transferred to the Reallocation Commission from the Spectrum Relocation Fund $13,000,000 to carry out the duties of the Reallocation Commission under this subsection, and such funds shall remain available until the term of the Reallocation Commission sunsets. The funds remaining after the sunset of the Commission shall be returned to the Treasury for the sole purpose of deficit reduction.

''(10) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other agencies of the United States.

''(11) SUNSET.—Section 119(b) is repealed effective 60 days after the President submits his approval of the Reallocation Commission recommendations, pursuant to subsection (d)(4)(B).

''(12) OBTAINING INFORMATION.—The Reallocation Commission may secure directly from any agency or department of the United States information necessary to enable it to carry out its duties under this section. Upon request of any member, the head of that agency or department shall furnish that information to the Commission in a full and timely manner.

''(c) SPECTRUM UTILIZATION PLAN.—

''(1) IN GENERAL.—As part of the budget justification documents submitted to Congress in support of the budget for each fiscal year, the head of each Federal entity shall include a spectrum utilization plan.

''(2) CONTENTS.—A spectrum utilization plan submitted under paragraph (1) shall include—

''(A) the total spectrum authorized for the entity (in percentage terms and in sum) in each band the entity uses;

''(B) the approximate number of transmitters, end-user terminals, or receivers, excluding unintended radiators, that have been deployed or authorized;

''(C) if such information is available—

''(i) the type of transmitters, end-user terminals, or receivers, excluding unintended radiators, operated by the entity and whether they are space-, air-, or ground-based;

''(ii) the type of transmitters, end-user terminals, or receivers, excluding unintended radiators, authorized to be operated by the entity and whether they are space, air, or ground-based;

''(iii) contour maps or other information that illustrate the coverage area, receiver performance, and other parameters relevant to an assessment of the availability of spectrum in each band used by the entity;

''(iv) the approximate geolocation of base stations or fixed transmitters;

''(v) the approximate extent of use, by geography, of each band of frequencies, such as the amount and percentage of time of use, number of end-users, or other measures as appropriate to the particular band;

''(vi) the activities, capabilities, functions, or missions supported by the transmitters, end-user terminals, or receivers; and

''(vii) the types of unlicensed devices authorized to operated by the entity;

''(D) the opportunity cost borne by the entity for each spectrum band the entity uses;

''(E) the planned uses of technologies or expanded services requiring spectrum of a period of time agreed to by the entity; and

''(F) suggested spectrum-efficient approaches to meeting the spectrum requirements identified under subparagraph (E).

''(3) REQUIREMENT.—The head of each Federal entity required to submit a spectrum utilization plan under paragraph (1) shall submit a copy of each plan submitted under paragraph (1) to the Reallocation Commission, the Secretary of Commerce, and the NTIA.

''(4) NATIONAL SECURITY; CLASSIFIED INFORMATION.—

''(A) IN GENERAL.—If the head of a Federal agency determines that disclosure of information required under paragraph (1) would be harmful to the national security of the United States, the agency shall—

''(i) notify the Secretary of Commerce of such determination;

''(ii) provide to the Secretary—

''(I) the other publicly releasable information required by paragraph (1);

''(II) to the maximum extent practicable, a summary description of the information with respect to which the determination was made; and

''(III) an annex containing the information with respect to which the determination was made.

''(B) CLASSIFIED INFORMATION.—If the head of a Federal agency determines that any information required by paragraph (1) is classified in accordance with Executive Order 13526 of December 29, 2009, or any successor Executive Order establishing or modifying the uniform system for classifying, safeguarding, and declassifying national security information, the agency shall—

''(i) notify the Secretary of such determination;

''(ii) provide to the Secretary—

''(I) the information required by paragraph (1) that is not classified;

''(II) to the maximum extent practicable, a summary description of the information that is classified; and

''(III) an annex containing the information that is classified.

''(C) ANNEX RESTRICTION.—The Secretary shall make an annex described in subparagraph (A)(ii)(III) or (B)(ii)(III) available to the NTIA and the Relocation Commission. The NTIA, the Secretary, and the Relocation Commission shall not make any such annex available to the public or to any unauthorized person through any other means.

''(d) PROCEDURE FOR MAKING RECOMMENDATIONS FOR SPECTRUM REALLOCATION.—

''(1) COMMERCE RECOMMENDATIONS.—Not later than 18 months after the President submits the budget documents that include spectrum utilization plans described in subsection (c) to Congress for the first fiscal year following the date of enactment of this section, the Secretary shall prepare and submit to the appropriate congressional committees, the Comptroller General of the United States, and the Reallocation Commission a report identifying and recommending for reallocation bands of frequencies—

''(A) that are allocated on a primary basis for Federal Government use;

''(B) that are not required for the needs of the Federal Government at the time the report is submitted, or in the identifiable future; and

''(C) that can feasibly be made available, as of the date of submission of the report or

at any time during the 5 year period beginning on the date on which the report is submitted, for use under section 309(j) the Communications Act of 1934 (47 U.S.C. 309(j)).

''(2) CRITERIA FOR IDENTIFICATION.—

''(A) NEEDS OF THE FEDERAL GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified under paragraph (1)(B), the Secretary shall—

''(i) consider whether—

''(I) the band of frequencies is used to provide a communications service that is or could be available from a commercial provider or other vendor; or

''(II) the communications services provided on such frequencies could be relocated to other frequencies used by the Federal Government;

''(ii) seek to promote—

''(I) the maximum practicable reliance on commercially available substitutes;

''(II) the efficient use of spectrum by Federal Government stations;

''(III) the development and use of new communications technologies; and

''(IV) the use of nonradiating communications systems where practicable; and

''(iii) seek to avoid—

''(I) serious degradation of Federal Government services and operations;

''(II) excessive costs to the Federal Government and users of Federal Government services; and

''(III) excessive disruption of existing use of Federal Government frequencies by amateur radio licensees.

''(B) LIMITATION ON REALLOCATION.—None of the frequencies recommended for reallocation under paragraph (1) shall have been required or scheduled for previous reallocation.

''(C) DIRECT DISCUSSIONS.—

''(i) IN GENERAL.—The Secretary shall encourage and provide opportunity for direct discussions among commercial representatives and Federal Government users of the spectrum to aid the Secretary in determining which frequencies to recommend for reallocation under paragraph (1).

''(ii) HEARINGS AND PUBLIC COMMENT.—As part of the review required under clause (i), the Reallocation Commission shall conduct public hearings and accept public comment on the recommendations. All testimony before the Reallocation Commission at a public hearing conducted under this clause shall be presented under oath. All testimony and public comments collected under this clause shall be made available on a public website.

''(iii) REPRESENTATION.—A representative of the Reallocation Commission, and of the Secretary at the election of the Secretary, shall be permitted to attend any discussion held under clause (i).

''(iv) COMMENT.—The Secretary shall provide the public and the Reallocation Commission with an opportunity to comment on the results of a discussion held under clause (i) before the Secretary submits the recommendation required under paragraph (1).

''(3) REVIEW AND RECOMMENDATIONS BY THE REALLOCATION COMMISSION.—

''(A) REVIEW.—

''(i) IN GENERAL.—After receiving the recommendations from the Secretary under paragraph (1), the Reallocation Commission shall review the recommendations.

''(ii) HEARINGS.—As part of the review required under clause (i), the Reallocation Commission shall conduct public hearings on the recommendations. All testimony before the Reallocation Commission at a public hearing conducted under this clause shall be presented under oath.

''(B) RECOMMENDATIONS.—

''(i) IN GENERAL.—Not later than 180 days after the Secretary submits recommendations under paragraph (1) to the Reallocation Commission, the Reallocation Commission shall submit to the President and the appropriate congressional committees a report on the findings and conclusions of the Reallocation Commission from the review conducted under subparagraph (A), including any recommendations for Federal spectrum reallocation.

''(ii) REQUIREMENT.—A report submitted under clause (i) shall contain an explanation and justification of any recommendation of Federal spectrum reallocation included in the report that is different from the recommendations submitted by the Secretary under paragraph (1).

''(C) TRANSMISSION OF INFORMATION TO CONGRESS.—After the Reallocation Commission submits recommendations to the President under subparagraph (B), upon request by a Member of Congress, the Reallocation Commission shall submit to the Member of Congress any information used by the Reallocation Commission in making the recommendations.

''(D) GAO REQUIREMENTS.—The Comptroller General of the United States shall—

''(i) assist the Reallocation Commission, to the extent requested, in the review and analysis of the recommendations made by the Secretary required to be conducted under subparagraph (A); and

''(ii) not later than 90 days after the Secretary makes recommendations under paragraph (1), submit to Congress and to the Reallocation Commission a report that contains a detailed analysis of the recommendations and selection process of the Secretary.

''(4) REVIEW BY THE PRESIDENT.—

''(A) IN GENERAL.—Not later than 30 days after the Reallocation Commission submits recommendations for Federal spectrum reallocation under paragraph (3)(B), the President shall—

''(i) determine whether to approve the recommendations made by the Reallocation Commission; and

''(ii) submit to Congress and the Reallocation Commission a report that describes the determination made under clause (i).

''(B) APPROVAL.—If the President approves the recommendations under clause (i), the President shall transmit a copy of the recommendations to Congress.

''(C) DISAPPROVAL.—

''(i) IN GENERAL.—If the President disapproves the recommendations under clause (i), the President shall submit to Congress and to the Reallocation Commission a report that describes the reasons that the President disapproves of the recommendations.

''(ii) REALLOCATION COMMISSION REVISIONS.—Not later than 60 days after the President submits to the Reallocation Commission a report under clause (i), the Reallocation Commission shall submit to the President a revised list of recommendations for reallocation of Federal spectrum.

''(iii) APPROVAL AND DISAPPROVAL OF REVISIONS.—

''(I) APPROVAL.—If the President approves the revised list of recommendations submitted by the Reallocation Commission under clause (ii), the President shall submit the revised list to Congress.

''(II) DISAPPROVAL.—If the President disapproves the revised list of recommendations submitted by the Reallocation Commission under clause (ii), the President and the Reallocation Commission shall complete the requirements described in clauses (i) and (ii) until the President approves recommendations from the Reallocation Commission.

''(5) PUBLIC DISCLOSURE AND NONDISCLOSURE.—

''(A) IN GENERAL.—If the head of an executive agency, the Chairperson, or the President determines that public disclosure of any information contained in the reports, recommendations, testimony, or comments required under this section would reveal classified national security information or other information for which there is a legal basis for nondisclosure and such public disclosure would be detrimental to national security, homeland security, public safety, or jeopardize law enforcement investigations, the head of the executive agency, the Chairperson, or the President shall notify the Secretary of that determination prior to release of such information.

''(B) ANNEX.—

''(i) IN GENERAL.—If the head of an executive agency, the Chairperson, or the President notified the Secretary of a determination under subparagraph (A), the information required to be disclosed under this section shall be included in a separate classified annex, as needed.

''(ii) REQUIREMENT.—A classified annex described under clause (i)—

''(I) shall be provided to the appropriate Congressional subcommittees in accordance with appropriate national security stipulations; and

''(II) shall not be disclosed to the public or provided to any unauthorized person through any other means.

''(e) REALLOCATION OF FEDERAL SPECTRUM.—

''(1) AGENCY ACTION.—

''(A) NTIA REQUIREMENT.—Not later than 180 days after the date on which the President submits approved recommendations for the reallocation of Federal spectrum to Congress under subparagraph (B) or (C)(iii)(I) of subsection (d)(4), the NTIA shall provide to each Federal entity that is required to take action under the recommendations information regarding an alternative frequency assignment to which the radio communications operations of the Federal entity could be relocated for purposes of calculating the estimated relocation costs and time line required under subparagraph (C).

''(B) REQUIREMENT.—To the extent practicable and consistent with national security considerations, the NTIA shall provide the information described in paragraph (1) by the geographic location of the facilities or systems of the Federal entity and the frequency bands used by the facilities or systems.

''(C) IMPLEMENTATION PLAN.—

''(i) IN GENERAL.—Not later than 1 year after the date on which the President submits approved recommendations for the reallocation of Federal spectrum to Congress under subparagraph (B) or (C) (iii)(I) of subsection (d)(4), the head of each Federal entity required to relocate spectrum under the recommendations shall prepare and submit to the President, the Committee on Appropriations and the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives, the NTIA, the Federal Communications Commission, the Office of Management and Budget, and the Comptroller General of the United States a plan for implementation of the recommendations related to the Federal entity.

''(ii) CONTENTS.—An implementation plan submitted under clause (i) shall include—

''(I) a description of how the Federal entity will comply with the approved recommendations for the reallocation of Federal spectrum submitted to Congress under subparagraph (B) or (C)(iii)(I) of subsection (d)(4);

''(II) any statutory or regulatory barriers that will prohibit the Federal entity from complying with the recommendations described in subclause (I);

''(III) the estimated cost to the Federal entity of frequency withdrawal or relocation; and

''(IV) the estimated timeline of the Federal entity for frequency withdrawal or relocation.

''(D) REVIEW OF IMPLEMENTATION PLAN.—

''(i) IN GENERAL.—Not later than 30 days after the date on which the plan is submitted under subparagraph (C), the Office of Management and Budget shall review the implementation plan and determine whether to approve the plan.

''(ii) DISAPPROVAL.—If an implementation plan submitted under subparagraph (C) is disapproved by the Office of Management and Budget, the Federal entity shall submit a revised implementation plan under paragraph (3)(A) until the implementation plan is approved.

''(iii) APPROVAL OF ALL PLANS.—Not later than 7 days after the date on which the Office of Management and Budget approves the plans submitted under paragraph (3)(C), the Office of Management and Budget shall notify the Federal Communications Commission of the estimated relocation costs and timelines of all Federal entities required to submit a plan under paragraph (3)(C).

''(iv) REVIEW OF PROGRESS.—At the beginning of each fiscal year following approval of a plan required under subparagraph (C), the Office of Management and Budget shall review the progress of each Federal entity in meeting the cost and timelines of the implementation plan. If at any point, the Office of Management and Budget determines the Federal entity will not meet the implementation plan timelines or cost, the Office of Management and Budget shall take action to enforce the approved plan.

''(E) COMPLIANCE.—

''(i) INITIATION OF REQUIRED ACTION.—Not later than 2 years after the date which the President submits approved recommendations for the reallocation of Federal spectrum to Congress under subparagraph (B) or (C)(iii)(I) of subsection (d)(4), the head of each agency shall initiate all such actions required to comply with the approved recommendations.

''(ii) COMPLETION OF REQUIRED ACTION.—Not later than 5 years after the date which the President submits approved recommendations for the reallocation of Federal spectrum to Congress under subparagraph (B) or (C)(iii)(I) of subsection (d)(4), the head of each agency shall complete all such actions required to comply with the approved recommendations.

''(2) CONGRESSIONAL DISAPPROVAL.—

''(A) IN GENERAL.—No agency may initiate any action in accordance with the approved recommendations for the reallocation of Federal spectrum submitted to Congress by the President under subparagraph (B) or (C)(iii)(I) of subsection (d)(4) if Congress enacts a joint resolution disapproving the recommendations before the earlier of—

''(i) the end of the 45-day period beginning on the date on which the President submits the recommendations to Congress under subparagraph (B) or (C)(iii)(I) of subsection (d)(4); or

''(ii) the adjournment of Congress sine die for the session during which the recommendations described in clause (i) are submitted.

''(B) COMPUTATION OF TIME PERIOD.—For the purpose of subparagraph (A), the days on which either the Senate or the House of Representatives is not in session because of an adjournment for more than 3 days to a day certain shall be excluded in the computation of the time period described in subparagraph (A)(i).

''(3) NOTIFICATION OF SUCCESSFUL RELOCATION.—The President shall terminate the authorization of a Federal entity and notify the Secretary and the Federal Communications Commission of the termination if—

''(A) the NTIA determines that a Federal entity has achieved comparable capability of systems by relocating to a new frequency assignment or by utilizing an alternative technology; or

''(B) the Federal entity has unreasonably failed to comply with the timeline for relocation submitted by the Federal entity under paragraph (1)(C).

''(f) AUCTION OF AVAILABLE FREQUENCIES.—

''(1) IN GENERAL.—Not later than 18 months after the date on which the President submits approved recommendations for the reallocation of Federal spectrum to Congress under subparagraph (B) or (C)(iii)(I) of subsection (d)(4), the Federal Communications Commission shall establish rules for the conduct of auctions of frequencies that will be made available according to the recommendations for the reallocation of Federal spectrum for assignment of new initial licenses subject to new service rules or for other purposes, in which a portion of the auction proceeds are provided to the Spectrum Relocation Fund, consistent with the public interest in maximizing utilization of the spectrum. The remainder of the proceeds shall be deposited in the Treasury, where such amounts shall be dedicated for the sole purpose of deficit reduction.

''(2) REQUIREMENT.—In promulgating rules under paragraph (1), the Federal Communications Commission shall—

''(A) minimize the cost to the taxpayer of the transition of the spectrum to be auctioned to its newly identified use;

''(B) ensure that any licensing conditions established are restricted to technical, ethical, geographic, and financial matters; and

''(C) establish rules in accordance with section 309(j)(8)(F)(vi) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(F)(vi)).

''(3) SCHEDULE FOR AUCTIONS.—Not later than 3 years after the date on which the President submits approved recommendations for the reallocation of Federal spectrum to Congress under subparagraph (B) or (C)(iii)(I) of subsection (d)(4), the Federal Communications Commission shall commence auctions under this subsection.

''(g) RELOCATION OF FEDERAL GOVERNMENT STATIONS.—

''(1) ELIGIBLE FEDERAL ENTITIES.—Any Federal entity that operates a Federal Government station assigned to a band of frequencies and that incurs relocation costs because of the reallocation of frequencies from Federal use to non-Federal use pursuant to this section shall receive payment for such costs from the Spectrum Relocation Fund, in accordance with section 118.

''(2) FEDERAL ACTION TO EXPEDITE SPECTRUM TRANSFER.—Any Federal Government station which operates on electromagnetic spectrum that has been identified in any reallocation report under this section shall, to the maximum extent practicable through the use of the authority granted under this section and any other applicable provision of law, take action to relocate its spectrum use to other frequencies that are reserved for Federal use or to consolidate its spectrum use with other Federal Government stations in a manner that maximizes the spectrum available for non-Federal use.

''(3) FAILURE TO COMPLY.—If a Federal entity does not comply with the timeline established in the implementation plan required under subsection (e)(C), Congress may decrease the amount appropriated to the entity in the following fiscal year by up to ½ of 1 percent.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) SECTION 309(J) OF THE TELECOMMUNICATIONS ACT OF 1934.—Section 309(j) is amended—

(A) in paragraph (8), as amended by this Act, by striking subparagraph (D) and inserting the following:

''(D) DISPOSITION OF CASH PROCEEDS.—Cash proceeds attributable to the auction of any eligible frequencies described in section 119(f)(1) of the National Telecommunications and Information Administration Organization Act shall be deposited in the Spectrum Relocation Fund established under section 118 of such Act, and shall be available in accordance with that section.''; and

(B) in paragraph (16)—

(i) by striking paragraphs (A) and (B) and inserting the following:

''(A) SPECIAL REGULATIONS.—The Commission shall revise the regulations prescribed under paragraph (4)(F) of this subsection to prescribe methods by which the total cash proceeds from any auction of eligible frequencies described in section 119(f)(1) of the National Telecommunications and Information Administration Organization Act shall at least equal 110 percent of the total estimated relocation costs provided to the Commission pursuant to section 119(e)(1)(D)(iii) of such Act.

''(B) CONCLUSION OF AUCTIONS CONTINGENT ON MINIMUM PROCEEDS.—The Commission shall not conclude any auction of eligible frequencies described in section 119(f)(1) of such Act if the total cash proceeds attributable to such spectrum are less than 110 percent of the total estimated relocation costs provided to the Commission pursuant to section 119(e)(1)(D)(iii) of such Act. If the Commission is unable to conclude an auction for the foregoing reason, the Commission shall cancel the auction, return within 45 days after the auction cancellation date any deposits from participating bidders held in escrow, and absolve such bidders from any obligation to the United States to bid in any subsequent reauction of such spectrum.''.

(2) SPECTRUM RELOCATION FUND.—Section 118 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 928) is amended striking subsection (c) and inserting the following:

''(c) USED TO PAY RELOCATION COSTS.—The amounts in the Fund from auctions of eligible frequencies are authorized to be used to pay relocation costs, as defined in section 119(a)(5), of an eligible Federal entity incurring such costs with respect to relocation from those frequencies.''.

SA 587. Mr. BROWN of Ohio (for himself, Mr. ROCKEFELLER, Mr. SANDERS, and Ms. COLLINS) proposed an amendment to the bill S. 1188, to require the purchase of domestically made flags of the United States of America for use by the Federal Government; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''All-American Flag Act''.

SEC. 2. REQUIREMENT FOR PURCHASE OF DOMESTICALLY MADE UNITED STATES FLAGS FOR USE BY FEDERAL GOVERNMENT.

(a) IN GENERAL.—Except as provided under subsection (b), only such flags of the United States of America, regardless of size, that are 100 percent manufactured in the United States, from articles, materials, or supplies 100 percent of which are grown, produced, or manufactured in the United States, may be acquired for use by the Federal Government.

(b) WAIVER.—The head of an executive agency may waive the requirement under subsection (a) on a case-by-case basis upon a determination that—

(1) the application of the limitation would cause unreasonable costs or delays to be incurred; or

(2) application of the limitation would adversely affect a United States company.

(c) AMENDMENT OF FEDERAL ACQUISITION REGULATION.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulatory Council established under section 1302 of title 41, United States Code, shall amend the Federal Acquisition Regulation to implement this section.

(d) DEFINITIONS.—In this section:

(1) EXECUTIVE AGENCY.—The term ''executive agency'' has the meaning given the term in section 133 of title 41, United States Code.

(2) FEDERAL ACQUISITION REGULATION.—The term ''Federal Acquisition Regulation'' has the meaning given the term in section 106 of title 41, United States Code.

SEC. 3. EFFECTIVE DATE.

Section 2 shall apply to purchases of flags made on or after 180 days after the date of the enactment of this Act.

SEC. 4. CONSISTENCY WITH INTERNATIONAL AGREEMENTS.

This Act shall be applied in a manner consistent with United States obligations under international agreements.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. AKAKA. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, July 28, 2011, at 2:15 p.m. in Room 628 of the Dirksen Senate Office Building to conduct a hearing entitled ''Enforcing the Indian Gaming Regulatory Act—The Role of the National Indian Gaming commission and Tribes as Regulators.''

Those wishing additional information may contact the Indian Affairs Committee at (202) 224–2251.

COMMITTEE ON INDIAN AFFAIRS

Mr. AKAKA. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, July 28, 2011, at 2:15 p.m. in room 628 of the Dirksen Senate Office Building to conduct a business meeting to consider: S. 546, a bill to extend Federal recognition to the Little Shell Tribe of Chippewa Indians of Montana, and for other purposes; S. 379, a bill to extend Federal Recognition to the Chickahominy Indian Tribe, the Chickahominy Indian Tribe-Eastern Division, the Upper Mattaponi Tribe, the Rappahannock Tribe, Inc., the Monacan Indian Nation, and the Nansemond Indian Tribe; S. 1218, a bill to provide for the recognition of the Lumbee Tribe of North Carolina, and for other purposes; S. 703, a bill to amend the Long-Term Leasing Act, and for other purposes; and S. 636, a bill to provide the Quileute Indian Tribe Tsunami and Flood Protection, and for other purposes, to be followed by an oversight hearing entitled ''Enforcing the Indian Gaming Regulatory Act—The Role of the National Indian Gaming Commission and Tribes as Regulators.''

Those wishing additional information may contact the Indian Affairs Committee at (202) 224–2251.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. HARKIN. Mr. President, I wish to announce that the Committee on Health, Education, Labor, and Pensions will meet in executive session on Wednesday, August 3, 2011, at 10 a.m. in SD–106 to mark-up the following: S. 958, the Children's Hospital GME Support Reauthorization Act of 2011; S. 1094, the Combating Autism Reauthorization Act; and, any nominations cleared for action.

For further information regarding this meeting, please contact the committee on (202) 224–5375.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on July 27, 2011, at 10 a.m., in room SD–215 of the Dirksen Senate Office Building, to conduct a hearing entitled ''CEO Perspectives on How the Tax Code Affects Hiring, Businesses and Economic Growth.''

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

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on July 27, 2011, at 10 a.m. to conduct a hearing entitled ''Ten Years After 9/11: Emergency Communications.''

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

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 27, 2011, at 10 a.m., in room SD–226 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Fulfilling Our Treaty Obligations and Protecting Americans Abroad.''

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

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 27, 2011, at 2:30 p.m., in room SD–226 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Nominations.''

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session on July 27, 2011, in room SD–562 of the Dirksen Senate Office Building beginning at 10 a.m.

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

SUBCOMMITTEE ON CONSUMER PROTECTION, PRODUCT SAFETY, AND INSURANCE

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Protection, Product Safety, and Insurance of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 27, 2011, at 2:30 p.m. in room 253 of the Russell Senate Office Building.

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

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on July 27, 2011, at 2 p.m.

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

SUBCOMMITTEE ON OCEANS, ATMOSPHERE, FISHERIES, AND COAST GUARD

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 27, 2011, at 10:30 a.m. in room 253 of the Russell Senate Office Building.

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

PRIVILEGES OF THE FLOOR

Mr. CARDIN. Mr. President, I ask unanimous consent that Charles Vallejo Anderson, an intern in Senator MERKLEY's office, have the privileges of the floor for the balance of today.

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

ALL-AMERICAN FLAG ACT

Mr. BROWN of Ohio. Mr. President, I rise to discuss legislation called the All-American Flag Act of 2011 and make some comments about what has happened to American manufacturing and how this is a small step but an important step in beginning to convince this body that ''Made in America'' is something we should focus on, that a manufacturing strategy from the White House is something they should focus on, and that putting people back to work to make things in America again is the right strategy to pull us out of a recession.

The Labor Department's most recent jobs report confirmed what workers in my State are already aware of—that employers are still not hiring. Workers who have jobs are seeing smaller paychecks, and they are barely keeping up with bills and insurance costs.

In too many cases, soldiers returning from Iraq and Afghanistan are facing even greater challenges in the labor market. I was at Youngstown State University recently talking about the specific programs there. In Cleveland, through MAGNET—a group called MAGNET in Youngstown and in northeast Ohio is helping soldiers and sailors

and marines leaving the service, integrating into the classroom, and helping them find jobs in that region—someplace we have fallen woefully short.

Manufacturing, which was moving along steadily earlier this year—we had seen 12, 13, 14, 15 months of job growth in manufacturing, not enough job growth but some—that is even slowing down. Steps that were taken through the auto rescue and other things we did in the last couple of years dealing with this terrible recession created in 2007 and 2008—the auto rescue and other efforts saved millions of Americans from joining the unemployment rolls. We are seeing a better auto industry, an auto industry coming back, especially in places such as Defiance and Toledo and Northwood and Cleveland and Lawrenceville, OH. But the challenges remain severe.

Like many in this Chamber, I believe manufacturing is the key not only to our economic recovery but to the strength and vitality of our Nation. To many, manufacturing is also a ticket to the American middle class.

In the last 12 years, we have witnessed the closure of more than 54,000 factories in the United States. Last year, we lost 8,000. That is 5,400 factories per year, 15 per day in the last 12 years. The manufacturing sector, since the beginning of the Bush administration, 2001, has lost 5 million jobs. Only 11.5 million people are employed in manufacturing jobs now. The last time it was that low was in 1941, before the country scaled up for production for World War II.

When Members of this body talk about the need to support manufacturing, others will say that is ''picking winners and losers'' and that ''the government has no role in helping manufacturing.'' First of all, that makes no sense, but second, I have heard all those before. I think the government already has picked winners and made choices. Manufacturing in the early 1980s exceeded 25 percent of our GDP. Now it is only 11 percent of our GDP. Over that same time period—financial services back 30 years ago was about 11 percent of our GDP, and now they are about 21 percent. So a government that put way too much focus on and interest in and support for financial services at the expense of manufacturing has clearly cost us far too many middle-class jobs.

It is a result of tax policy; it is a result of not investing in innovation; it is a result of the China PNTR, the permanent normal trade relations; it is a result of NAFTA; and it is a result of not enforcing our trade laws. There is blame to go around, but the blame will not create a job that a former autoworker in Youngstown or a rubber worker in Akron or a chemical worker in Columbus or a steelworker outside Cincinnati—that will not create a job they are looking for, nor reduce the rising cost for them of food and gas and shelter.

I urge my colleagues to consider taking big steps, not just slight changes at the margin, in rebuilding our manufacturing base and rebuilding the middle class. Those steps include rebalancing our economic policies, reinvesting in education, reinvesting—putting real support into workforce training, and enforcing trade laws that increase our exports and reinforce trade, three examples of enforcing trade laws that happened in the last couple of years, thanks in part to a more aggressive Obama administration finally on trade law. We have seen hundreds of jobs created in Lorain, OH; in Youngstown, OH, because of enforcement of trade laws on Oil Country Tubular Steel. We have seen rubber worker jobs, tire manufacturing jobs created in Finley, OH, because of enforcement of international trade law. We have seen coated paper jobs, paper manufacturing jobs in Butler County, OH, again, because of an aggressive Federal policy about enforcing trade law, but we don't see enough of that.

There are other steps more modest but demonstrate a commitment to our manufacturing sector—one step requiring the Federal Government when purchasing flags to purchase only those flags 100 percent American made. That sounds fairly amazing that they are not made in America today. It sounds fairly amazing that would make much difference but really it does.

Currently, Federal law requires that American flags purchased by the U.S. Government contain a minimum of 50 percent American-made products or components. So the U.S. Department of Defense, the U.S. Department of Homeland Security or the U.S. Capitol buys the American flags and under law they only need to be 50 percent made in the United States of America. These are American flags. This legislation we will offer today, which has the support of Senator ROCKEFELLER, a Democrat from West Virginia, Senator COLLINS, a Republican from Maine, Senator SANDERS, an Independent from Vermont, have joined me as cosponsors. It honors our country by ensuring American flags flown over government buildings are actually American flags.

According to the U.S. Census Bureau, the value of imported American flags to the United States was $3.2 million with $2.8 million coming from China. When I think about all of the production in China, I often think about young workers—and when I say young workers, I mean young workers in China—who make things people in the United States buy. I have to think Chinese workers, if they think about this while they are working, must be a bit amused that they are making American flags in China and selling them to us. They must think what kind of country is this that doesn't make their own flags. It just occurred to me that would be amusing if it weren't somewhat tragic.

The Congressional Research Service said there are at least eight all-American flag manufacturers in the United States. There are eight companies that can do this. This isn't a question of rare Earth materials that we can't get enough of. I know the Senator from Colorado has been interested in that issue, the Presiding Officer.

The increased demand for made in the U.S.A. flags will lead to more jobs. Thanks to this legislation we will have more production.

In a time when we face economic hardship, it is critical to invest in the manufacturing base. There is no product that deserves a U.S.A. label more than American flags. Manufacturing built a strong middle class. When you think of the combination of large-scale manufacturing of all kinds of products and collective bargaining laws that let people come together and bargain and negotiate collectively, it clearly is the way we built the middle class in this country.

It is critical today that the government lead by example. That is why the Ohio Senate bill 5 is so important, the repeal of the repeal of collective bargaining. It is why manufacturing is so important.

This legislation today that I will bring up in a moment is a modest step towards building that manufacturing strategy, moving forward on made in America and a modest step towards enhancing and strengthening our manufacturing base.

Mr. President, I ask unanimous consent that the Homeland Security Committee be discharged from further consideration of S. 1188 and that the Senate proceed to its consideration.

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

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1188) to require the purchase of domestically made flags of the United States of America for use by the Federal Government.

There being no objection, the Senate proceeded to consider the bill.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the Brown of Ohio substitute amendment at the desk, which we just discussed, be agreed to, the bill, as amended, be read a third time and passed, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the bill be printed in the RECORD.

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

The amendment (No. 587) was agreed to, as follows:

(Purpose: In the nature of a substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''All-American Flag Act''.

SEC. 2. REQUIREMENT FOR PURCHASE OF DOMESTICALLY MADE UNITED STATES FLAGS FOR USE BY FEDERAL GOVERNMENT.

(a) IN GENERAL.—Except as provided under subsection (b), only such flags of the United States of America, regardless of size, that are 100 percent manufactured in the United

States, from articles, materials, or supplies 100 percent of which are grown, produced, or manufactured in the United States, may be acquired for use by the Federal Government.

(b) WAIVER.—The head of an executive agency may waive the requirement under subsection (a) on a case-by-case basis upon a determination that—

(1) the application of the limitation would cause unreasonable costs or delays to be incurred; or

(2) application of the limitation would adversely affect a United States company.

(c) AMENDMENT OF FEDERAL ACQUISITION REGULATION.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulatory Council established under section 1302 of title 41, United States Code, shall amend the Federal Acquisition Regulation to implement this section.

(d) DEFINITIONS.—In this section:

(1) EXECUTIVE AGENCY.—The term ''executive agency'' has the meaning given the term in section 133 of title 41, United States Code.

(2) FEDERAL ACQUISITION REGULATION.—The term ''Federal Acquisition Regulation'' has the meaning given the term in section 106 of title 41, United States Code.

SEC. 3. EFFECTIVE DATE.

Section 2 shall apply to purchases of flags made on or after 180 days after the date of the enactment of this Act.

SEC. 4. CONSISTENCY WITH INTERNATIONAL AGREEMENTS.

This Act shall be applied in a manner consistent with United States obligations under international agreements.

The bill (S. 1188), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

CONDEMNING THE HORRIFIC ATTACKS IN NORWAY

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 240, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 240) condemning the horrific attacks on government buildings in Oslo, Norway, and a youth camp on Utoya Island, Norway, on July 22, 2011, and for other purposes.

There being no objection, the Senate proceeded to consider the resolution.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the matter be printed in the RECORD.

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

The resolution (S. Res. 240) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 240

Whereas, on July 22, 2011, at least eight people were brutally killed when government buildings were bombed in Oslo, Norway;

Whereas, also on July 22, 2011, at least 68 people, a majority of them children and young adults, were brutally killed when a youth camp was attacked on Utøya Island, Norway;

Whereas, also on July 22, 2011, as many as 96 people were injured by these dual attacks;

Whereas these twin attacks brought horrific violence, pain, and suffering upon innocent Norwegians and their families and friends;

Whereas the Government and people of Norway have condemned the terrorist attacks and called the events an ''atrocity,'' a ''nightmare,'' and a ''national tragedy'';

Whereas Norway is recognized around the world as a country that is both peaceful and peace-seeking;

Whereas Oslo, Norway, is home to the Norwegian Nobel Committee, which annually selects winners of the Nobel Peace Prize;

Whereas Norway was a founding member of the United Nations in 1945, a Norwegian was the first Secretary-General of the United Nations, and Norway was a founding member of the North Atlantic Treaty Organization (NATO) in 1949;

Whereas Norway has for years offered safe haven to refugees and the politically persecuted from around the world;

Whereas over 4,500,000 Americans of Norwegian ancestry now reside in the United States, with the state of Minnesota being home to the largest number of people of Norwegian heritage outside of Norway itself;

Whereas the Prime Minister of Norway, Jens Stoltenberg, has said, ''We must never let our values, our way of life, be destroyed by blind violence,'' and pledged that Norway ''will respond with more democracy, more openness, and more humanity, but never naivete'';

Whereas the Foreign Minister of Norway, Jonas Gahr Støre, remarked, ''The nature of the Norwegian democracy will not change. Norway will continue to stand for engagement in the world where we commit our resources and our convictions.'';

Whereas President Barack Obama remarked that ''[i]t's a reminder that the entire international community has a stake in preventing this kind of terror from occurring,'' and later said, ''You should know that the thoughts and prayers of all Americans are with the people of Norway and that we will stand beside [Norway] every step of the way.'';

Whereas, on Monday, July 25, 2011, there was a moment of silence throughout Norway and other Nordic countries, followed by a memorial attended by more than 150,000 people outside the city hall in Oslo for a ''Rose March,'' in which participants carried white or red roses; and

Whereas Crown Prince Haakon of Norway told those gathered at the memorial, ''Tonight the streets are filled with love.'': Now, therefore, be it

Resolved, That the Senate—

(1) condemns in the strongest terms the senseless terrorist attacks that occurred in Norway on July 22, 2011, causing many deaths and injuries;

(2) further condemns all terrorist actions, including those motivated by hatred and religious or cultural intolerance;

(3) expresses deep sympathy, solidarity, and condolences to the victims of the atrocious acts, their families, and the people and Government of Norway;

(4) emphasizes the bonds of friendship and shared heritage between the United States and Norway;

(5) expresses unwavering support to the Government and people of Norway as they recover from these horrific attacks;

(6) affirms its resolve to combat all forms of senseless violence and terrorism, both domestically and abroad; and

(7) calls on all people to join together to denounce acts of hatred and fear and promote peace and tolerance in their communities and around the world.

INTERNATIONAL YEAR FOR PEOPLE OF AFRICAN DESCENT

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 26, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 26) supporting the goals and ideals of the designation of the year 2011 as the International Year for People of African Descent.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the matter be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 26) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 26

Whereas the year of 2011 is recognized as the ''International Year for People of African Descent'';

Whereas the African Diaspora is expansive, spanning the globe from Latin America and the Caribbean to Asia, with persons of African descent living on every continent, including Europe;

Whereas in recognition of the African Diaspora, on December 18, 2009, the United Nations General Assembly adopted Resolution 64/169, designating the year of 2011 as the ''International Year for People of African Descent'';

Whereas the historical bonds and shared experiences that tie the African continent with the world must be recalled;

Whereas the global contributions of people of African descent must be recognized as a means of preserving that heritage;

Whereas a central goal of recognizing the year of 2011 as the International Year for People of African descent is to strengthen national actions and regional and international cooperation for the benefit of people of African descent in relation to—

(1) the full enjoyment of economic, cultural, social, civil, and political rights for people of African descent;

(2) the participation and integration of people of African descent in all political, economic, social, and cultural aspects of society; and

(3) the promotion of greater knowledge of, and respect for, the diverse heritage and culture of people of African descent; and

Whereas the Final Act of the Conference on Security and Cooperation in Europe, done at Helsinki August 1, 1975, states that ''participating States will respect human rights and fundamental freedoms . . . for all without distinction as to race, sex, language or religion'': Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) supports the goals and ideals of the designation of the year of 2011 as the International Year for People of African Descent;

(2) encourages the recognition and celebration of the collective history and achievements made by people of African descent;

(3) reaffirms the importance of inclusion and the full and equal participation of people of African descent around the world in all aspects of political, economic, social, and cultural life;

(4) recognizes bilateral and multilateral efforts to promote democracy, human rights, and rule of law, including those efforts that target the eradication of poverty, hunger, and inequality; and

(5) reaffirms the commitment of Congress to address racism, discrimination, and intolerance in the United States and around the globe.

MEASURE READ THE FIRST TIME—H.R. 1938

Mr. BROWN of Ohio. Mr. President, I understand there is a bill at the desk and I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill by title for the first time.

The legislative clerk read as follows:

A bill (H.R. 1938) to direct the President to expedite the consideration and approval of the construction and operation of the Keystone XL Oil pipeline, and for other purposes.

Mr. BROWN of Ohio. I now ask for a second reading and, in order to place the bill on the calendar under the provisions of rule XIV, I object to my own request.

The PRESIDING OFFICER. Objection is heard.

The bill will be read for the second time on the next legislative day.

ORDERS FOR THURSDAY, JULY 28, 2011

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. on Thursday, July 28; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half; further, that following morning business, the majority leader be recognized.

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

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BROWN of Ohio. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 6:55 p.m., adjourned until Thursday, July 28, 2011, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 27, 2011:

DEPARTMENT OF STATE

GARY LOCKE, OF WASHINGTON, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PEOPLE'S REPUBLIC OF CHINA.

WILLIAM J. BURNS, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE WITH THE PERSONAL RANK OF CAREER AMBASSADOR, TO BE DEPUTY SECRETARY OF STATE.

DEPARTMENT OF JUSTICE

ROBERT S. MUELLER, III, OF CALIFORNIA, TO BE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION FOR A TERM EXPIRING SEPTEMBER 4, 2013.