

Democrats to reach across the aisle on bipartisan legislation that can actually pass.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

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

CURRENCY EXCHANGE RATE OVERSIGHT REFORM ACT OF 2011

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 1619, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1619) to provide for identification of misaligned currency, require action to correct the misalignment, and for other purposes.

Pending:

Reid amendment No. 694, to change the enactment date.

Reid amendment No. 695 (to amendment No. 694), of a perfecting nature.

Reid motion to commit the bill to the Committee on Finance with instructions, Reid amendment No. 696, to change the enactment date.

Reid amendment No. 697 (to (the instructions) amendment No. 696) of the motion to commit), of a perfecting nature.

Reid amendment No. 698 (to amendment No. 697), of a perfecting nature.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10:30 a.m. will be equally divided and controlled between the two leaders or their designees.

The Senator from New York.

Mr. SCHUMER. Just for a clarification, Mr. President, are we in morning business or are we on the bill?

The ACTING PRESIDENT pro tempore. We are on the bill.

Mr. SCHUMER. Is 1 hour of time equally divided?

The ACTING PRESIDENT pro tempore. Until 10:30.

Mr. SCHUMER. So time is equally divided up to that point?

The ACTING PRESIDENT pro tempore. Correct.

Mr. SCHUMER. Thank you, Mr. President.

First, I would like to make a comment on the Republican leader's comments on the tax bill. Just make note, American people, the leader says: Do not raise taxes. But he does not mention what our proposal actually does. It imposes a 5.6-percent surcharge only on those whose incomes are above \$1 million. In other words, 99 percent-plus of the American people will not have their taxes raised, nor should they.

Average middle-class people are struggling. Their incomes are declining. We should not be doing that. But for those who are the very wealthiest—and this is no aspersion to them. I think most of us on both sides of the aisle admire people who have made a lot of money. Most Americans would like to be in their shoes, and most of

them have done it the hard way: by coming up with a good idea, struggling and working a business. That is great. But they are the one segment in society whose income has actually increased significantly over the last decade.

The one consensus we have in this place is that we have to reduce the deficit and reduce the budget. The one consensus we have is that we have to do that. Well, you are asking middle-class people to chip in by making it harder to pay for college because student loans are not as good or cutting back on somebody who has been unemployed. They worked their whole life, lost their job, and now are unemployed.

So how do we have the top 1 percent—the one part of society doing the best—chip in? Well, the only way is through the Tax Code because they do not need help getting their kids to college. They do not need health care help. God bless them. They have enough money to do that on their own. So this is the only way to do it. If you say no taxes on anybody, even the millionaires—which is what, I assume, the Republican leader is saying—you are saying the best off in society, who have done the best in the last decade, should not contribute to this deficit reduction we have to do.

I believe—and I will say this again and again—the only way we are going to get real deficit reduction is by raising revenues as well as cutting spending. The only real way we are going to break through on raising revenues is making sure those at the highest income contribute and contribute more than others when it comes to the tax system.

I would like to go to the bill at hand, which is S. 1619, the currency act. I know my colleagues have heard me on this all week. It is passionate for me. It is passionate not as a Democrat or not against Republicans. In fact, we have religiously tried throughout—Senator LINDSEY GRAHAM and I, throughout the history of this bill, which is a long one, and the bills before it, their predecessors—we have tried to keep this religiously bipartisan.

In fact, we have five lead Democratic sponsors and five lead Republican sponsors. LINDSEY and I have opposed Presidents on this issue—whether it was the Republican President Bush or the Democrat President Obama—with equal vigor because we think administrations get too caught up in that highfalutin diplomatic world to understand what American companies, particularly middle-sized companies, go through when China does not play fair.

I am on the Senate floor on this bill many times, more often than I usually speak, because I believe passionately this is about the future of America. If we continue to lose wealth and jobs to China because they manipulate trade laws and intellectual property laws and all kinds of other economic laws for their own advantage, unfairly—against the WTO rules, against the rules of free

trade—we may never recover as a country.

This is serious. This is not to gain political advantage, although most Americans agree with it, of course. But I would do this if most Americans did not, and if editorialists did not, business leaders of multinational corporations did not. I do this because when we have small companies that are growing that have great products, and China unfairly competes with them—not because China's products are better but because China's trade allows it to undercut them in our market and in the Chinese market—we are giving away our seed corn.

Take solar cells. China usually uses a one-two punch to hurt us unfairly. First, they will use some trade law to get that business in their country, whether it is rare earths, and they will say: You want these rare earths? You have to manufacture in China. Whether it is intellectual property, they just take it regardless of patent laws and other laws. Or in the case of solar cells, whether it is unfair direct subsidies to companies, they say: You make the solar cells here—the Chinese companies—you will get deep subsidies.

But that alone would not be enough to put our American companies on their butts. What happens is, after they unfairly take the business and move them there, they send them here at a 30-percent discount using currency manipulation. Our American companies—and I have spoken to company after company in manufacturing businesses, in service businesses, and things in between—say: I can't compete. My product is usually better, but not against a 30-percent currency disadvantage. So the price of the Chinese good is 30 percent cheaper.

There is a window manufacturer I just visited, I think it was last Friday. He makes high-end windows for these buildings in New York and elsewhere. The window he makes is better than the Chinese window. This was not a theft of intellectual property. He would not use the Chinese windows because he is a contractor as well. He makes the windows, and then he installs them.

He said: I wouldn't use the Chinese product, but because it has a 30-percent advantage in currency, it undercuts me in price and lots of other people use it.

Now, who would have thought that we are talking about windows? The Chinese are competing against us everywhere. High end, middle end, and low end. On the low end, frankly, we will never get the businesses back. Toys or clothing or shoes, maybe even furniture—except high-end furniture—is not coming back.

The argument that some of these editorialists use, well, they are going to go to Bangladesh or somewhere else if China has to raise its currency is true, but that is not what we are fighting for

here. We are fighting for high- and middle-end companies that have great products—solar panels, in which America has a future; jobs that if China played fairly we would win because we make a better product, and it does not have to be exported. Yet we somehow sit here and twiddle our thumbs.

What I was saying about the window guy is, not only now does China compete in manufacturing the windows, Chinese companies come here and install them. Again, it is still a 30-percent advantage because they are paying the Chinese company and workers the yuan, which is undervalued by 30 percent over there.

So this is serious. It is about the future of America, about the future of American jobs. We are all concerned about jobs. There are very few jobs bills that are, A, bipartisan, and, B, do not cost money. This is one of them. It has been a bipartisan bill all the way. The votes showed it.

I see my colleague from Alabama who has been a great partner. I saw my colleague from South Carolina who has been a great partner. How else in this deadlocked, gridlocked situation can we help American workers in a bipartisan way—that does not cost money—in a big way? This is it. There are not many others.

So I would ask my colleagues on both sides of the aisle—Leader REID said on the Senate floor a few minutes ago what he said last night, that he would certainly entertain amendments and come to an agreement—amendments from both sides of the aisle, relevant, germane amendments, relevant to trade. I am sure if we could move on cloture, Senator HATCH's amendment—he is the ranking member of the Finance Committee—which deals with trade would be debated. We would try to have time limits. There would be a fair and open debate on an important issue, and then we could vote on the bill.

So I hope we will get a positive vote on cloture this morning, and I hope we will—not for political gain or anything like that but for American gain. We cannot, cannot, cannot continue to let China flaunt the rules.

Ten years ago or eight years ago, when Senator GRAHAM and I started on this issue, China was a much smaller economy. Now they are huge, the second largest in the world. They compete against us up and down the line. They have found six ways from Sunday to lure businesses there. That deals with the Chinese market. But then, with trade currency, when the businesses go there, with currency manipulation they are able to undercut us and send the goods here.

Again, to me—and I am just one person and, obviously, I feel this issue more passionately than 99 percent of Americans because I have been involved in it so long—if we could do five things to restore American jobs and restore American wealth, this would be one of them. This would be one of them.

I want to see our children and grandchildren know that they are going to have better lives than their parents and grandparents, and it is a difficult and tough world to ensure that with global competition, with so many changes.

We were just talking in the gym about how our kids spend so much time on video games all day long instead of learning in school.

There are so many challenges we face as a country. At this time we cannot shrug our shoulders and be benign like maybe 20 or 25 years ago when we were in a different situation, saying: China cheats; so what. Let's not risk any change. Let's not get them mad.

We cannot afford that anymore. The future of America is at stake. To those who say it will cause a trade war, we are in a trade war. We have our clocks cleaned every day and lose jobs every day because of unfair Chinese practices. To those who say China will retaliate, China has got far more to lose in this than we do. They are ones who benefit from all of these rules, we do not—all of these manipulations. They will not retaliate. Yes, they may do a little thing here and there, but they will not retaliate big time because it will do even more damage to the Chinese economy.

What they will do—Senator GRAHAM and I have seen this, and Senator SESSIONS and Senator BROWN—when they are faced with the hard reality that they will no longer be allowed by legislation or, I wish, by administration action, but that has not been forthcoming from either President Bush or President Obama, they then adjust and play fairer. That is what has happened every single time, and that will happen again.

I want to first compliment my colleagues on this legislation. I want to hope and pray—I pray in this one, me, for the future of America. And the future of America is linked to free and fair trade with China. The future of America is linked to the fact that we can no longer let China unfairly take advantage of American workers, American wealth, and the American future.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER (Mrs. SHAHEEN.) The Senator from South Carolina.

Mr. GRAHAM. I rise in support of moving forward on this legislation. I wish I could fix the Senate. It is not functioning the way any of us wishes—plenty of blame to go around. The Congress's approval rating is at 15 percent.

But here is some good news. There is a piece of legislation before us that, if we can ever get a vote on the legislation, would have overwhelming bipartisan support that actually would matter to the average, every-day person. When you look through your Congress, you have got to say: What is it about those folks up there? Why can't they do the things that all of us know need to be done?

There is a difference of opinion about how to deal with China. This is a complicated issue. But the one thing no one is telling me on the other side: LINDSEY, they are not manipulating their currency. I think as the American Taxpayers Union—great organization; I am in pretty good standing with them. I disagree with them on how to proceed against China in this particular instance. I think they said in their own letter: We agree, China manipulates their currency.

Well, if they do manipulate their currency, what does it matter? It matters a lot if you are an American business man or woman trying to compete in the world marketplace. As Senator SCHUMER said, the Chinese manipulate the value of their currency—6.3 yuan to the dollar; it used to be 8-point something. What does that mean? That means if a product produced in China is sold in the world marketplace and you are in business in South Carolina, Alabama, or New York, competing with that Chinese company, the value of their money builds a discount of 30 to 40 percent. You are going to have a very hard time winning in the marketplace, not because you do not work hard, not because your employees are inferior, simply because the Chinese Government is doing things with their currency we do not do.

We have a Federal Reserve. Some of their policies I do not agree with. But to suggest that our Federal Reserve system manipulates our currency to create a trade advantage is ridiculous. If we are doing it for that purpose, everybody should be fired, because we have a \$273 billion trade deficit.

Every country has a right to set monetary policy. That is not the issue. If you disagree with the way we are doing monetary policy in the United States, I think you have a valid claim. This is about a country manipulating its currency for an advantage in the export market. The Chinese manipulation of the yuan has cost this country at least 2 million jobs—41,000 in South Carolina—and it is an unfair trade practice in another name.

If this were an island nation somewhere, none of us would care. But this is the second or third largest economy in the world, and all of us should care. The people who are opposing this legislation today are probably doing business in China and they are afraid to offend the Chinese. I have some manufacturing in my State that has a big footprint in China. They are nervous about this bill. I have most people in my State dying for me to get them some relief so they can stay in business.

But here is a warning: It will come—this movie will come to a neighborhood near you soon. In 2016, the Chinese are going to start producing, in large numbers, commercial aircraft. It will be difficult for American aircraft companies to compete with China if the aircraft is 30 percent discounted because of currency manipulation. One day they will be producing cars, not to be

sold in China but throughout the world. If you are in a high-tech industry, what has happened to the textile industry and other elements of our country such as steel is coming toward you. All we ask of China is build cars, build airplanes, but sell their products based on trade practices that are accepted throughout the world. Do not manipulate your currency to create a discount on products made in your country at our expense.

Since 2004, I have been dealing with this. We started with a sense of the Senate because everybody said this is delicate. I buy into that to a point. So sense of the Senate, we all agreed with 100 votes: You manipulate your currency. Please stop.

In 2005, after they did not stop, we introduced legislation, got 67 votes to proceed forward with a 27.5 tariff. We stopped our bill because we hoped things would change. Guess what. The yuan has appreciated about 31 percent since we have been doing this exercise, but not nearly enough. There is a restriction on the yuan trading. It cannot float more than 0.5 percent a day. It is tied to the dollar. It is still crushing our manufacturing community unfairly.

So from 2004 to now, I have been reasonable. I have sent message amendments, I have taken votes where I won overwhelmingly, and backed off. I have had it. Enough is enough. I am sorry the amendment process around this place is so screwed up. It is. There was an effort to get some amendments up. Not as much as people on our side would like.

I hate the idea of filling up the tree and becoming the House. But this is not about Senate procedure for me. I try to be a team player where I can be because I do believe Senator McCONNELL is doing a very good job. Senator REID has got his own agenda. It is not about HARRY REID. It is not about MITCH MCCONNELL. It is not about some rule of the Senate. It is about people in my State who are going to lose their job if we do not do something.

I know what I need to be doing as a Senator here. The institution I need to be protecting is the American workforce which is having its clock cleaned by a Communist dictatorship that cheats. They do not outwork us. They do not outperform us. They steal our intellectual property. They manipulate their currency. They subsidize their industries. A few years ago they dumped steel all over the world—in the American marketplace, in particular—produced in China below cost, and the Bush administration pushed back with a countervailing duty claim.

I want to do business with China. The Chinese people are good. Their government is bad. They are mercantilists. They look at every transaction with an eye of what is best for us in the short term. They do not play by the rules. Since they have been in the WTO, their trade deficit has almost quadrupled. So enough is enough for LINDSEY GRAHAM.

We are going to have a chance, after 7 years, of getting a vote that will matter to the American people. I am sorry we are mad at each other all the time about everything. I am tired of being mad about the Senate not working well. I am going to set aside my displeasure for the process and do something I think will help the people I represent. I am going to vote to move forward in an imperfect procedural environment, knowing that if we can ever get a vote, it will be the best thing that could happen to the American manufacturing community. It will be a shot across China's bow that is long overdue.

The last thing I would say is that Senator SESSIONS has come into this issue, and he has brought an intellectual weight to it, emotional commitment. He understands the middle class. JEFF SESSIONS has been the best partner anyone could hope to have to try to push a bill forward that will give America a fighting chance in a world economy dominated unfairly by a Communist dictatorship. I want to recognize what Senator SESSIONS has done. He is going to vote to move forward. We have had it with China. Let's do something that will matter.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I was very interested in the comments of the distinguished Senator from New York and my friend from South Carolina as well.

This morning, the Senate will have the opportunity to send a strong message to China and the world community. Whether that signal is one of inward protectionism or outward engagement remains to be seen. In my mind, the choice is clear. If we support the motion to invoke cloture on the underlying bill, we will be sending a signal to China that the Senate is angry over China's manipulation of its currency, but we are not serious about taking real, long-term action to stop it.

We are also telling the world community that the United States is turning inward once again, seeking protectionist solutions to global problems, and not interested in working with other countries to solve our current international economic crisis. At the same time, we would be interjecting further uncertainty into our own economic recovery as our exporters and workers face potential retaliation from one of our leading trading partners.

There is a better way, and it can be bipartisan. We can defeat cloture and give Senators an opportunity to vote on my amendment, which not only has the best chance of actually resolving our serious currency problems with China but also demonstrates to the international community that the United States will continue to lead by promoting trade liberalization and holding countries accountable to the rules of the game for the long haul.

If given the chance to vote on my amendment, we can demonstrate our

serious commitment to developing long-term and meaningful solutions to the persistent problem of currency manipulation. It tells them we are committed to starting that process today.

Yesterday, I outlined some of the serious problems with the unilateral approach adopted by the proponents of this bill. Allow me to summarize them for the benefit of my colleagues. First, this is not a jobs measure. Proponents of the unilateral approach argue that their bill will create thousands of jobs right now and millions of jobs in the years ahead. But all we have to do is take a close look at the numbers and the process laid out in the bill to see this is not the case.

I am also concerned that the bill will inject economic instability in a key bilateral relationship and subject U.S. exporters to potential retaliation by the Chinese.

Yesterday, the White House also expressed concerns about this bill, though they still have not stated publicly what those specific concerns are. I wish they would. It would be helpful to us up here to have the White House weigh in and say what they actually want, instead of waiting for the Senate to do whatever it wants to.

A growing chorus has come out to criticize the unilateral approach in this bill—a growing chorus. The New York times called this bill “a bad idea” and “too blunt of an instrument” which, if enacted, is very unlikely to persuade China to change its practices, while adding another explosive new conflict to an already heavy list of bilateral frictions.

The Wall Street Journal called the underlying bill “the most dangerous trade legislation in many years.”

The U.S. Chamber of Commerce issued a letter yesterday stating that the unilateral approach in the underlying bill would be counterproductive in persuading China to alter its currency practices and that “in the end, such unilateral action would very likely cause retaliation by China and ultimately damage the U.S. economy, including exporters, investors, workers, and consumers.”

It does not get any tougher than that.

Again, there is a better way. My amendment calls for a bold new approach which will empower U.S. negotiators to work within the WTO and the IMF to develop long-term effective remedies to counter the effect of currency manipulation by China or any other country and develop practices to persuade countries to stop currency manipulation. If that does not work within 90 days, they are directed to go outside of these institutions.

My amendment would also send a great message to both the WTO and the IMF.

My amendment would also establish a new priority negotiating objective, so as we negotiate trade agreements with trading partners, we should all commit in those agreements to not manipulate

our currencies. My amendment also ensures that we have a partner by holding the administration accountable until they achieve results—and that is whether it is this administration or some administration in the future.

This is not a quick fix. But truly resolving complex and longstanding problems, such as currency manipulation, will take much more than a quick fix. It requires that we stand together as a country and do the hard work necessary with the international community to achieve real, long-term results.

Although my amendment was only recently introduced, it is already gaining widespread support. The U.S. Chamber of Commerce endorsed the Hatch amendment, arguing that coordinated and multilateral pressure, through international organizations, is essential to encouraging China to adopt market-determined currency and exchange rate policies. That is precisely the approach taken in the Hatch amendment.

This morning, Douglas Holtz-Eakin, former Director of the Congressional Budget Office, wrote in National Review Online that the Hatch amendment “is a more complex solution to the [currency] problem,” and while “not nearly as sexy or slogan-inspiring as the Currency Exchange Oversight Reform Act . . . happens to have a much greater likelihood of being effectual.”

Americans for Tax Reform wrote a letter in support of my amendment, saying the Hatch amendment “offers a sensible approach that utilizes the mechanisms created by the international trade community to resolve such disputes.”

The Emergency Committee for American Trade says that the Hatch amendment “will more effectively address concerns about currency misalignment by China and other countries, without opening the door to many harmful effects on U.S. business and workers.” These and other organizations, such as the Retail Industry Trade Association and the Financial Services Roundtable, recognize there is a better way. Let’s quit playing politics with this issue.

Today, we face a clear choice. By voting against cloture, we can stand against unilateralism, stand against protectionism, stand against retaliation, and stand against “quick fix” solutions and slogans. We can then turn to vote on my amendment, one that offers the prospect of real long-term and effective solutions, that shows the Chinese and the world community we are serious about solving this problem over the long haul, and that tells this and subsequent administrations they will be held accountable. Even the administration basically agrees with this.

Today, we have an opportunity to make a difference. The Atlanta Journal Constitution wrote this today:

We have a trade problem with China. But Georgians will pay dearly if Congress keeps taking the wrong approach to solving it.

I could not agree more. But it is not just Georgians who will pay dearly but all Americans.

I urge colleagues to make the right choice today, to vote against cloture and support my amendment.

I am even willing to give my amendment to the distinguished Senator from New York and others—have it be theirs. I don’t care who gets the credit. When we work on trade issues, I want them to work right. I don’t want to have politics played with this. This is too important.

I hope everybody votes against cloture, and I hope we can then take up the amendment I have been talking about—and we can refile it, so those who feel so deeply about the Schumer amendment can be for something. I would like to do that and see this done. I would like to see our country move ahead with an intelligent approach toward currency and trade.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Madam President, the majority leader has agreed that if cloture is invoked, Senator HATCH’s amendment will be one that will be voted on. There was an agreement. Other amendments, too, would be allowed. I believe the minority has to protect its right to offer amendments, consistent with other processes that we have had here that I am not happy with. The amendments offered by the majority, I believe, are legitimate.

I am a bit offended, and I don’t appreciate the view that this is a protectionist piece of legislation. I believe it protects free trade because trade can’t exist when one party is manipulating the rules in a significant way that substantially impacts the balance of trade.

I will just ask the question: Is former Governor, now Presidential candidate, Mitt Romney a protectionist? Governor Huntsman from Utah, a Presidential candidate and also former Ambassador to China for President Obama, said he would sign this bill if it came before him if he is elected President; and ROB PORTMAN, our fabulous new Senator, President Bush’s former Trade Representative, said he supports the bipartisan legislation.

I don’t think it is protectionism. I think it is an effort to protect trade. There are some who are religious about free trade; it is a religion. They believe that no matter how bad our trading partners act, we should not retaliate because that might cause a trade war. I think that is not against common sense. Trade is not my religion. I think any trading relationship should depend on how well the agreement serves the interests of both parties. It is similar to any other business relationship. Is it serving the interests of both parties? In this trade situation, it is a dramatic factor in the American loss of jobs. It is indisputable, in my opinion.

A group of professors from California said our trade imbalance, over the last decade, has cost 10 million jobs. Let me just say we are going to have dynamic changes in our economy. That happens all the time, and there are winners and

losers. We can compete with China and we are, in many ways. When we give them a currency advantage as large as this, good companies that are capable of competing and being successful are being hammered. The middle class in this country is being hammered.

This has to stop, and we have to ask ourselves: Is this country going to abandon its commitment or belief in a manufacturing economy? Are we going to give up manufacturing entirely? I don’t think that is remotely conceivable. We have had brilliant economists tell us we need to be a service economy and we can just deal with computers and e-mails and move paper around and that this creates growth and wealth. We need a manufacturing economy.

I see Senator BROWN, who has been a strong advocate of this. Senators SCHUMER and GRAHAM have been at this for years. I voted for the legislation in 2005. I have become energized about this because I believe it is a deep responsibility for every government official to protect our national security and protect our economic security. When we have clear evidence that a predatory trade policy of a major world exporter—the largest exporter in the history of the world is China to the United States. They are abusing their trade privileges, and the administration refuses to act. I say the Congress can and should act.

I believe this is a reasonable bill. It allows the administration to negotiate an end to this matter over a period of time, and it will provide the power and the requirement that that happen.

Mr. BROWN of Ohio. Will the Senator yield for a question?

Mr. SESSIONS. I am pleased to.

Mr. BROWN of Ohio. I appreciate the Senator’s consistent push for fair trade policies. We have worked on Alabama’s and Ohio’s issues, from sleeping bags to steel. I appreciate that. The Senator said how important manufacturing is and that we cannot just turn to a service economy or we begin to lose the middle class. I appreciate the Senator’s advocacy there.

Will the Senator explain, before the debate is wrapped up, what this currency depreciation, if you will, by the Chinese does to our economy. Senator MERKLEY explained yesterday that when we export to China, their currency advantage—artificial advantage—gets the Chinese a 25-percent tariff on our sales to China, making it harder for a Montgomery or a Dayton company to sell into China. Coming the other way, it is a 25-percent subsidy to the Chinese company—or their government’s company—selling in Mobile or Cincinnati. Could the Senator wrap up the debate and go through that again—to the point of what currency does to manufacturing and the middle class.

Mr. SESSIONS. If a manufacturing company in Dayton is competing with the Chinese company to manufacture a widget, they can, on the currency alone, more than have an advantage

shipping the product from China here—a 25-percent advantage. As we know, in modern trade and sales today, margins are very small, and 25 percent is a huge margin that would be provided by the currency alone. Then we have the things that are done in trying to block our companies from moving and selling there. To go beyond currency, it adds to the price of our goods if we attempt to sell them in China.

This is not a two-way street. I believe that any rational government should not allow its manufacturing industry and its workers to be subjected to such unfair practices. We have an absolute responsibility to stand up and fix it. The best way to do it is the bill that Senators SCHUMER, GRAHAM, BROWN, and others have offered. It will do it in a rational, effective way. Other alternatives are less effective and will not do the job. It is time for us to do it now.

I yield the floor and reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Madam President, what is the time status for the majority and minority?

The PRESIDING OFFICER. The majority has no time remaining. The minority has 2 minutes.

Mr. SCHUMER. They are much better at this than we are.

Mr. SESSIONS. I will yield the 2 minutes to Senator SCHUMER.

Mr. SCHUMER. All four of us have spoken. Again, I make a plea to my colleagues. We have had 8 months talking about debt, and many have said that is the future for our children and grandchildren. I think there is a consensus on both sides that is true. I argue that this is also about the future for our children and grandchildren, because if good American companies with great ideas are wiped out in the next 10 years—as they will be if China continues its predatory practices—the future for our children and grandchildren in this country will not be bright. Our seed corn, our family jewels are being decimated by a plague of unfair competition that has been allowed to continue. It is as if we have a plague and some of the leaders of this country, whether political or economic, shrug their shoulders and say: That is that. We cannot do that much about this.

In a bipartisan way, we have said we can do something about this plague. We are at the moment of decision. It is my belief that if we pass this in a bipartisan way—as we have to; it is the way the Senate works—the House may not take up our bill exactly, but they will do something. We will have a conference committee, and we can get something done. The odds are quite high that when China sees the train heading down the track, when their ability—I have seen the articles—and I wanted to read some of them into the record—of China urging American companies with plants in China to lobby against this bill. But when China sees

the train heading down the track and that, for the first time, their efforts with their multinational allies to stall this bill will not succeed, they will adjust and correct themselves, not just on currency but on all the other areas where they don't treat us fairly.

So this is an important vote and an important day for America.

I yield the floor.

Mr. GRASSLEY. Madam President, I am here to discuss S. 1619, the currency exchange rate oversight bill. I support this bill. Back in 2007, I helped draft some of the language that is contained in this current bill.

China is a big beneficiary of international trade, yet it fails to allow its currency to float freely. As a result, U.S. exporters get cheated. It is time we do something to send the message that enough is enough.

I am all for free trade, I want free trade. Free trade helps our farmers, manufacturers, and our Nation as a whole. There is talk that this bill will cause a trade war with China. I am not convinced that is the case. Plus, keep in mind, this bill is about more than China. This bill is a much needed overhaul of a law that dates back to 1988. This bill puts in meaningful consequences for countries that do not address their currency manipulation.

All of that being said, I have to say I do not support the way this bill is being brought to a vote. While I want a vote on this bill and I want to vote for this bill, my colleagues should have the right to offer and debate their respective amendments. The majority leader's use of cloture to prevent the meaningful debate on motions is unacceptable. It is more of the same partisan politics that the American people are tired of. And in this instance, when there is bipartisan support for the bill, the majority leader's heavyhanded approach just doesn't make sense.

That is why, even though I support the currency bill, I am voting against cloture. If cloture fails, I sincerely hope we can have a meaningful debate and still move toward passage of this important legislation.

CLOTURE MOTION

The PRESIDING OFFICER. Pursuant to rule XXII, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 1619, a bill to provide for identification of misaligned currency, require action to correct the misalignment, and for other purposes.

Harry Reid, Sherrod Brown, Charles E. Schumer, Al Franken, Jeanne Shaheen, Kay R. Hagan, Robert P. Casey, Jr., Richard J. Durbin, Michael F. Bennet, Richard Blumenthal, Carl Levin, Kent Conrad, Jim Webb, Benjamin L. Cardin, Sheldon Whitehouse, Tom Harkin, Daniel K. Inouye.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on S. 1619, a bill to provide for identification of misaligned currency, require action to correct the misalignment, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 62, nays 38, as follows:

[Rollcall Vote No. 156 Leg.]

YEAS—62

Akaka	Gillibrand	Nelson (FL)
Baucus	Graham	Portman
Begich	Hagan	Pryor
Bennet	Harkin	Reed
Bingaman	Hoeven	Reid
Blumenthal	Inouye	Rockefeller
Boxer	Isakson	Sanders
Brown (MA)	Johnson (SD)	Schumer
Brown (OH)	Kerry	Sessions
Burr	Klobuchar	Shaheen
Cardin	Kohl	Shelby
Carper	Landrieu	Snowe
Casey	Lautenberg	Stabenow
Chambliss	Leahy	Tester
Cochran	Levin	Udall (CO)
Collins	Lieberman	Udall (NM)
Conrad	Manchin	Warner
Coons	Menendez	Webb
Durbin	Merkley	Whitehouse
Feinstein	Mikulski	Wyden
Franken	Nelson (NE)	

NAYS—38

Alexander	Grassley	McConnell
Ayotte	Hatch	Moran
Barrasso	Heller	Murkowski
Blunt	Hutchison	Murray
Boozman	Inhofe	Paul
Cantwell	Johanns	Risch
Coats	Johnson (WI)	Roberts
Coburn	Kirk	Rubio
Corker	Kyl	Thune
Cornyn	Lee	Toomey
Crapo	Lugar	Vitter
DeMint	McCain	Wicker
Enzi	McCaskill	

The PRESIDING OFFICER (Mr. BROWN of Ohio). On this vote, the yeas are 62, the nays are 38. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. REID. I move to reconsider and lay this matter on the table.

The PRESIDING OFFICER. The motion is not in order.

Mr. REID. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The majority leader is recognized.

Mr. REID. Mr. President, if we could have the attention of the Senate, we are now 30 hours postcloture. What the Republican leader and I would like to do—there is, of course, with what has happened procedurally, no opportunity to offer amendments unless we agree to offer amendments, except for the issue dealing with suspending the rules. What we would like to do is have Senators work to come up with some amendments they feel should be offered.

Senator McCONNELL and all of us are happy to see whether we can work our way through this. I would hope Senators would check with floor staff and see how we can get this done. It would be to my liking to not have to spill over into tomorrow. The highest holy day of the Jewish faith is tomorrow starting at sundown. There are a number of people who wish to leave to be able to be home with their families on that day, but we have to finish this legislation this week. I would like to do it today if we can.

People should have an opportunity to offer amendments, give a little speech or a big speech—whatever they feel is appropriate—and we can vote. I am happy to do that. I have called off the quorum, people can talk, and in the meantime the floor staff will be waiting to hear from you as to what we can do regarding amendments.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. McCONNELL. Mr. President, I would only add that the practical effect of where we are, not having been allowed to offer any amendments during the consideration of this bill, is we are left with motions to suspend. As the majority leader indicated, we are going to have some discussions about how many motions to suspend the majority will, shall I say, tolerate. The bad part of all of this from the Senate's point of view as an institution is that the minority is put at a substantial disadvantage.

Having said that, as the majority leader indicated, the floor staff is going to work together and see whether we can come up with some list of motions to instruct that will at least allow the minority to have some voice in the course of the consideration of this piece of legislation.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, there are a number of things we can do. We can do the motions to suspend. We are happy on this side to, with consent, just do amendments. That is fine over here.

I don't want to get into a long debate, but I have been in a situation during the entire pendency of this legislation to have amendments allowed. I said that yesterday. I have no problem with that. The problem we had is that the Republican leader offered the President's jobs bill in a form that is not the President's jobs bill. I told him this morning: If you want to vote on that, fine. We will do that. We will have a vote on that today. It can either be a motion to suspend the rules or it can be a regular amendment. I feel that way about all the motions to suspend that have been filed.

There are times when I accept the blame of not allowing amendments. There are times that certainly I am willing to take that burden of being criticized but not on this one. Not on this one. I have said publicly and I have said privately to the different Senators, Democrats and Republicans,

that amendments could be offered. I don't want to get into a long debate about that.

Mr. McCONNELL. Would my good friend yield for a question? I listened very carefully to what the majority leader said. We interact every day. What my good friend has just said is that he would be more than happy to have amendments he gets to pick. He gets to pick what amendments we get to offer. That is not, I would say to my good friend, the view of the minority as to how we ought to operate. We ought to be able to determine what amendments we are going to offer, not my good friend the majority leader. What he is saying, in effect, is, yes, he would be prepared to allow us to offer amendments, but he would select which of our amendments might be appropriate. That is not a place that the minority, no matter which party is in the minority, would like to find themselves.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, we have tried to set up a system here that is fair. Fair is in the mind of the person who says "fair," and I understand that. We have had an open amendment process here, and that has led, because of the intransigence of the Republicans, to getting nothing done. Offer an amendment, and there is no way to get rid of it. So the system we have on this bill may not be the best in the world, but with what has been going on in the Senate, sometimes we do the best we can with the tools we have. There was no way of managing this legislation other than how I just described it. People can imagine what this place would have been like had we had a simple "anybody can offer anything they want"—get the troops out of Afghanistan and on and on with all the many things people would have done in this legislation.

So without "he said, she said," or I guess in this instance "he said, he said," I think what we should do is try to finish this legislation today. The motion to suspend has been filed. That is fine with us. Let's try to work through as many of those as we can and see if we can finish this today; otherwise, we will finish it tomorrow.

The PRESIDING OFFICER. The Republican leader.

Mr. McCONNELL. Mr. President, I would only add the way the Senate used to work was the majority didn't pick the amendments the minority chose to offer, but there was some ability to determine whether it got a vote because any Senator could prevent a time agreement on the opportunity to get a vote on an amendment. So it wasn't totally freewheeling. Then at some point, if 60 Members of the Senate thought we ought to move to conclusion, we would. It was a much more orderly and open process, leading to the same result, which is that if 60 Members of the Senate wanted to end the matter and bring it to a conclusion, they could. So my complaint is

about what we do before we get to the 60 votes, which I think in this particular instance is unfair to the minority.

Now, my party was divided on this issue. Some Members were for it; some Members were against it. That meant for sure that at some point 60 votes were going to be achieved and it was going to pass. The problem, I would say to my good friend, is what we did before then, which has the practical effect of putting the minority in the position where it gets no amendments at all or is, once again, at the sufferance of the majority with motions to suspend at the end, in which we are basically—the majority determines how many we get, and all of that.

This level of control is not necessary, in my judgment, in order to make the Senate move forward because, I will say again before I yield the floor, if 60 Senators are in favor of bringing a matter to a conclusion, it will be brought to a conclusion. That is what just happened a few minutes ago.

So I hope we can move forward in a more orderly process in the future, and maybe we can work out some agreement to have motions to suspend this afternoon that will not require us to be here tomorrow.

The PRESIDING OFFICER. The majority leader.

Mr. REID. The Republican leader and I came here about the same time. I remember the good old days too. But everyone who follows government at all knows that during the last Congress and part of this one, the No. 1 goal of Republicans has been to stop legislation from moving through here—look at what has happened this year—and they have been fairly successful doing that, I have to acknowledge.

I have said publicly, and I say here today, I admire my friend, the Republican leader, because he was very candid with what his goal is in this Congress: to make sure President Obama is not reelected. That has been their goal. As a result of that, legislation has been very slow moving, and we have not been able to legislate as we did in the good old days.

So let's now try, with the situation in which we find ourselves, to work through this on a bipartisan basis. This is a good piece of legislation. Let's see if we can get through these amendments. I am confident we can. We have two outstanding floor managers for both Senator McCONNELL and for me in Gary Myrick and Dave Schiappa. They do great work. They are going to try to sift through all of this stuff and put us on a pathway they can show Senator McCONNELL and I will work and, if folks agree, we will get out of here today; otherwise, we will do it tomorrow.

Mr. McCONNELL. My good friend referred to "the good old days." The good old days weren't that long ago. I can remember just a few years ago when my party was in the majority in this body, and I was the assistant leader,

making the point with great repetition while listening to a lot of grumbling that the price for being in the majority is, you have to take bad votes; you have to take votes you don't like in order to get legislation across the floor and finished.

So this is not ancient times we are talking about where the minority actually got votes, took votes, and were not shut out. I hope we can move back in that direction. I think it would be a lot better for the Senate.

Mr. REID. Mr. President, I am not going to argue with my friend. The record speaks for itself. We know what has happened. I repeat, we are where we are today, and that is what we have to do to move forward on this most important legislation. I will do my best to cooperate and allow the Senators to have votes on issues they believe are important.

The PRESIDING OFFICER. Cloture having been invoked, the motion to recommit amendments thereto fall as being inconsistent with cloture.

The Senator from Connecticut.

Mr. BLUMENTHAL. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BEGICH. 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 JOBS ACT

Mr. BEGICH. Mr. President, as were many of my colleagues, I was back home last week talking, in my case, to Alaskans, and the issues on their minds are pretty simple: the economy and jobs. Alaska has fared better than most States over the last 2 years, but no matter where I go—maybe a small convenience store, while I am driving around town or at Home Depot, a gas station, or wherever I may get a chance to engage with Alaskans—people are concerned about the economy and the ability for jobs to be created in this great country of ours.

Alaskans know the economy will take some time to turn around. That is why today I am pleased to talk a little bit about the jobs act before us this week and, hopefully, while moving forward we will spend some time on the debate about how important this work will be.

Last week when I was in Alaska, I had Transportation Secretary LaHood in Alaska, and we had a chance to travel around and get a good sense of what is important to Alaska with regard to ports, roads, airports, and rail. The core infrastructure of our State is no different than any other State. It is critical that we repair, put into shape, some of the facilities that are falling apart or, in some cases, expand them. The jobs act alone would mean \$200 million to repair Alaska's transportation network.

As one can imagine, that \$200 million will be spent in the private sector by

construction companies and contractors hiring private individuals, workers to work on those jobs—good-paying jobs to provide good incomes for their families. The same is true that the jobs act will offer for Alaska around \$62 million for school construction.

As I travel around my State—and I am sure for many other States—the need is strong for improvements to and expansion of schools for those that have been there for many years and have not had the renovations necessary, again, providing hundreds and hundreds of jobs.

The jobs act also has some good steps to deal with small businesses—how to ensure they get a break off their taxes, to ensure they have a benefit as we try to move this economy forward. The tax provisions, the payroll tax reduction, which would affect 20,000 Alaska businesses in a positive way, will reduce their tax burden, as well as working families, who will see a reduction in their payroll taxes.

On average, for a middle-class family, it would be almost \$2,000—not a bad gift, in a sense, as we move into this holiday season. But it is really their money. Giving back this \$2,000 to middle-class families means they will put it into the economy. They will spend it in the economy. They will use it as they see fit.

However, I wish to lay down a marker. As I have said, the jobs bill is important for the roads and water and sewer and ports that need to be repaired and renovated and expanded, the schools that need to be built or expanded and repaired also, as well as the benefits to our small business community and the benefits to our middle-class working families—all important. But how we pay for it is also important because we have to make sure it is paid for. But I wish to put down a marker on at least the first proposal that was laid down regarding how the President was planning to pay for this.

Let me first start with the oil and gas industry. The oil and gas industry for Alaska is about 85 percent of our economy in the sense that the money goes into our State treasury and provides well over 40,000 jobs. Nationwide, the oil and gas industry produces over 9 million jobs and contributes over \$2 trillion to our economy.

I know some of my colleagues on my side of the aisle like to blast Big Oil. But as we know, the oil and gas industry is made up of hundreds, well over 500 companies of all sizes—small, medium-sized, and large. Singling out a growing industry and imposing a tax penalty, in my view, is the wrong choice. It is the wrong road to go down. We need to recognize the potential for more job creation instead by supporting increased domestic oil and gas development.

By developing Alaska's Arctic offshore resources alone, we can create over 50,000 jobs nationwide over the coming decade, jobs being created right here in our country. As an example, 400

jobs just in Washington to upgrade the Kulluk drilling unit which will be utilized in Alaska or the 1,000 jobs in Louisiana to build a new Arctic supply ship right now.

So when we look at the potential, and when we look at the opportunities in the Arctic for oil and gas development, it creates American jobs, American jobs not only in the Arctic in Alaska but also throughout the country where many of the facilities or the material utilized is located to construct what is needed, such as in Washington State and Louisiana, as I mentioned.

Also, Federal revenue would be generated. The Chamber of Commerce has estimated that developing and increasing production on Federal lands could produce well over \$200 billion in new revenues to our country.

An Alaska analysis puts the Federal revenues just for Beaufort and Chukchi Sea at \$160 billion. For those who are not familiar with where those are, those are just above the North Slope in the Arctic. These have a potential of well over 24 billion barrels of oil development in the known technically recoverable reserves today—upwards to 24 billion, 26 billion.

I will tell you I do support—and I understand in the original proposal they wanted to take away some of these tax incentives that help our industry move forward, especially the smaller companies to expand exploration and development. I recognize that tax reform needs to be done, and I am a strong supporter of tax reform. Senator WYDEN and Senator COATS and I have supported a piece of legislation that is all about tax reform. I believe in a holistic proposal, not just selective industries. So do not get me wrong. Do I believe in tax reform? Do I believe in trying to clear out loopholes and incentives that are not working or may be used improperly? Absolutely. Again, that is why we supported a much broader perspective. But in pay-fors or tax proposals to pay for the jobs bill, this is not the right approach.

Another concern I have is on aviation. Alaska has 6 times more pilots and 16 times more aircraft per capita than any other State in the country. Alaska has limited road infrastructure. Eighty percent of our communities are accessed not by roads but by water or air. So it is critical we have the right kind of aviation system.

General aviation is not a luxury in Alaska, it is a necessity. It is our highway in the sky. That is the utilization of our airlines and small planes. The general aviation component is critical for business, life safety, moving things from one village to another.

One piece of the President's jobs bill would change the way businesses can treat the depreciation of general aviation aircraft and create a disincentive to buy American-made aircraft and further depress an industry that has already felt a significant impact due to the recession.

The administration and Congress should not be demonizing legitimate business travel. General aviation is more than just business jets. I know we like to read about it and see it in papers and that is what people like to highlight. But in Alaska it is about moving from one community to the other. This would impact the turbo-prop aircraft which are the workhorses for Alaska's general aviation fleet.

Another administration proposal would impose a \$100-per-flight user fee on certain general aviation aircraft. This is not a wise or even cost-effective way to administer a tax. General aviation users pay their fair share now. They pay for the aviation system through a per-gallon tax on their aviation fuel.

As a matter of fact, the general aviation industry has even agreed to a modest increase in this fuel tax as part of the FAA, Federal Aviation Administration, reauthorization bill which passed the Senate earlier this year. It shows their commitment to pay their fair share, but in an efficient way, and also puts it back into aviation, which is what in our State is, again, as I said, the highway in the sky to move goods and people all across our State. Again, I think the idea the administration has of a \$100-per-flight user fee is just another burden, another fee, another tax that is not necessary and very inefficient.

As we think about job creation and what is going on, the other piece of this I am concerned about as to the taxes that are associated with this idea of the jobs bill—which I support elements of, as I mentioned; very important—but the issue when it comes to limiting the itemized deductions for charitable contributions and mortgage interest for families earning over \$200,000, again, I think this is not a well-founded idea. I recognize the administration is trying to find ways to pay for things, but this is not, in my view, a good idea or a smart move.

When we think of a family, some might say: A family making \$200,000 is wealthy. I will tell you, if they have a couple kids in school and are trying to figure out their future, after they figure out the deductions, their health care costs, and everything else, \$200,000 disappears very quickly. We need to ensure that the deductions for mortgage interest and charitable contributions continue for these middle-class families at the level they can take a benefit from.

So for those three or four items I have a concern with the way the pay-fors or the tax increases to pay for the jobs bill are being handled. I know there is new discussion. I am glad there is new discussion because it would be difficult for me to support any jobs bill with a pile of these new taxes or tax increases that are being proposed. This would not be in the interest of my constituents in Alaska. It would not be in the interest of my industries that work hard in Alaska, creating jobs not only in our State but across this country.

I agree we need to do what we can to have a jobs bill, but let's have a fair pay-for in order to pay for it, not these additional taxes that I think would be a burden on working families and small businesses.

Mr. President, I would like to digress for one last second before I yield the floor to speak on another issue. It is always enjoyable. I read every business newspaper I can. I try to read every business magazine I can. I want to absorb as much information as I can when I am here in Washington during the sessions and workweeks and then when I go back home, hearing from individuals. But it is amazing to me—and I know on the Senate floor we have our philosophical debates. We saw some of that just a little bit ago on the old days versus the new days. I have never seen the old days. I have been here only 3 years, and this place has not run very well in the sense of trying to get things up and dealt with.

But I will tell you, Mr. President, some of the positions you have taken and I have taken and many on this side of the aisle have taken have been a lot of votes that have helped move this country forward. I will tell you one specifically which is about the auto industry.

As I was sitting here waiting for the debate, I was looking through these articles. Here is one from yesterday from the Wall Street Journal, which is not the most liberal newspaper, to say the least. But if we recall, a couple years ago we made a decision that we were going to take some risk, we were going to try to move the country forward, save an industry that was struggling that employed people in this country and was competing worldwide.

Folks on the other side said we were going to create a disaster by our actions, we would destroy the economy, we would sink this industry. The list went on and on—all the complaints. But as I read the headline in the Wall Street Journal from yesterday, it reads: "Automakers Now Import Jobs."

"Import jobs," what does this mean? This means they are bringing jobs back to this country. They specifically mention Japan and China.

Now, 3 years ago, I could read a different headline: Auto Industry on Their Deathbed, never going to survive. Maybe we would only have one auto company left. We now have three. Actually, if we look at the numbers, Chrysler is 27 percent up over the previous year in sales; GM, 20 percent up; Ford, 9 percent up. The American auto industry is doing well because of what we did here.

Some called it a bailout. I disagree. What we did was partner with industry to help them get over the hump, the recession, the struggle. They are paying back every dime the Federal Government loaned them, and they are profitable. They are hiring people. They are growing the industry, and they are bringing jobs back to this country.

I would say the policy we had—despite the naysayers, the negative attitudes people had on the other side—worked. Maybe the Wall Street Journal is wrong, but I do not think so because I have seen article after article that states the same. I can point to many others.

Is it as robust as we want in the economy? No. Can it do better? Absolutely. That is why the jobs bill is important—important for my State, important for every State, investing in the issues that matter: water, roads, sewers, electrification, schools, you name it, putting money back into taxpayers' pockets instead of the IRS taking it and hoarding it, putting it back where it counts. That is what the jobs bill does.

We have disagreements on how to pay for it. I think we are going to get to a better solution because several of us—more the moderate wing of the Democrats—are arguing that we cannot have these selective taxes the way they are laid out in the proposal presented by the President. We need to have a more simplified system and pay for it in a different way but not penalize certain companies because maybe we do not like them or it creates a great headline. But let's focus on the right way to do this.

I anticipate we will be able to have a different pay-for, a different proposal on how to pay for a great potential to bring more jobs back. But I end on that note only because I want to make sure—I know we are going to hear more naysaying, but the bottom line is the proof is in the pudding. That article I just read from gives us that.

Mr. President, I, again, thank you for the time and the opportunity to say a few words about the jobs bill, my concern, where I want to lay my marker down, but also to speak about the success we have had on taking some votes that were tough votes and the success we have had to move this economy forward—not as fast as we all would like, but better than I think what the folks said on the other side who just say nay, say no to everything.

So let me end there, Mr. President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

UNEMPLOYMENT CRISIS

Mr. SANDERS. Mr. President, this country faces many problems. But I think if we go out on Main Street, if we go out to rural America, if we go to my State of Vermont, what people will tell us is, the major crisis we face is we have a massive problem with unemployment.

Some people will suggest that unemployment is 9 percent in this country.

That is not quite accurate. If we look at the numbers for those people who have given up looking for work, if we look at the numbers for those people who are working part time when they want to work full time, we are looking at a situation where 16 percent of the American people are unemployed or underemployed. That is 25 million Americans.

The job of the Congress now is to start putting those people back to work. That is what we have to do. There is an enormous amount of work that needs to be done. Virtually every American who gets into his or her car understands that our infrastructure is crumbling; that is, roads and bridges. Talk to mayors all over Vermont and in the United States of America, and they will say they are having major problems with their water systems. If we look at our rail system in this country, it is way behind Europe, Japan, and China. We need to rebuild public transportation and have a 21st-century rail system.

So if you put people to work rebuilding our crumbling infrastructure, rebuilding our transportation system, you are going to make the United States of America more productive, you are going to make us more competitive internationally, and you are going to create the millions of jobs we desperately need. It is stunning to me that we have not moved aggressively in terms of job creation. That is exactly what we have to do.

If we put \$400 billion into infrastructure, we can create millions and millions of good-paying jobs, we can make our country more productive and more internationally competitive. Every single year we are importing and spending about \$350 billion on foreign oil, bringing that oil in from Saudi Arabia and other foreign countries. As we move to energy independence, as we break our dependence on fossil fuels, moving to energy efficiency and sustainable energy such as solar, wind, geothermal, biomass, we can create millions more jobs.

It seems to me at a time when the middle class is disappearing, at a time when poverty is increasing to a record-breaking level, at a time when people in every section of the country are saying we need to put our people back to work, now is the time to do that.

Last year I introduced the concept which said, let's have a surtax on millionaires. The reason I said that is the wealthiest people in this country are becoming wealthier. Their real effective tax rate is the lowest in decades. I am very pleased to see that the Democratic leadership is moving forward in that direction.

As we create the jobs we need by rebuilding our infrastructure, by transforming our energy system, it is absolutely appropriate that at a time when the gap between the very wealthy and everybody else is getting wider that we ask the wealthiest people in this country to help us fund job creation so we

can pull the middle class out of the terrible recession they are suffering.

I think the job is a major jobs program now for our country, rebuild our infrastructure, transform our energy system, ask the wealthiest people in this country to start paying their fair share of taxes. Let's end many of these tax loopholes and breaks that large corporations have. We can fund a serious jobs program and put millions of our people back to work, which is something we absolutely have to do.

I yield the floor.

The PRESIDING OFFICER (Mrs. HAGAN.) The Senator from Missouri.

JOBS CREATION

Mr. BLUNT. Madam President, as we discuss what we should be talking about—how to get more people back to work—there are a lot of different approaches on how we get there. But I hope we can reach the decision that we need to do the things in government that allow private individuals to make the decisions they make to create jobs. Our Federal debt has reached, of course, a record high. It continues to grow every day. National unemployment is lingering around 9 percent. Home prices have plummeted in almost every community in America. Gas prices and health care costs have skyrocketed.

On the energy issue my friend from Vermont was talking about, the shortest path to more American jobs is more American energy. I am not opposed to any of the green jobs he was talking about. I wish to see us have all of those jobs, if they can eventually be a competitive part of an energy environment. I think they can. But I think we should also focus on the jobs that power America today.

Even if we knew what the country was going to look like energywise 30 years from now, it would take a long time to get there. I am for more American energy jobs of all kinds. For 50 years we have not met the marketplace need with what we could produce. But the marketplace need is always there. It is always there in a bad economy, it is always there in a good economy. Let's meet that need. Certainly that can mean more solar and more wind and more biofuels and more anything else we can think of. It also needs to mean more shale gas and more shale oil, more using the fossil fuel deposits such as coal that we have as we move toward a different energy future, and to do that in a way that allows us to continue to be competitive.

If our utility bill doubles in the middle of the country where the Presiding Office of the Senate today and I are from, we are not as competitive, and I don't think we lose the jobs we lose to Massachusetts or to California. I think we lose those jobs to places that care a whole lot less about what comes out of the smokestack than we do.

At the same time, jump-starting our economy will require bipartisanship. If we are going to compete in a global economy and help create economic op-

portunities, we have to be willing to work together. This week we saw a long-awaited but still a real example of that kind of bipartisanship when President Obama submitted the three pending trade agreements. They have been pending for 3 years and we have lost opportunities in those markets for 3 years. But in fairness to the President, for at least the first 2 of those 3 years, the House of Representatives would not have passed these agreements. But they would pass them now, and they will pass them now, and so will the Senate—I am hopeful as early as next week. That creates opportunities in Missouri, where I am from, and across the country.

I have worked closely with our colleagues. Senator PORTMAN and I put a letter together from Republicans who told the White House we are willing to work on the trade adjustment assistance as part of the package, if that is what it takes to get these trade agreements sent to the Capitol. And we did. Those trade adjustment agreements have now passed the Senate and are ready to move forward with the trade bills. These free-trade agreements would mean an additional \$2½ to \$3 billion in agricultural exports every year. Every billion dollars of agricultural exports is an estimated 8,000 new jobs. These are the places where we can get the jobs: trade, travel, tourism, energy. This is not that complicated a formula, but the government cannot continue to stand in the way of all of those things moving forward.

In Missouri, exports accounted for 5.4 percent of our gross domestic product in 2008. Companies in our State sold products in nearly 200 foreign markets. Since 2002, exports have increased three times faster than the rest of our economy. That is one State in the middle of the country working to be competitive in the world.

The passage of these trade agreements will increase trade for soybeans, for beef, for corn, for pork, for dairy products, for processed food, for fish, all of which we produce in our State, plus all kinds of manufactured products which in South Korea, in Colombia, and Panama, given the choice of two products on the shelf, the American product is still a product that consumers in those countries will choose even with some disadvantage. Imagine what will happen when we eliminate more of that disadvantage.

This week the bill on the floor—I think this bill that concerns me about managing China currency, but only if the President does not disagree with what the Congress has passed—has much greater potential to start a trade war than it does to solve any given problem. I am not here to defend the Chinese or its leaders or its trade practices. In fact, one of those practices where you make a product in China and there is already a finding that that product is somehow unfairly being imported or exported in the WTO agreements, and so you put another a label

on it that says it is from somewhere else, sometimes called transshipment, Senator WYDEN and I have a bill, the ENFORCE Act, that would deal with that, and it deals with that specifically, directly, and actually will produce a result. I look forward to that bill being on the floor.

I am proud to cosponsor Senator HATCH's alternative to the bill that is on the floor this week that, in fact, is multilateral. It involves other countries plus the WTO, plus the IMF, in a discussion that might actually produce a real result of what the various countries in the world, including China, are doing as they manage their currency in ways that may not be found to be fair in the foreign marketplace.

But we need results. We do not need legislation purposes of using up time when we have so many important things we could be doing. I have cosponsored the Affordable Footwear Act with Senator CANTWELL. That will ease the tax burden on American consumers who unknowingly pay up to 40 percent duties on retail costs that cover this import duty or the shoe tax on shoes made outside the United States. All of those bills represent ways we can level the playing field for American workers, for American job creators, and spur economic growth right here at home.

Another topic we should be focused on is Federal regulation and regulation that simply does not make sense. I have met lots of job creators in Missouri even this year, and certainly in past years. But this year more than any other, they want to talk about the regulators. They want to talk about the air rules, the utility MACT rule, the cross-State air pollution rule, that could cause as much as 15 percent of our coal-producing energy plants to shut down. When they shut down, that means the price goes up. I know it is a philosophy of many in the current administration that our problem is that our energy is not expensive enough, but I do not find any Missouri families who are sitting down at the kitchen table looking at their utility bill and saying, the problem here is this bill is not high enough. What we need to do to solve our energy problem is raise this. Nobody is saying that—even though the cap-and-trade legislation that passed the House in 2009 would have doubled the utility bill in Missouri in about 12 years.

A lot of things work at today's utility bill that do not work later. Under the new EPA regulations on cross-State air pollution, the Ameren Electric Company announced that they will be forced to close two of their coal-fired plants by the end of this year. Not modify, not redo, close. The only thing that makes sense is to close those plants. The people who get the utility bill will know those plants are closed because they are going to be paying a higher price. Electric rates could rise 20 percent in some areas in a very short time.

Fugitive dust. There is actually a rule the EPA is talking about where

farmers cannot let dust from their farm go to another farm. I was raised on farms and around farms. You cannot farm without dust. You cannot harvest a crop without dust. You cannot farm in the mud. You cannot contain the dust that is part of farming. It is the kind of rule that simply does not make sense.

There is a rule on boilers that would impact universities and hospitals as well as sawmills and other facilities that generate their energy from industrial boilers.

There is a cement regulation.

We are not going to have the kind of recovery we want in this country without a recovery in housing.

The House recently passed a bill that would require the administration to evaluate the economic toll of the new EPA rules on cement and other industries. The House also is set to take up a bill that would delay the cement rules for at least 5 years. You are not going to have a construction industry if you do not have access to products that make sense to build things out of.

I have said for some time that we ought to have a moratorium on all of these regulations. In fact, I am cosponsoring Senator COLLINS' bill to call a timeout on new major regulations and give employers the certainty that they need to create new jobs in an environment that they understand what it is going to be like as those jobs have a chance to become permanent jobs.

This is an easy solution to help job creators. But instead, we are talking about the jobs bill. Almost all of the President's speeches on the jobs bill are in politically competitive States. I am wondering if that is not a 2012 political strategy instead of a 2011 legislative strategy.

There are 1.7 million fewer American jobs since the President signed the first stimulus bill into law. We do not need stimulus 2. We need to do the things that encourage private sector job creators to create private sector jobs. Let's vote on the bill. Instead of this debate we are having this week on China currency, let's vote on the President's bill. He said in, I think, Dallas last Tuesday, late morning in Dallas: Let the Senate at least vote on the bill. So the minority leader, Senator MCCONNELL, came to the floor and said, let's vote on the bill. We are ready on our side. Let's vote on the bill. Let's get beyond the "pass the bill," let's see if the votes are there to pass the bill so we can get to the things that will get the country going again.

These regulations and this talk of higher utility bills and higher taxes put a big wet blanket on the entire economy. This discussion of who we are going to be puts a big wet blanket on the entire economy. Let's take that blanket off and do the things at the government level that allow private job creators to do what they can to create private sector jobs. I hope we can get on with the business the country needs to get done.

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 Oregon.

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

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

Mr. MERKLEY. Madam President, I rise today to speak about the issue of creating jobs in America—more specifically, the loss of jobs that has been driven by the unfair trade practices of China. The bottom line is this: Chinese manipulation of currency is a tariff on American products and a subsidy to Chinese exports, greatly disadvantaging manufacturing in America and destroying thousands of American jobs.

When we look at our challenge, it is not to simply strengthen the overall economy, often measured by the gross domestic product. Our challenge is to strengthen the American family, the financial foundations that depend upon a good living-wage job. So every proposal we consider should be weighed by whether it creates jobs or destroys jobs. That is true in times of a robust economy. It is particularly true now when we have a persistent high unemployment rate, when families have been battered not just by the loss of jobs but by the loss of equity in their homes, by the loss of their health care that went with their jobs, by the loss of their retirement savings—all of these at a time when the price of things fundamental to families keeps going up.

There are many who looked to the opening of China as an opportunity to have a vast market for American products. Indeed, many continue today to talk about China in terms of the market opportunities for American products. But the picture has changed dramatically over the last decade, and we, as policymakers here in the Senate, must recognize that change: that China has become a vast manufacturing enterprise, that it has done so through a deliberate manufacturing and export strategy, and that strategy is destroying jobs in the United States of America.

Over the last 10 years, China has reaped benefits, but it has not upheld its end of the bargain. Indeed, one piece of the deal is that they would create a rule of law that they would enforce restrictions on the theft of intellectual property. But I can tell you that when we took a bipartisan delegation to China earlier this year, led by the majority leader, company after company told us the stories of their products being stolen by Chinese enterprises, and not just the design of their products that were then replicated and sold without the appropriate patents but also the software.

If you want a simple example of this, take Microsoft Windows and its products and its Office suite. Only about

half of the copies used by the official government in China are legal copies, and outside of the government, only a very small fraction of the copies are legal copies. That is just the beginning of the vast intellectual theft where China has not upheld its end of the bargain to create a rule of law and stop the outright thievery of American intellectual property, damaging American companies.

Second, we have the Chinese-pegged currency. Now, when a country pegs its currency to another, as they have their currency to the dollar, they can do so and adjust it periodically according to market influences; they can decide to end the pegging and let it float, which then you get a real market valuation or they can deliberately keep printing money to sustain a situation in which the currency is undervalued. And that is exactly what China has done. When they make their currency cheap, what they do is make their products much less expensive to other nations. That is equivalent to subsidizing their exports. When they make their currency cheap and make dollars very expensive, it is equivalent to putting a tax on American products, a tariff on American products.

While much of America has thought of the World Trade Organization as one that created a platform for free trade or even a level playing field, that is far from the truth. The truth is that China has been allowed to sustain a pegged currency that puts the equivalent of a 25-percent tariff disadvantage to American products and a 25-percent subsidy to Chinese products.

There are those in this Chamber who have come to this floor and said that to challenge the Chinese tariff on American products is to launch a trade war. My friends, do you not realize that the Chinese tariff on America is a trade war and that they are winning this war and they are destroying American jobs while vastly increasing their own production? If not, please go to China and talk to American companies and talk to the American companies that have been shut down in America. We have lost 3 million manufacturing jobs since 1998, a little bit over a decade. Not all of that is the consequence of Chinese practices, but a great amount of it is.

We must not stand by trying to pretend that the world is one way and that China represents solely a market and not a manufacturing competitor when the truth is they are a fierce competitor using industrial policy and a pegged currency to outcompete American products, to penalize American products.

In terms of the currency manipulation, our Secretary of the Treasury said this:

Whatever your definition of manipulation is, what matters is the currency is undervalued. They are intervening—

Referring to China—

to hold it down. That adversely affects our economic interests, and there is an overwhelmingly compelling economic case for

the world, for China's trading partners, for China, for us, to try to alter that basic practice.

Well, certainly we have the Secretary of the Treasury echoing that we have a challenge that is hurting America and that we need to respond to that challenge. That is why we have this bill on the floor addressing the Chinese manipulation of currency.

This is not the only strategy China uses. They also, through their use of rules, use a strategy of holding down interest rates below the inflation rate. This means any Chinese citizen who puts their money in a state-controlled bank—and that is the only option they have—loses value every year on that money. This is sometimes given the fancy name of “financial repression” by economists—where they repress or hold down the interest rates. But let's call it something a little more understandable: insurance rate manipulation. That is done in order to allow the central bank—the Chinese banking system—to reap great revenues, which they can then take to subsidize their manufacturing. They do this through a series of grants and through a series of subsidized loans.

An American entrepreneur was in my office the morning before yesterday talking about how an individual he knows went to China and started out negotiations with China, where they offered him a 3-percent interest rate on money to operate his enterprise. They ended up offering a negative 3-percent interest rate. In other words, they would pay him to take the money in order to bring that manufacturing to China. In other words, take his plant out of the United States and bring it to China. They would pay him to do that. That is a vast subsidy.

That is not the only subsidy. The grants, the subsidization of water costs, and the subsidization of electricity—all these subsidies—have a big impact. If we go to the WTO Web site, we will see how it summarizes the structure of the WTO. Under the section called “Subsidies,” they note:

[Subsidies] are prohibited because they are specifically designed to distort international trades, and are they're therefore likely to hurt other countries' trade.

So the plan was, when subsidies were used deliberately to distort international trade, they would be outlawed. Guess what. China is ignoring this. China is flaunting this. They are required to disclose each and every year all the subsidies they provide to their manufacturing, and they do not do it. They did it once in 2006, a very minimal disclosure.

Why is it we continue to believe we have a structure that facilitates mutually beneficial trade in the WTO when China, through currency manipulation and direct subsidies to exports, is breaking every key aspect of the WTO framework with hardly a protest from the United States?

We have on the floor a bill which says we will no longer turn our head

from the deliberate distortion of the international trading regime that was supposed to benefit both nations but, in fact, has become a powerful international tool for stealing jobs from the United States of America and undermining the success of the American worker.

Let's take a look at paper. Just a few months ago, Blue Heron, a company that has operated for nearly a century in Oregon, shut down. It is a paper company. They shut down for one simple reason: because the Chinese currency manipulation and the Chinese direct subsidies to those who manufacture paper for export in China completely undermined the market for manufacturers in the United States. So the lives of these American workers are destroyed. The workers owned Blue Heron. When they got notice they were going to have to shut down because of these Chinese subsidies and Chinese currency manipulations, they basically were completely out on the street—no health care after the Friday they shut down, no severance payment. Indeed, they are having to start from scratch—workers who are 40, 50 years old starting from scratch—in an economy where there are no jobs to be found. But they are not alone. Paper companies across the United States have been shutting down for exactly the same reasons.

Let's take the case of wind turbines. Wind turbines imported into China are subject to a 10-percent tariff, while wind turbines imported into the United States are subject to only a 2½-percent tariff. Why do we—on top of everything else I have noted—add to the injury by putting a lower tariff on their imports than they put on ours?

Can someone in this Chamber explain to me why shutting down manufacturing in the United States and opening manufacturing in China and piling on lower tariffs on a country that is already subsidizing its exports and already putting a tariff on ours makes any sense? I certainly would be very interested in that explanation. I think the workers in an industry that would otherwise be manufacturing these wind turbines in the United States would be very interested in the explanation.

China doesn't give our wind turbines a fair chance to be used in their energy products. Let me read this quote from 2009 regarding the award of contracts on Chinese projects.

... all multinational firms bidding on National Development and Reform Commission projects [were] quickly disqualified on technical grounds within 3 days of applying.

In other words, a nontariff barrier in China was added, on top of everything else, to make sure that only Chinese manufacturers would have a chance to get the contracts.

Let's turn to solar—solar voltaic panels. The whole technology was invented in the United States, but we can see that over the last 3 years the tremendous subsidies to solar in China are destroying the American industry. One of the few remaining manufacturers is

SolarWorld. It is located in my State—the State of Oregon. In the span of less than 10 months—from 2009 to 2010—three major manufacturers shut down, destroying hundreds of jobs—jobs that would not be restored.

SolarWorld is incredibly efficient. They are working with American technology. We should be building and selling these solar panels to the world, but we aren't going to be able to do so if China—using their manipulated interest rates to produce funds for grants and subsidized loans—continues to virtually pay folks to ship their manufacturing into China and discriminates against American products. I want SolarWorld to be there not just next year but 10 years from now or 20 years from now. That will not happen if we don't address this massive assault on American manufacturing.

Because China has failed to disclose its subsidies, as required under WTO, I have proposed an amendment to the bill—an amendment that will not be heard because a deal cannot be worked out to allow amendments on this bill. I am very disappointed in that. This amendment simply says, if China or any other country under the WTO fails to do the notification of subsidies that is required, our U.S. Trade Representative will do a counternotification, putting those subsidies on the table. That way we can see exactly what they are and we can be part of this debate. It is the beginning of holding China accountable for breaking the WTO rules.

This is not a Democratic amendment and it is not a Republican amendment. This is an amendment about the future of the middle class in America, the future of the worker in America. I am pleased to have Senator ENZI as my chief cosponsor and additional colleagues from across the aisle—Senator BARRASSO and Senator SNOWE. I am pleased on this side of the aisle to have Senators NELSON, SCHUMER, and LEVIN as cosponsors. That pretty much spans the spectrum of opinion in this Chamber, where everyone agrees China should be held accountable. If they are subsidizing their manufacturing, which they are, they have to disclose it, and they are not. We can have a better debate about how to end their rule-breaking under the WTO if we have that information.

In closing, I just wish to note that this debate should have happened a decade ago—it should have happened 5 years ago—because over that timespan we have continued to hemorrhage jobs, we have continued to hope China would apply the rule of law on intellectual property, we have continued to hope they would end their manipulation of their currency, we have continued to hope they would end their illegal subsidies and the undermining of American products. Those hopes have not been realized. China has not chosen to honor the framework that was established. So while we hope, American workers are losing their jobs. That is why we have to have this debate on the

floor. That is why this bill before us must be passed—to give the President greater leverage and to send a message to China that we are now fully paying attention at a level we should have a decade ago. The fact we have not paid attention is water under the bridge, but we are paying attention now. If anyone cares about having an American middle class, with living wages for workers, then I ask them to fully support this bill. The trade war China has been carrying out, decimating manufacturing in our Nation, must not go without full debate and a full response.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

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

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

IRAN

Mr. RUBIO. Madam President, I stand here to talk about the case of an abuse of another kind than we are currently speaking of with regard to China and its currency manipulation. Youcef Nadarkhani was arrested in October of 2009 in Iran. I will read the charges against him, pursuant to a document signed by two judges, and I will say their names because I think one day they will be held accountable: Morteza Fazel and Azizoallah Razaghi. I think I got the pronunciation right. Here is what the document says, as reflected in a news article: “Mr. Youcef Nadarkhani, son of Byrom, 32 years old, married, born in Rasht in the state of Gilan, is convicted of turning his back on Islam, the greatest religion the prophesy of Mohammad at the age of 19,” the document states.

The article goes on to say:

He has often participated in Christian worship and organized home church services, evangelizing and has been baptized and baptized others, converting Muslims to Christianity. He has been accused of breaking Islamic Law that from puberty . . . until the age of 19 the year 1996, he was raised a Muslim in a Muslim home. During court trials, he denied the prophesy of Mohammad and the authority of Islam. He has stated that he is a Christian and no longer Muslim. During many sessions in court with the presence of his attorney and a judge, he has been sentenced to execution by hanging.

He was sentenced to hanging for this alleged crime, and that is what he has been convicted for. That conviction was upheld by an appeals court in Gilan in September 2010.

In July, the Supreme Court of Iran overturned the death sentence. Again, this is according to media reports. They did not overturn the conviction, just the death sentence, and sent the case back to his hometown of Rasht. Here is what has happened since it has gone back to his hometown.

The deputy governor of that province says, while he is guilty of apostasy, that is not why he was sentenced to death. They have come up with some new charges. They say he is a security

threat—in particular he is an extortionist and, they claim, he is a rapist.

By the way, they had never said this before until the case came back to them. By the way, he is also a Zionist, which in and of itself, according to them, is punishable by death in Iran. That is where the case stands today.

There have been reports time and again about what has been happening in Iran with this case. His lawyers have now been publicly saying they expect to know by Saturday whether their client will be executed in Iran, quite frankly for the crime of not just being a Christian but of converting others to Christianity.

Obviously, this is an outrage. I am glad to see that the voices from this government and from all over the world have expressed themselves against it. But I think it is important for us to express ourselves against it for another reason. This is a time when Americans in this Nation have increasingly been asked to turn to international bodies to resolve disputes. Let's visit that for a moment because we have international bodies and we have international conventions that Iran has signed—particularly two. One is the Declaration of Human Rights. They signed it in 1948. The other is the International Covenant of Civil and Political Rights. They signed that in 1966. Any nation that signed on to these covenants—any action like this in the courts of your country are unconscionable, illegal. They violate these agreements.

I hope we will see some action on the part of the United Nations and nations such as Russia and China, for example. Of course it would be difficult for China to speak out against oppressing religious minorities when they do that quite often in that country as well. But that being said, we are interested in seeing where some of these countries will be on this matter. We are obviously very encouraged that the European Union has spoken about this matter. We would like to see some of these other countries step up. We would like to see the United Nations take a break from figuring ways to sanction and take on Israel and maybe focus a little bit on these sorts of things, where people are facing a hangman's noose because of their religion.

By the way, in Iran this sort of thing is not just happening to Christians. Not only Christians feel oppressed, but non-Shiite Muslims experience great oppression.

But here is the greater point. Beyond this outrage, let me say I encourage everyone to pray tonight for the safety of Youcef Nadarkhani and his family. We hope this will resolve itself. We hope, in that nation and in that Government of Iran, there are reasonable people who realize what an outrage, what an atrocity, what a human rights violation, what a crime it would be for this man not just to be sentenced to death but even to be in jail.

We should be sorry for the people in Iran. It is hard to believe that the vast

majority of people in that country agree with us. In fact, they look at their government and say: You are isolating us from the world.

If the people of Iran want to know what it is that is isolating them from progress in this 21st century, they need to look no further than Tehran and the people running that government. It is sad because I think, going back to 2009, the evidence is there that especially young people in that country just want to have normal lives and live in a normal country. Instead, their country is being run by individuals who think this sort of thing is OK.

By the way, I also point out to leaders in places such as Venezuela and other nations of Latin America who so warmly welcome leaders from Iran when they visit that this is whom you are doing business with. I encourage those people in Latin America to turn to their leaders and ask them: Why do we have a relationship with people like this? Why are people like this being invited to come into our countries and do business with us and tour our streets as heroes?

This is who they are. Forget the rhetoric, put everything aside, if you want to know what the leadership and Government of Iran is about, it is about this. This is who they are. I can think of no other case before us today with regard to Iran that more clearly outlines the monsters we are dealing with within that government than this case I have outlined.

I believe there is a broader conversation to be had about what Iran means. There is a lot going on in the world, but what is happening in Iran is important, and Iran's neighbors know it. Whether they will admit it publicly, Iran's neighbors know what a danger that government and its vision for the region and the world poses.

But I think this case is one we should all speak out about. The eyes of the world should be turned to this case. It is an absolute outrage, and there is no way in the world we should stand by and allow anyone to be silenced or anyone to be silent, particularly our allies around the world and other countries and members of the so-called international community. It is time to step to the plate and condemn these acts because Youcef Nadarkhani should not—not only should he not be facing a death sentence, he should not even be in jail.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Madam President, I would like to address the Senate on an amendment I have to the pending legislation, which will be familiar to my colleagues because it is similar to a bipartisan bill Senator MENENDEZ of New Jersey and I have introduced, a stand-alone bill. It is called the Taiwan Airpower Modernization Act of 2011.

It does something very simple but very important: It requires the United States to respond to a request by the

Government of Taiwan to purchase 66 F-16C/D models of fighter aircraft. Why is this important? It is important for all sorts of reasons, one of which Robert Kaplan recently pointed out in an op-ed in the September 23 edition of the Washington Post:

By 2020, the United States will not be able to defend Taiwan from a Chinese air attack, a 2009 RAND study found, even with America's F-22s, two carrier strike groups in the region and continued access to the Kadena Air Base in Okinawa.

The United States will not be able to defend Taiwan. So it is very important that we sell Taiwan, at no taxpayer expense—it is cash money coming from the Taiwanese Government to the United States that happens to sustain thousands of jobs right here in America—that we sell them these F-16s so they can defend themselves.

Dan Blumenthal, in an October 3, 2011, article published by the American Enterprise Institute, lists what he calls the top 10 unicorns of China policy. He says in the article:

A unicorn is a beautiful make-believe creature, but despite overwhelming evidence of its fantastical nature, many people still believe in them.

He lists the top 10 unicorns of U.S.-China policy. The No. 2 unicorn relates to the subject of this amendment, and it is entitled "Abandoning Taiwan will remove the biggest obstacle to Sino-American relations." In other words, rather than antagonize China, Communist China, by selling 66 F-16C/D models to Taiwan, some might suggest we should withhold and not make that sale, as the Obama administration has apparently at least decided to do for now, because we do not want to antagonize China. If we antagonize China, our relationship will deteriorate. But, as Mr. Blumenthal points out, rather than basking in the recent warming of its relationship with Taiwan, China has picked fights with Vietnam, the Philippines, Japan, South Korea, and India.

He goes on to say:

It doesn't matter what obstacles the United States removes, China's foreign policy has its own internal logic that is hard for the United States to shape. Abandoning Taiwan for the sake of better relations is yet another dangerous fantasy.

As my colleagues may recall, I introduced this amendment earlier on the trade adjustment assistance provisions, the TAA, and the distinguished chairman of the Senate Finance Committee, from Montana, quoted Ecclesiastes to make the point that it was not the right time. He said, "For every thing there is a season." He also indicated that my amendment might derail the carefully negotiated bipartisan agreement on trade assistance. I did not agree with him at that time because my amendment was related to trade because these F-16s represent an export for the U.S. economy that creates jobs right here at home, in addition to its importance for other reasons.

But now the reason for that objection no longer exists. The pending legisla-

tion is not a carefully negotiated bipartisan agreement. And I hope my colleagues who shared my concerns—or shared the concerns the chairman of the Finance Committee argued earlier—will find an opportunity to support this amendment on the merits today because I think it is very important.

The chairman of the Foreign Relations Committee also argued at the time against my amendment on the TAA bill. He said it was unprecedented for the Congress to force the White House's hand when it comes to foreign military sales. The fact is, I remind my colleagues, the Taiwan Relations Act that passed and was signed into law in 1979 makes it clear that Congress has a very important role to play. The Taiwan Relations Act says:

The President and the Congress shall determine the nature and quantity of such defense articles and services based solely upon their judgment of the needs of Taiwan. . . .

This is the law of the land.

Unfortunately, I do not believe the administration's policy when it comes to selling defensive weaponry to Taiwan, that their agreement that we should just upgrade the existing fleet of F-16s is adequate to meet the demands of the Taiwan Relations Act.

This chart, taken from Defense Intelligence Agency public materials, shows the incredible shrinking Taiwan air force. Taiwan's projected fighter fleet over time goes from roughly 400, as part of a total of 490 combat aircraft. As you can see, the F-5 is an obsolete American aircraft, basically because of needed repairs, replacement parts, and it is basically not dependable anymore. The French Mirage 2000, it is estimated, will basically drop off the chart shortly after 2015 or so. Then we see the F-16 A/B models, which the administration says we should upgrade, and roughly 150 of those will be basically the remaining Taiwan air force, down from a total of roughly 400 fighters today. Actually, the administration's proposed upgrade will essentially take some of these F-16s offline, a whole squadron of F-16A/Bs, during the retrofitting period, further diminishing the number of aircraft available for Taiwan to defend itself.

The Taiwan Relations Act was a responsible decision in response to a decision of the executive branch of the Federal Government that Congress happened to disagree with. Congress can disagree with the administration and force the administration's hand when Congress believes it is appropriate to do so. The Taiwan Relations Act was one example of that. That decision was based on President Carter's diplomatic recognition of the People's Republic of China and the breaking of diplomatic relations with Taiwan.

Congress had a different view and wanted to make sure the freedom of the Taiwanese people was secure, so we passed bipartisan legislation which was ultimately signed into law by President Carter.

But what is great about the Taiwan Relations Act and the relationship of the United States with Taiwan is it has always enjoyed strong bipartisan support. This is not a partisan issue at all. Here is what former Senator Jesse Helms said about it 20 years after the passage of the Taiwan Relations Act:

It is a bit of a rarity when an issue comes up that brings Jesse Helms and Ted Kennedy together.

I never served with Senator Helms. I did serve with Senator Kennedy. I can assure you, from what I know about Senator Helms and his record, that was an understatement.

He said:

But this was precisely such an issue. Senator Kennedy, Senator Goldwater, and I—along with Congressman Wolff, Derwinski and others—set out to ensure that after having their treaty of alliance tossed in the trash can, our friends in Taiwan would be left with far more than the vague verbal promises the Carter administration was offering Taiwan. So we went to work and the result was the Taiwan Relations Act.

I believe my amendment is a natural extension—actually, a fulfillment—of the Taiwan Relations Act and a reaffirmation of the bipartisan leadership the Senate has brought, which originally brought Senator Kennedy and Senator Helms together way back in 1979. We should not depart from that strong bipartisan tradition of supporting our ally in Taiwan and providing the defensive weaponry they need in order to defend themselves so the United States will not have to fill that gap.

During the debates on the trade assistance authority bill, the Senator from Massachusetts and distinguished chairman of the Senate Foreign Relations Committee, argued that President Ma of Taiwan is happy with the administration's decision merely to upgrade the existing F-16A/B models and not to replace the F-5s and Mirages and other aircraft that are fast becoming obsolete. The Senator from Massachusetts went so far as to say at the time that "the President of Taiwan has said [the approved package] is entirely adequate. He feels they have the defensive capacity necessary under the [Taiwan Relations Act] in order to be able to defend themselves at the current level with the upgrade we are providing."

The facts are the government of Taiwan needs both the existing F-16A/B models upgraded through this upgrade but also the 66 additional F-16C/D aircraft that are the subject of my amendment. To quote Taiwan's foreign minister, he said:

Our government will continue to work closely with the United States to strengthen our national defense and security . . . by urging the United States to continue its arms sales to Taiwan with needed articles and systems for our defensive capabilities . . . including F-16C/D aircrafts and diesel-electric submarines.

Again, to remind my colleagues, this is a familiar chart from the last time I offered this amendment, which shows the growing imbalance of the Taiwan

Strait, with China having some 2,300 operational combat aircraft and Taiwan with 490 operational combat aircraft, including 400 fighters, as part of their air force.

The fact is we know China doesn't tell the truth when it comes to its defensive and national security expenditures. It shows only a fraction of what it spends as it projects power across the world to follow its economic needs and interests.

Let me quote the Taiwan defense minister. Earlier I quoted another Taiwanese official. Taiwan's defense minister said:

The F-16A/B fleet upgrade package and the F-16C/D fighters purchase have different needs and purposes. It is not contradictory to have both cases done.

Last Friday, September 30, a member of the House Armed Services Committee, who happens to be of the other party, met with President Ma in Taiwan. According to the official press release by the Government of Taiwan, President Ma commented that:

The upgrades of the F-16A/B series aircraft are aimed at extending the life of fighter jets and avoiding a lack of spare parts due to the age of the F-16A/B series. Meanwhile, [Taiwan] wishes to purchase F-16C/D fighter jets to replace its aging fleet of F-5E fighter jets.

That is in red here, the aging F-5E fighter jets.

President Ma explained, "Therefore, the objectives of the two are different."

Let me leave with one final comment. Several of my colleagues have argued the Obama administration could approve the sale of the F-16C/D series at a later date, but that is actually not the case. The F-16 production line recently received a small order from the Air Force of Iraq to sell Iraq F-16s, but without additional orders the production line will soon be shutting down. The people who are working there will be laid off or reassigned other jobs. We are rapidly approaching a point at which the President of the United States will not be able to approve the sale of new F-16s because they will not be able to be manufactured because the production line will be shut down. I hope my colleagues will keep this in mind as they consider my amendment.

Even if the production line was not an issue, why should we make our allies in Taiwan wait? Why would the United States tell our friends to come back later? Well, as I said, the chairman of the Finance Committee quoted Ecclesiastes during our last debate. Allow me to conclude with some wise words from Proverbs:

Do not withhold good from those to whom it is due when it is in your power to act.

Do not say to your neighbor, come back tomorrow, and I'll give it to you when you already have it with you.

To that, I hope my colleagues would give a hearty amen.

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

The PRESIDING OFFICER (Mr. COONS). The clerk will call the roll.

The assistant legislative clerk called the roll.

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

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

Ms. AYOTTE. Mr. President, I ask unanimous consent to speak as in morning business for 15 minutes.

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

DEFENSE AUTHORIZATION

Ms. AYOTTE. Mr. President, I rise today to address the majority leader's refusal to bring the Defense authorization bill to the floor. On Monday, the Majority leader came to the floor and acknowledged the importance of bringing the Defense authorization bill forward. He said, "It is vital that we get to this bill and pass it."

I could not agree more. That is why it is nothing short of outrageous that the majority leader is blocking this important bill from being debated and passed by the Senate based on misguided objections that the administration has raised to a bipartisan provision in the Defense authorization bill which addresses how we detain and treat terrorists who are captured under the law of war.

The American people and our military men and women deserve better. The 2012 National Defense Authorization Act addresses many essential issues for our warfighters. I want to mention just a few of the important measures that the majority leader is blocking from consideration by failing to bring this bill to the floor. The bill ensures that our warfighters have the weapons they need to win the fight, ranging from small arms and ammunition to tactical vehicles to satellites. Some examples include advanced helicopters and reconnaissance aircraft, as well as combat loss replacement. It helps ensure that our soldiers and their families have quality housing. The authorization gives our wounded warriors better access to educational opportunities.

The bill enhances the deployment cycle support system and reintegration for our National Guard and Reserve given how much they have done in sacrificing with the multiple deployments they have endured. It strengthens oversight of our taxpayer dollars that are being used for reconstruction projects in Afghanistan, and it ensures that our money does not continue to be funneled to our enemies.

What is so disappointing is that the majority leader is willing to prevent passage of the Defense authorization bill, which addresses these essential needs I have talked about for our warfighters and our soldiers, because the Obama administration does not like one provision of the bill, the detainee provision of the bill that was passed overwhelmingly by Senators from both parties who serve on the Armed Services Committee.

If the majority leader insists on preventing the Defense authorization bill

from coming to the floor this year, 2011 would be the first year since 1960 in which the Congress has not passed the Defense Authorization Act. In over 50 years, this would be the first time this bill has not been passed by this esteemed body.

Let me say that again. Here is where we are: in the midst of two wars, with our brave sons and daughters, husbands and wives fighting in Iraq and Afghanistan—and I am the wife of a combat veteran who served in Iraq—with our country facing a very serious threat from radical Islamist terrorists, this would be the first time in a half century in which we have not passed the National Defense Authorization Act.

It would be shameful to not bring forward the Defense authorization bill to the floor and to pass it, after robust debate, where Senators from both parties can amend it, we can talk about it, and we can let the American people know what is in this bill.

I met recently with the sergeant major of the Marine Corps. Sergeant Major Barrett shared with me the stories of several marines serving our country. I cannot discuss all of them, but I want to give a few examples. One is Sergeant Ramirez, a squad leader assigned to the 1st Battalion 5th Marines in Helmand Province in Afghanistan.

Sergeant Ramirez has a hook as a left hand. In February of 2006 Sergeant Ramirez lost his hand when he was wounded in action while serving in Iraq with the 3rd Battalion 5th Marines. Now he is leading patrols in Afghanistan. He wanted to go back and serve our country. Talk about bravery. Talk about courage.

There is also Sergeant Gill at Quantico and Corporal Pacheco at Camp Pendleton and thousands of other soldiers, sailors, airmen, and marines who after being injured on the battlefield have continued to serve their country. They are doing their jobs with skill and courage in this 10th year that our country is at war. I just wish we would show half, even a quarter of the courage of our military men and women in taking up the important issues that need to be addressed to protect our country, and many of them are addressed in this Defense Authorization Act.

That is why I am on the floor today. I think it is so important this bill be brought forward and we have a debate over it; that we are allowed to amend it and allowed to pass it to make sure our military men and women know we are fully behind them.

I know the majority leader has said if we just drop the detainee provision in the bill that he would bring forward the Defense authorization bill. But this is not how this body is designed to operate. If Senator REID and the administration do not like the detainee provision in the bill, Senator REID should move to amend it or vote against the bill rather than prevent the entire Defense authorization from being considered. That is how the Senate is supposed to operate.

Of course, the irony is that in a place where we rarely agree on anything, the detainee provision that is holding up this bill the administration has objected to actually received overwhelming support in the Armed Services Committee—25 out of 26 members of the Armed Services Committee voted for this detainee compromise. That rarely happens around here. I think it shows this was a thoughtful compromise and that members of both sides of the aisle worked hard to address this important issue.

This compromise was actually a compromise put together by Chairman LEVIN of the committee, ranking member JOHN MCCAIN of the committee, and Senator LINDSEY GRAHAM, who also has substantial experience in the Guard as a Judge Advocate General attorney.

The overall Defense Authorization Act passed out of the Armed Services Committee 26 to 0. How often does that happen around here, that every single member of the Armed Services Committee from both sides of the aisle, Republicans and Democrats, and Senator LIEBERMAN an Independent, that we all voted to pass this bill? Yet this bill that is so important to our national security and to our warfighters is being held up right now from being considered and brought to the floor.

In this era of partisanship, the American people want us to work together, and that is what we did. As a result, not a single member, as I mentioned, voted against the final bill. That is not to suggest that every member of the Armed Services Committee got what they wanted in that compromise. I was someone who fought hard in the committee for the compromise to be tougher on terrorists.

But I respect that we came together as colleagues to come to this compromise and to move forward on the Defense Authorization Act so it could be brought for full consideration for every Member of the Senate. If the majority leader were to bring this compromise to the Senate according to normal and well-understood procedures, every Member of this Senate, including the majority leader and myself, would have the opportunity to debate it, to amend it, and to vote on the Defense authorization bill, including the detainee compromise I just referenced.

I may be new around here, but I must ask: Why isn't the majority leader bringing this forward? I know he is clearly doing the administration's bidding on these detainee issues. But why would he prevent the American people from hearing this important debate? Why would giving terrorists greater rights to our civilian detention and court system, which seems to be the administration's position, be more important than ensuring that our warfighters have the right weapons and equipment, or ensuring that our wounded warriors get better access to educational opportunities, and all of the other important issues that are ad-

ressed in the Defense authorization bill related to both our national security and to our warfighters?

I believe those issues deserve to be addressed by debating and passing this bill. I also believe the American people deserve to know all of the facts about where we are with respect to our detention policy with terrorists.

I have to tell you, as a new member of the Armed Services Committee during the last 8 months and having our military leaders come before that committee, when I have asked them about our detention policy and how we are treating terrorists we have captured, how we are gathering intelligence from them, what we are doing to protect the American people, I have been shocked to learn that 27 percent of the terrorists we have released from the Guantanamo Bay detention facility have actually returned to the battle or we suspect have returned to the battle to harm us and our allies.

Too many former Guantanamo Bay detainees are now actively engaged in terrorist activities and are trying to kill Americans. Former Guantanamo detainees are conducting suicide bombings, recruiting radicals, and training them to kill Americans and our allies. Said al-Shihri and Abdul Zakir represent two examples of former Guantanamo detainees who have returned to the fight and have assumed leadership positions in terrorist organizations that are dedicated to killing Americans and our allies.

Said al Shihri has worked as the No. 2 in al-Qaida in the Arabian Peninsula. Abdul Zakir now serves as a top Taliban military commander and a senior leader in the Taliban Quetta Shura.

Can you imagine having to tell a mom or a dad that their son or daughter was killed in Afghanistan by a terrorist whom we released from Guantanamo Bay?

Given the facts, I understand why the majority leader and the Obama administration don't want to talk about our detention policy, but as John Adams said, facts are stubborn things. The American people deserve to hear this debate and to have us address this issue through the Defense Authorization Act.

Under our Constitution, we have a fundamental duty to protect the American people and to provide for our warfighters.

We owe it to our military men and women to take up the Defense Authorization Act right now. Majority Leader REID, as the leader of this esteemed body, should allow that to happen so we can fulfill our responsibility to the American people.

Let me conclude by urging the majority leader to bring the defense authorization bill forward for debate, for amendment, and for passage. In the midst of two wars, it is time Congress does its job and provides for our warfighters and their needs.

Sergeant Ramirez, Sergeant Gill and Corporal Pacheco and the thousands of

other soldiers, marines, sailors, and airmen of our All-Volunteer Force deserve no less.

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

The PRESIDING OFFICER (Mr. SANDERS). The clerk will call the roll.

The bill 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, I rise, first, to thank my colleagues, including the Presiding Officer, for supporting cloture today. It is the second major step in this body, passing the largest bipartisan jobs bill we have seen in this body in years. The bipartisan jobs bill has the potential to create or save around 2 million jobs, without cost to taxpayers, because it is simply standing up for American companies and American workers. For a change, we put American workers and American manufacturers first.

It is important to, for a moment, consider how we got here. This effort did not begin this week or even this year. Efforts to combat Chinese currency manipulation have been underway for over half a decade. It began in earnest around 2005. Since then, the situation has grown worse for workers and businesses. In 2005, there was an intense debate inside the National Association of Manufacturers, which was representing a whole range of American manufacturers, from the small tool and die shop in Akron to the medium-size manufacturing company in Toledo, to GM, Ford, and other huge manufacturers. The division was smaller companies, generally—not in every case, of course, but smaller companies generally supported taking action against currency manipulation with China. Larger companies, many of which had already outsourced production to China, generally were opposed to standing up to the Chinese. That was because the Chinese are well known for punishing companies that are doing business in China if those companies actually criticize the Chinese Communist Party Government.

So it was an interesting, if unholy, alliance between some of America's greatest, best known, largest, longest existing companies. There was an unholy alliance between them and the Communist Party of China—something that would have made, perhaps, Henry Ford turn over in his grave. Nonetheless, that is what happened. Some of these companies actually left the organization—the smaller ones—because the larger companies dominated an organization like that. They paid the biggest dues and are the most influential people in the country. Some of the smaller companies left partly because they have to stay in a community and do their manufacturing and supply components to companies that outsourced these jobs.

What is interesting—and we have talked about this—it has become almost—not almost, it has become a business plan, perhaps unprecedented

in world history, where a large number of companies in one country—this country, the United States—shut down production in Steubenville or Springfield and moved production to Wuhan or Xi'an, China, and sell the goods back to the United States. So it is a business plan for many companies to shut down production here, move overseas, and sell the product back. To my knowledge, that has never happened the way it has in this country in the last dozen years, since permanent normal trade relations was approved here to set the stage for China's entry into the WTO.

I remember—and the Presiding Officer was in the House when I was—when that debate happened in 1999 and 2000. What I remember is, the largest corporations in America were—the CEOs were walking the Halls of Congress and doing the bidding of the Communist Party of China, the People's Republic of China, and they were saying that putting China in the WTO would mean China would follow the rule of law. They also said they couldn't wait until they could get access to 1 billion Chinese consumers, although 5 years later it was apparent they wanted access to 1 billion Chinese workers. But the whole idea of putting China in the WTO was to have them live under the rule of law and practice trade under the rule of law, and that is what we have not seen. We have simply not seen the Chinese follow the rule of law.

That is why so many economists, including Republican economists and Democratic economists, and including some economists who worked for President Reagan and some economists who worked for President Clinton and President Obama—the ones who are looking at sort of an expansive world—say things like Fred Bergsten of the Peterson Institute—a pretty much pro-free-trade, middle-of-the-road organization—who said:

Some American corporations will fret that these actions—

These actions meaning regulations on dealing with this currency issue, as our bill does—

that these actions would needlessly antagonize the Chinese and threaten a trade war. I believe these fears are overblown. The real threat to the world trading system is in fact the protectionist policies, including undervalued currencies of other countries, and the vast trade imbalances that result.

And Bergsten went on to say:

Not since World War II have we seen a country practice protectionism to the degree the People's Republic of China does.

We were talking earlier about the split in the National Association of Manufacturers—and I am not making too much of it. Most companies didn't leave. But some of the smaller companies, which may or may not have left, have suffered greatly during the gaming of the currency system.

Let me cite one example: the Bennett brothers' Automation Tool & Die in Brunswick, OH, a city about 25 miles outside of Cleveland. The Bennett brothers run this tool-and-die shop, Automation Tool & Die, and they had a \$1 million contract they thought they were about to sign with a new customer. The Chinese came in at the last

minute with a bid 20 percent under their bid. That meant I don't know how many jobs that didn't stay in America but went to China, and that 20 percent was given to them because of currency.

As Senator MERKLEY said on the Senate floor yesterday, this currency advantage given to the Chinese because they purposely keep their currency devalued means when we sell products made in our country—made in Whirllicote, OH—to China, they have, in effect, a 25-, 30-, 35-percent tariff because of the currency undervaluation. When the Chinese sell a product into Chillicothe, OH, they get a 25-percent bonus or subsidy—25 or 30 percent. So that is why we have seen this huge trade deficit grow by multiples of something like three or four times.

Last week, there was a column by the former president of the National Association of Manufacturers, Jerry Jasinowski. He was president during the time of this debate in 2005. He has watched as members struggle with this disadvantage of the currency manipulation. He wrote this week that Congress is "belatedly stepping up to the plate on China's currency manipulation." He called this currency manipulation "an assault on U.S. manufacturing" that is "having a deadly impact on the overall economy."

Because these companies have lived with this, more than 300 companies have signed a petition in support of this legislation according to the Coalition for a Prosperous America. We can see companies such as McAfee Tool & Die in Ohio, and we highlighted some of the ones in different Senators' States and lots of national organizations, lots of State and local organizations, and hundreds and hundreds and hundreds of companies are supporting this because they know—and all kinds of organizations know—this isn't working for American companies. It is not working for American manufacturing. It is not working for American communities or American workers.

I had mentioned what happened up until 2005. In 2007, Senator STABENOW of Michigan, a Democrat; Senator SNOWE, a Republican from Maine; Senator ROCKEFELLER, a Democrat from West Virginia; and Senator Bunning, a Republican from Kentucky—of those four, only Senator Bunning has left the Senate—created the Fair Currency Coalition, which pulled together manufacturers and labor united to address a serious problem. We can see some of those here.

In the 111th Congress, the Senate introduced several bipartisan bills. Senator SNOWE and I worked this year on countervailing duties, legislation similar to what the House of Representatives passed, providing industries a remedy when it comes to imports that are proven to be subsidized by currency manipulation. Since then the Senate combined Senator SNOWE's and my bill with that of Senator SCHUMER and Senator GRAHAM into the bipartisan legislation we have today.

This bipartisan legislation is a no-cost job creator. In fact, it is better

than that because when we have the biggest bipartisan jobs bill—passing overwhelmingly 62 to 38 today, with some party leaders trying to block it but still passing 62 to 38—increasing jobs, particularly if we are not spending money doing it, we are obviously saving on the budget deficit.

The Economic Policy Institute says this is more than job creating, and it will create more than 1 million jobs. If we have 1 million people going back to work, that means 1 million people who aren't drawing unemployment benefits, who aren't filing for food stamps, and who aren't getting any other kinds of subsidies. They are working and paying taxes, and that, obviously, is why we can't cut our way to prosperity. We have to grow our way to prosperity and grow our way to a more balanced budget.

So that is what this is all about. And I would quote a couple of other people—Republicans. DAVID CAMP, the Republican chairman of the House Ways and Means Committee, who has supported this measure in the past, said the bill doesn't "presuppose an outcome," but sends "a clear signal to China that Congress' patience is running out, without giving China an excuse to take it out on U.S. companies and workers."

Mitt Romney, Presidential candidate, Republican, former Governor of Massachusetts, said taking action to remove protectionist market distortions wouldn't result in a "trade war," but failing to act will mean the United States has accepted "trade surrender."

That is exactly the point because the strongest objection to this bill and the most frequent and compelling argument from, apparently, the three Democrats and the, I guess, roughly three dozen Republicans who opposed the vote a couple of hours ago is that this bill declares a trade war; that it would lead to some kind of trade war.

I first want to remind everybody listening that the United States is already in a trade war. When we see the trade deficit in 10 years triple with a country that is not playing by the rules, it is pretty clear there is a trade war going on, and they are winning in so many ways because we are buying so much from them, and they are buying so little from us. Yes, our exports have increased over the last 10 years, but only marginally. Our imports from China are just growing much more rapidly.

In the end, common sense says the Chinese aren't going to initiate a trade war. You don't initiate a trade war if you are China—they might threaten to—because we are their biggest customer. One-third of Chinese exports come to the United States. They have way more to lose than we do if they initiate a trade war.

We can predict it, like we can predict the Sun will come up. Whenever we stand up to the Chinese—when President Clinton or President Bush or President Obama would sort of do a

start-and-stop in standing up to the Chinese, and then back down—the last President to enforce trade law well was Ronald Reagan. President Obama has done it marginally well, but the other Presidents haven't done it much at all. But whenever we act like we are going to do that, it is so predictable what the Chinese Government will say: Trade war. Trade war. Then some Members of the Senate will stand up and say: Trade war. Trade war. But just because the Chinese say there is going to be a trade war, they always bluster like that.

So as certain as the Sun was going to come up on Tuesday morning after the vote Monday night—which was 79 to 19—the People's Bank of China, the Ministry of Foreign Affairs, the Ministry of Commerce—like all birds flying off a telephone wire when one bird does—said this is protectionism, this is a trade war, and all the kinds of things they say. But just because they say it isn't necessarily what they are going to do. They want us to believe they are going to do that because far too often American politicians—Presidents especially—will back down.

This bill will begin to help us do what we should be doing in this country, and that is following—as the Presiding Officer has said so many times before and fought for—real manufacturing policy. Thirty years ago, in the early 1980s, between 25 and 30 percent of our gross domestic product was manufacturing. Today it is only about 11 percent. Those manufacturing jobs created an awful lot of middle-class families in Garfield Heights, OH, and in Norwood, OH, and in Grove City, OH. Today a lot of those families struggle because they have lost their \$14-, \$15-, \$18-, and \$20-an-hour job making things. Instead, they are working in a service industry, which never pays as much and never has the spinoff effect of job creation that a good manufacturing job has.

So I am thrilled about this vote today. What makes me even more excited is I think it is the beginning of the United States having a more coherent manufacturing strategy. We are the only wealthy country in the world that doesn't have a manufacturing strategy. While all of our trade competitors practice trade according to their national interests, we practice trade according to a college textbook that is 20 years out of print.

I am hopeful those days are behind us, and I especially thank Senator GRAHAM and Senator SESSIONS for their stance and making a difference on this vote today. I think this is the beginning of something much better for our country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, how much time is being divided now or is it divided?

The PRESIDING OFFICER. The Senator has up to 1 hour under cloture.

Mr. KERRY. Well, Mr. President, I yield myself such time as I may use

under the 1 hour, and I will not use all that, by any means.

Mr. President, this is obviously an issue that is more complicated than the debate may have indicated—at all moments, at least. I think there are complicated and longstanding frustrations that have built up with a lot of Senators and a lot of people in America that bring us here to this moment on the Senate floor.

As chairman of the Foreign Relations Committee, I have a reluctance to see us engage in an effort that I think can put other interests at risk in certain ways. On the other hand, I have voted to allow and help this legislation to reach the point of postcloture because I think it is an important debate and because I think China needs to carefully think about the process and the substance of what people are saying on the floor of the Senate.

This is a very complicated relationship, with enormous interests on both sides, and we need to avoid a confrontation in a lot of different ways. There are a lot of different kinds of confrontations—trade, physical confrontation in the South China Sea and the straits and elsewhere, confrontations over human rights in Tibet—and there are a lot of issues at play. But with respect to the trade issue, China has a huge interest in the United States being able to export more effectively to China.

China has an interest in its middle class growing in its purchasing power and expressing that purchasing power through consumption. One of the things China needs is its own higher level of domestic consumption. It is saving too much. One of the reasons it saves too much is it doesn't have a safety net structure of any kind, really, so people do save. That is the nature of life there. But at the same time, I think China is seeing a slowdown of its own economy now. One of the reasons for the slowdown in China's economy is the fact that we have had a slowdown in our economy and our ability to consume, and the American consumer is paying off debt, wisely, and consuming less of the goods brought in from China. So it all is interconnected.

China is also our biggest banker. China is critical to our ability to deal with our current economic challenge in many ways—and Europe's, I might add. Both Europe and the United States would benefit significantly with a new trade relationship with China.

That is what I want to talk about for a moment. I believe in trade. I have supported trade here. I don't believe in unequal trade. I don't believe in unfair trade. I believe in enforcing the agreements we have. If you look at NAFTA, for instance, NAFTA had side agreements—side agreements on the environment, side agreements on labor standards—and they were never enforced. People have a right to be angry if they see an agreement that is made and then parts of it are enforced, parts of it are not, and they see their jobs go

overseas, whether it is from North Carolina or Georgia or Massachusetts or Ohio or any other place in our country. So I think it is important to have trade that is fair and sensible.

You are not going to grow your economy trading with yourself—no way—particularly if your overall population growth isn't growing that fast and you are a mature economy. Economics just doesn't work that way. You need newer markets and other places to expand. So I believe it is important for us to recognize that the world's trading system only works if the participants treat each other fairly.

Over the last decade, our national debate on the costs and benefits of trade has intensified, and, frankly, the uneasy alliance, the uneasy consensus that had been created from the 1980s forward with respect to trade is being frayed right now, is being frayed for understandable and clearly definable reasons.

The American worker is not seeing their wages go up. There are a lot of reasons for that: the unfairness of our Tax Code, the inability of people in America today to be able to bargain the way they used to, the lack of an NLRB and a court that uphold the rights of labor to be able to negotiate—a whole bunch of reasons people are disadvantaged today. One of them is the fact that you have this unfair competition.

In order to keep the consensus that allows Americans to say: Yes, trade is a good thing, it has to be a good thing. And to be a good thing, it has to be fair and it has to result in people's lives being improved by it, meaning their wages go up, their job gets better, and their opportunities are better. But everything has been working in the opposite direction. I think that is why so many of our colleagues feel a responsibility to come to the floor on this legislation and make sure that China and others hear from the American people loudly and clearly.

We did this before on a vote we took on currency legislation back in 2005. I think China heard us then, and China began slowly to allow the value of its currency to begin to fluctuate rather than keeping it pegged tightly to the dollar.

China has taken measures. In fairness, China's currency has appreciated over the course of the last few years. Some argue exactly how much—somewhere in the vicinity of 27 percent, maybe 7 percent the last year—but it is not fast enough, and it is still not fair enough. And the fact is that there are other Chinese trade tactics that contribute to our increasing trade deficit with China, not just currency.

Unfortunately, our efforts through multilateral institutions—nobody can point a finger at the United States and suggest that we haven't played by the rules or that we haven't gone to the global institutions in order to try to resolve these differences. We have gone to the World Trade Organization, and

we have won, step by step, slowly but surely. But if your tactic is to just keep in this highly mercantilistic, focused strategy of China's to just keep on pushing, take advantage of everything you can, and you get a little nibble against you here and there at the WTO, a little nibble over there, that is really just an inconvenience on the road to a kind of trade domination that is bad for everybody.

That is why I am here today. That is why I have voted for this legislation to come to the floor, to have this debate. This debate is an imperfect stand-in for the broader discussion we need to have about our economic relationship with China. The truth is that our bilateral relationship is both filled with promise and plagued by complex challenges we have to overcome for the good of both countries.

The Chinese market is a huge and growing opportunity for American firms, obviously. Despite the hurdles to entry—and there are hurdles—China is still our fastest growing export market today. People had better think about this as we go forward.

I am convinced that the key to America pulling itself out of this economic challenge we are in today and the key to Europe pulling itself out is for the United States and Europe to actually work out, almost formally, a new and better relationship with respect to trade with China, as well as with the other fast-developing countries—Mexico, South Korea, Brazil, India—because if those societies will allow us adequate entry to market and if those societies will purchase more from Europe and the United States, then we will export more, manufacture more, and come out of the economic doldrums. That reverberates to China's benefit, also, because their investments in the United States become more secure, because our debt goes down, because we have a stronger economy, and because we are purchasing more in return from them. What goes around comes around.

My hope is that we can agree on fair terms and conditions for trade with these rising powers. If we do, we will create jobs. That is the fastest way we have to create jobs and pull out of our economic doldrums today. The simplest, fastest, most obvious way to do this is to be able to access those other markets rapidly with American goods and begin to restore confidence to the marketplace so that people believe they will get a larger return on their investment and begin to reinvest in job creation and in the marketplace.

The current trade model we are operating under with massive U.S. trade deficits and enormous Chinese trade surpluses is not only unfair, it is unsustainable. So we have to rebalance that relationship. And China's own leaders need to understand that their country's long-term economic health absolutely cannot rest on a foundation of subsidized exports fueled by an indebted American consumer and the

credit card of the American consumer. That is a deathly unvirtuous—to use our former Fed Chairman's comments about virtuous and unvirtuous cycles, it is about as unvirtuous as you can get in that economic relationship.

Now, conflict, in my judgment, is not the best way to resolve our tensions. Making clear how we feel and what we think the reality is and what is important in our relationship is critical.

Some of our colleagues have come to the floor to argue that our two countries are already in a trade war. Others have come to the floor to say this bill is going to trigger one. I don't agree with either view. I don't think either one of those views is correct.

If we were in a real trade war with our largest lender, let me tell you, they would be doing a heck of a lot more damage than the misalignment of currency is currently doing to us.

The specific remedy proposed in this legislation is neither as dramatic nor as offensive as some people have said. This is a pretty carefully structured piece of legislation, and I think the language has been chosen in a thoughtful way and the remedies that are available under this bill are not as dramatic as some would suggest. It doesn't propose raising tariffs on all Chinese goods. It only proposes increasing tariffs on those Chinese goods that receive an unfair advantage from an undervalued currency and then compete with American-made goods here in the United States. It is a pretty limited and targeted message. And that is within our rights. If the yuan is properly valued, that will simply not be necessary. That is China's decision, China's choice.

I would much prefer a negotiated, multilateral solution, as I described, involving this new relationship, a new trade relationship on a global basis, which I think would send an extraordinary message to a beleaguered Europe, where Greece, as we all know, is basically fundamentally insolvent, needing some kind of a managed, structured transition hopefully that avoids a greater crisis in Italy and Spain and contagion in their banking system, which clearly needs recapitalization, clearly needs more than the \$440 billion that was put on the table, clearly needs some kind of a rescue fund with some very tight kinds of requirements not dissimilar to what we did in the United States in 2008 and 2009 out of sheer necessity. My hope is they will do that.

Nothing would do more to send a message of confidence about the future of job growth than to have this new trade understanding and relationship where responsible partners are behaving responsibly and accepting responsibility for the global marketplace in which we all operate, not just exploit it but support it, protect it, nurture it.

Beyond the currency, there are many other sources of tension in our economic relationship, and they need to be resolved. China does not protect adequately our intellectual property in its

market. That is almost a euphemism. The violations of intellectual property rights, the outright theft in some streets and communities within China of billions of dollars of American designed and marketed and developed property is shocking. In addition to that, China imposes artificial regulatory barriers to the entry of many of our goods. It fails to crack down on cyber attacks, and it has executed a thinly veiled effort to appropriate key foreign technologies. On each of these issues, and others, we have been going to the WTO, we have been bringing cases, and we have been winning those cases. As I have said, that is not a substitute for this larger fix in the relationship that is critical.

I believe overcoming market access challenges is actually where we ought to be focusing our efforts in China and also in the other large, fast-growing markets. That, as I have said several times, is really the answer—the quick answer, if you will. We can develop goods and we can invest in companies here, but if we can't sell the goods to more than ourselves, we have some serious limits on us. It is important for us to be fighting for that market access.

I believe that to increase our exports, we are going to have to increase our competitiveness at home and we are going to have to convince our partners to lower their tariffs, remove discriminatory regulatory restrictions on our exporters, protect intellectual property, use scientific standards as the basis for allowing our agricultural goods to enter, and recognize that trade in services is becoming as important to the modern economy as trade in goods. We need to make the case that doing all of these things is not to the advantage of one country or another, it is to all of our shared advantage because of the nature of the global marketplace in which we live.

Countries such as China, India, and Brazil are stakeholders. Whether or not they want to admit it publicly, they are stakeholders in the West's economic success. They need access to our customers. They need access to our investors. They want to make deals over here. They want to be in joint ventures. They want to own companies. And their businesses and citizens will benefit from strong, sustainable growth in the world's largest economies.

China is an important partner of the United States in a lot of ways. It is also a major investor in the United States. So I don't think we are here to rupture that relationship; I think we are here to send a message to the Chinese about the urgent need to repair it. We want a mutually beneficial relationship, an equitable partnership that will pay dividends for both countries. And I believe, if we listen to each other and work in good faith, we can make that happen and we can enter into a better framework of cooperation that inures to the benefits and the security

and the stability and the leadership demands of both of our countries.

We both sit on the Security Council of the United Nations. We both have remarkable responsibilities through our economic power. We are still the largest economy on the face of this planet, maybe three times larger than China—still, even as China is growing. China will surpass us. With that reality of where China stands today economically comes major responsibility. No country has exercised that responsibility through all the last century and into this century with a greater sense of purpose and responsibility than the United States. Hopefully, China will embrace the notion that its new economic power brings with it that same shared responsibility. I hope we can engage in the creation of that kind of mutually beneficial relationship.

I reserve the remainder of my time and yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

JOBS CRISIS

Mr. HATCH. Mr. President, I rise to speak about our Nation's jobs crisis. This is a crisis that is real and it is a crisis that is not going to be addressed by the bill currently being considered by this body. It is not a crisis that is going to be solved by more tax increases, as some would have it. It is a crisis that will be solved when Congress creates the conditions for job creation by giving greater certainty to businesses and individuals and liberating them to take risks.

Americans are more than uneasy about our current jobs deficit. The failure of this economy to create jobs is the single most important issue to the citizens of this country. For years now, whenever I have talked to my fellow Utahns about the economy, their No. 1 concern has been jobs. Throughout the country, particularly in those places that are worse off than my own home State, I am quite certain people have the exact, same concern.

We have had more than our fair share of posturing on job creation in Washington. We heard a speech to a joint session of Congress from the President, wherein he demanded passage of this jobs bill. Of course, the President's bill has no real chance of passing in either Chamber of Congress. Indeed, Members of the Senate Democratic leadership have been quoted publicly as saying they don't even believe enough Democrats would vote for the bill to pass it in the Senate, with or without a filibuster.

But not all hope is lost. Members of both parties agree we need to pass a jobs package of some kind. The American people demand it and I believe Congress can deliver. However, I am not under any illusions. This will be a difficult task, and it will require Congress to recognize some hard truths and to make some difficult decisions. But if we are serious about job creation and not just about campaigning on job creation next year, that is what we are going to have to do.

It will not be enough to simply pass legislation that will stimulate the economy in the short term. We have tried short-term stimulus time after time again and it does not work. One of the President's first acts after his inauguration was to promote and sign a partisan big spending stimulus package. It did not work then and it is not going to work now. What we need to do is change the economic environment in America to make it more jobs friendly, to change incentives to allow for long sustained job growth.

As I said, it will not be easy, but I believe it is doable because, frankly, there are things we should have been doing all along that will create more jobs and prevent more job losses in the future.

That is what I wish to talk about. I want to unveil my own jobs proposal. It is a comprehensive, 10-point plan that I believe encapsulates much of what we should be doing to create more jobs in America. I wish to take just a few moments to talk about each of the 10 points in my jobs plan.

No. 1, we need to restore fiscal sanity in Washington. Our Nation's \$14 trillion debt is an anchor around the neck of every American and a threat to our economic growth and job creation in the future. Congress must take meaningful steps to reduce our debt and get America's fiscal house in order.

This is something my friends on the other side of the aisle do not seem to get—debt and deficit reduction is a jobs issue. The failure to get this spending under control led to a downgrade of our Nation's credit rating, an action that will impact our interest rates and impede job growth. The failure to get spending under control and the constant threat from the other side of higher taxes to pay for this historically large government keeps businesses on the sideline and discourages risk-taking. The failure to get spending under control crowds out the types of investments in national defense and infrastructure that actually have some impact on jobs. Reining in spending should be our highest priority.

Given the fights we have had over spending in the last year, this goal may seem to some to be out of reach, but I am optimistic. I expect some success from the Joint Committee on Deficit Reduction that is currently working on finding significant savings and currently trying to find a way out of our problems. Members of both parties are on record supporting a balanced budget amendment to the Constitution, which would ensure greater fiscal discipline in the long run. This is a vital element to securing economic growth and job creation in the future, and we need to act now. As the ranking member on the Senate's Finance Committee, I am committed to working with my colleagues there to achieve meaningful reform of our Nation's largest spending programs.

No. 2, we need to expand markets for U.S. exports by approving the pending

three free-trade agreements and renewing trade promotion authority. Every President has wanted that except this one. Congress waited far too long for the President to send the pending trade agreements with Colombia, Panama, and South Korea, which would increase U.S. exports by \$13 billion and create more than 70,000 domestic jobs. Some estimate even higher than 250,000 jobs. Unfortunately, in delaying submission of these agreements, the President prioritized his anti-trade union allies at the expense of the American workers who stood to benefit from their passage. Now that these agreements are before Congress, we need to ratify them promptly. However, we also need to move forward with a robust trade agenda for the future.

Unfortunately, by refusing to seek renewal of trade promotion authority, the President is undercutting our Nation's ability to realize these new trade agreements.

No. 3, we need to reform our Nation's Tax Code to allow American businesses to compete with foreign competitors on a level playing field. Rooted in a bygone era, the U.S. Tax Code is antiquated, impeding our economic recovery and slowing job growth. Our tax system is too burdensome, it is too inefficient. Fundamental tax reform will allow both individuals and businesses to focus their efforts on their families and businesses instead of tax compliance. There is bipartisan agreement on the need to fix our Tax Code and if the President and his party will agree that the goal of tax reform should be job creation and economic growth rather than raising taxes, I think progress can be made.

No. 4, we need to repeal ObamaCare. I am certain my Democratic colleagues will write this proposal off as blind partisanship, but to paraphrase President Obama: This is not partisanship, it is math. ObamaCare's unconstitutional individual health care mandate will result in a \$2,100 increase in premiums for families buying insurance on their own. Rather than saving money, ObamaCare is costing individuals and States more money, including \$118 billion in new costs imposed on States for Medicaid expansions, meaning that our States will have to cut other programs such as education or law enforcement to pay for this unfunded mandate. Additionally, ObamaCare will result in over \$1 trillion in new taxes and penalties over a 10-year period once it is fully implemented in 2014, while still increasing the deficit by \$701 billion during that same time.

Collectively, the various provisions included in ObamaCare will continue to hinder job creation and industry innovation by mandating the imposition of anti-industry burdens such as a 2.3-percent excise tax hike on medical device manufacturers that could result in job losses of over 10 percent of the device industry workforce. That is nearly 43,000 potential lost jobs. Some experts have calculated that nearly 800,000 jobs

could potentially be lost as a result of full implementation of all of ObamaCare's provisions.

Clearly, calls to repeal ObamaCare are more than political blustering. It is simply a necessary step forward toward job creation.

No. 5, we need to repeal the Dodd-Frank Act. Again, it would be easy for our friends on the other side to write off this proposal as just partisan posturing, but facts are facts. American companies and small business owners are paralyzed by the excesses of the Dodd-Frank Act which has created massive new bureaucracies, imposed job-killing mandates, and heaped upon American businesses a slew of regulations that are choking off job opportunities for Americans. Dodd-Frank is leading to reductions in the availability of credit to American families and businesses and increases in the cost of credit to those who are able to borrow. The price controls required by Dodd-Frank and by the Dodd-Frank interchange amendment are a case in point of what happens when government wades carelessly into the economy.

I don't know why it came as a surprise to anyone that the price controls imposed by the interchange agreement, drying up a revenue stream for banks, would require new fees on consumers. Yet I doubt the announcement that banks are eliminating free checking and increasing debit card fees, a direct result of the interchange amendment, will result in a long look in the mirror for those responsible for this regulation. Rather, the favored response will no doubt be more regulation. It is essential that we repeal this fundamentally flawed law to unleash the full potential of the American economy by unfreezing much needed credit for small businesses as well as stripping away new layers of burdensome and ineffective regulations.

By the way, I have not mentioned Sarbanes-Oxley, which is adding accounting costs and other costs so astronomical to small business that many of them are not able to hire, they are not able to accomplish what they want to accomplish, and it has stalled our economy. That doesn't mean we don't need some regulations, but these bills have gone way to the excess.

No. 6, we need to make our regulatory system more jobs friendly. America's regulatory system is out of control. Time and again, unelected Washington bureaucrats erect walls of redtape that place significant burdens on the job creators. Far too often, businesses are forced to spend time and resources trying to comply with unnecessary Federal rules and regulations rather than on growth and development. With unemployment at over 9 percent, Congress needs to ensure that policies pursued by Federal agencies make it easier for businesses to hire and do what is necessary to be able to compete globally. There is bipartisan support for this idea. President Obama

has proposed requiring regulators to perform a cost-benefit analysis in drafting new regulations. This requirement should be set by statute and should apply to all Federal agencies.

In addition, Congress should have greater influence in the regulatory process and should pass legislation such as the REINS Act, S. 299, which would, among other things, require Federal agencies to obtain congressional approval for regulations that will have significant economic impact.

No. 7, we need to develop America's energy resources. In the United States, energy is produced by private industry. Yet most energy resources are controlled by the Federal Government. The Obama administration has aggressively withdrawn access to Federal energy resources and has stalled or proscribed countless domestic energy projects sought by industry. This willful inaction by our President has cost Americans hundreds of thousands of good-paying jobs. It has also cost our Federal and State governments billions of dollars in lost revenues from Federal energy royalties which they share. A recent Wood Mackenzie study found that if our Nation were permitted to allow more domestic energy production in the next two decades, an additional 1.4 million jobs would result and Federal and State governments would enjoy more than \$800 billion in additional revenue. According to the study, it would mean more than 40,000 new jobs in Utah alone.

I have worked with my colleagues, Senator DAVID VITTER of Louisiana and Senator JOHN BARRASSO of Wyoming, on two legislative proposals that would reverse the President's attacks on domestic energy production. The 3-D, Domestic Jobs, Domestic Energy, and Deficit Reduction Act, that is S. 706, and the American Energy and Western Jobs Act, S. 1027, will get America back in the business of producing its own energy, creating hundreds of thousands of new jobs and billions in new revenue for Federal and State governments.

No. 8, we need to help America compete by protecting and encouraging innovation. We must modernize and make permanent research and development, the R&D tax credit to help keep America on the leading edge of technological innovation.

The United States once led the world in research and development incentives when we created the R&D credit back in 1981. However, in the years since other countries have responded with their own incentives, and now we rank 17th behind many of our global competitors. Senator BAUCUS and I have been the prime sponsors of the research and development tax credit over the years. In order to provide a more level playing field for American companies that compete in the global marketplace, we must provide more certainty to companies that invest heavily in research and development.

In addition, international infringement of U.S. intellectual property

rights costs American businesses billions of dollars every year. This affects big corporations and small businesses alike. By simply ensuring that our trade partners fulfill their international obligations to recognize and enforce intellectual property rights, we can create millions of jobs in this country. Starting now, this administration must take more meaningful steps to address this problem and protect American job creators.

No. 9, we need to create incentives and remove barriers for small businesses to create jobs. Small businesses drive the American economy and they are the soul of our Nation's entrepreneurial heritage. Small businesses create two-thirds of the jobs in our Nation's economy. As such, they should be at the forefront of our economic recovery. To achieve this, we need to ensure that American small businesses operate in a more business-friendly environment. Big-government solutions have failed to produce jobs, so it is long overdue that we release the entrepreneurial power of the private sector to grow our economy once again. We can and must make it easier for small businesses to invest, grow, and create jobs.

For example, Congress could provide a 20-percent tax deduction for small businesses on their income, and Congress could repeal the 3-percent withholding requirement for Federal contractors. Both of these ideas would expand job creation among small businesses.

No. 10, finally, we need to reform America's labor laws and rein in the National Labor Relations Board. Congress must enact significant reforms to our Nation's labor laws to counteract the pro-union extremism of the Obama National Labor Relations Board, or the NLRB. Instead of allowing the NLRB to rewrite America's labor laws every time a new administration takes office, Congress should reform those laws to provide greater oversight, accountability, and judicial review of the NLRB's decisions. They are usurping the power of the Congress. They are usurping the power of the courts. The fact of the matter is they don't have the right to do that, and they are overturning 76 years of solid labor law which is slightly in favor of organized labor. They want to make it totally in favor of organized labor.

In addition, Congress should pass legislation such as the Employee Rights Act, S. 1507, which I introduced in August to protect the rights of workers who do not want union representation, to prevent unions from exploiting their current members, and to ensure that the NLRB is no longer able to trample employee rights via regulatory fiat.

Congress should finally repeal the outdated prevailing wage requirements in the Davis-Bacon Act or, at the very least, suspend them until the economy recovers. Doing so would reduce burdens on small businesses, save the taxpayers money and, of course, create more jobs.

Once again, I am not under any illusions that passing this type of jobs agenda will be easy, but I am convinced of its necessity. Each of these proposals would achieve a commonsense objective, and most of these ideas have broad support within Congress and the American people. One thing is certain, however. We cannot stand by and do nothing. The people of Utah, whom I serve, and people across the country are demanding more jobs. This plan would accomplish this goal, but not through government, more regulation, more spending, and more taxes. Rather, it would encourage private sector job growth by getting government the heck out of the way. And by ensuring greater economic stability in the future, it would help to maintain the conditions for robust job creation.

I yield the floor.

The PRESIDING OFFICER (Mrs. MCCASKILL). The Senator from Illinois.

AMERICAN JOBS ACT

Mr. DURBIN. Madam President, I wish to follow on the speech made by my friend and colleague from Utah about the current state of unemployment in America and what to do about it. One of the last things he says is, get government out of the way. I wish to suggest that maybe, if he has some time—and I know he is a very busy man—he join me on a trip to Peoria, IL, where I was last week visiting Lucas & Sons Steel Company. This company has been in business since 1857. It has 26 employees. The CEO is a delightful, dynamic young woman named Margaret Hanley. She has, as I said, 26 union employees, all ironworkers. What she does is fabricate steel for construction projects all over the Midwest and as far away as Antarctica. As I said, the company has been around over 150 years.

I asked her, Where do you get your steel? She said, It is all American steel. I asked her, How are you doing? She said, Great. She said, One of the reasons we are doing great is because of President Obama's stimulus package. The President said to American businesses such as hers, you can borrow money at low interest rates to buy new machinery that will help you be more competitive. She said, Come on, let me show you. We walked in the other room, and here was a computer-driven machine as big as a small room being handled by a fellow that was literally taking steel girders, boring holes in them, and bending them where they are supposed to be bent. She said, I can compete with the big boys with this. We are going to increase the number of people working at Lucas & Sons Steel. Senator HATCH says, Government, get out of the way. Thank goodness, government was there for that company, a private company, paying a living wage with decent benefits, that has been around for a century and a half and is prospering because they are making quality products out of American steel with equipment they bought through President Obama's stimulus package.

How many times do we hear Senator MCCONNELL come to the floor and say, The President's stimulus package was a punch line on nighttime TV? Well, it isn't a punch line in Peoria. It is dead serious because people are working, making a good wage, thanks to the investment in small business through government help.

I believe, and most Americans believe, real job creation is going to be in the private sector. Well, look what happened here. Because of the investment of government helping her to buy this machinery and be competitive, production and manufacturing jobs stayed right here in the United States, and that is what we want. There are 14 million people out of work.

As I traveled up and down my State of Illinois, I visited some days with those who are unemployed, desperately trying to find jobs, and other days with businesses such as Lucas & Sons Steel in Peoria which are doing well. I asked them the key to their success. They basically say they have been lucky to have good products and great workers and great infrastructure.

Senator HATCH says, Get government out of the way. Government has to be in the way for infrastructure. It is government that builds the highways, the bridges, the airports, the railroads. That is part of what the government is investing in for the future of our economy. Part of President Obama's jobs package is to put Americans back to work rebuilding basic infrastructure. We need it. We need it all across the Midwest and across the Nation. If you think we can afford to get government out of the way and not invest in infrastructure, take a look at what is going on in China today. In China, our No. 1 competitor in the world and our No. 1 creditor in the world, they are building right and left. They are preparing for the 21st century. They are going to build 50 new airports in the next 5 years that will accommodate every plane of every size made by Boeing Aircraft. That is how big these airports are. There will be 50 new ones. They are building the infrastructure to not only compete but pass the United States.

When my colleagues on the other side come to the floor and say: Get government out of the way, what do they mean? That we should not be investing in infrastructure to make America strong for the 21st century; that the businesses, large and small, in Illinois that need modern, safe highways to move their goods back and forth to market should not turn to government for that help? It makes no sense. Historically we have agreed on a bipartisan basis when it comes to infrastructure. We should agree again, and that is part of the President's jobs bill.

Let me tell you what else is in there. We know America's working families are struggling paycheck to paycheck. They took a survey recently, and they asked working families in America: How many of your families could come

up with \$2,000 in 30 days either out of savings or borrowing? That isn't an unreasonable amount of money. A very moderate injury in an emergency room might cost you \$2,000. So they asked them, and it turned out only a little over half of working families had access to \$2,000. It shows you how close to the edge many families are living. It shows you many of them are surviving paycheck to paycheck. Although they work hard, they cannot seem to get ahead.

President Obama's jobs act says this: These working families deserve a payroll tax cut of 3 percent. What would that mean? Three percent doesn't sound like much, but look what it means in Illinois. Our average wage in Illinois is about \$53,000 a year. The 3-percent payroll tax cut would give to these families between \$125 and \$130 a month. A Senator may not miss that amount of money, but for a lot of working families, it is the difference between filling your gas tank and buying the shoes for the kids to go to school. So the President's payroll tax cut puts money in the hands of working families to buy the goods and services to get the economy moving forward.

What else does the President suggest? He suggests in his jobs act that we need to provide tax incentives for small businesses to hire the unemployed. One of the things the President said when he spoke to us is we ought to make sure every veteran who served our country can find a job when they get home by offering incentives for businesses to hire returning soldiers. That is government involved. We create that incentive. The Republican side says: Get government out of the way. I don't think so. These men and women who served our country, who risked their lives, who fought for America, should not have to come home and fight for a job and lose that fight. We ought to stand by them and help them find work. That is part of President Obama's jobs bill, and it is a reasonable part. Cutting the payroll taxes, cutting the taxes that businesses, including small businesses, pay so they are more profitable and can hire more people is a reasonable thing to do.

I was amused that the Senator from Utah brought up one of my issues that I have worked on, and that is the debit card swipe fee. If you use a debit card to make a purchase at a restaurant, a grocery store, a drugstore, a bookstore, whatever it happens to be, and they would swipe that card, the retailer you bought that good or service from has to pay a fee to the bank and major credit card company. Well, it turns out that the fee—the so-called swipe fee—is dramatically larger than the actual cost of the transaction to the bank and credit card company.

Let me give you some numbers. The Federal Reserve investigated, and here is what they found: To use a debit card to make a purchase costs the bank and credit card company somewhere be-

tween 4 cents and 12 cents. That is to process everything. For you to take money out of your checking account with a debit card to pay for a purchase, what do they charge? On average they charge the retailer 44 cents. That is somewhere between 600 percent and 400 percent of their actual costs. So what we did is to say that retailers across America deserve a break. With the Federal Reserve establishing the number, we said a reasonable fee is about 24 cents. That splits the difference, which is the common outcome in Washington. It gives the banks more than they actually have to expend to process, but it doesn't hit the retailers hard.

I went to the Rock Island Country Market when I was back home in downstate Illinois. Carl, the manager, talked about his morning special, a cup of coffee and a doughnut at the country market, 99 cents. He said, Senator, do you know what it feels like when someone hands me a debit card for that 99-cent transaction? I not only didn't break even, I lost money, and I will lose it every time.

We have to give retailers a fighting chance. When the Senator from Utah comes to the floor and says we should not do that, that we should stand by the Wall Street banks and the credit card companies, I think he lost sight of the fact that Main Street, not Wall Street, is where jobs are created in America. Helping retailers, large and small, be profitable, be able to reduce prices on their goods and hire more people is the way for us to emerge from this situation and have more people working across America.

There is great controversy associated with the fact that President Obama made a suggestion when he spoke to us about the jobs bill and when he said to us: I am going to pay for it. Whatever I do with this jobs bill, whether it is extending unemployment benefits, payroll tax cuts for working families, a break for small businesses to hire veterans and other unemployed people, we are going to pay for it. We are not going to add this to the deficit. He came up with a plan to do it. I thought his plan was reasonable. We have talked on the Democratic caucus side and come up with a plan that is more acceptable to our caucus, and I can accept it too. Here is what it is. It is a little over a 5-percent surcharge on people who are making over \$1 million a year—a 5-percent surcharge on their income tax. These are people who are making \$20,000 a week—\$20,000 a week—and the President has suggested they should pay their fair share. We have come up with a more specific approach—a little over a 5-percent surtax to pay for what it will take to get the jobs act moving forward and get the economy moving forward, which will be to everyone's benefit, rich and poor alike, across America.

One would think we said something heretical—the protests that were received from the Republican side of the aisle in the House and the Senate.

What I find interesting about their opposition to this is, when we ask the American people point-blank: Do you think to pay for the President's jobs bill, to get people back to work, it is reasonable to close tax loopholes and ask millionaires to pay a little more on their income tax, here is what the poll says: 64 percent—almost two out of three Americans—support raising taxes on millionaires. How about Independents? ABC News poll: Seventy-five percent support raising taxes on millionaires. But what about Republicans? Fifty-seven percent of Republicans support raising taxes on millionaires and—hang on tight—55 percent of tea party supporters agree with raising taxes on millionaires.

It turns out that the majority of Americans at every political level believe this is a reasonable proposal. The only problem is, we can't find a Republican Senator or a House Member who agrees. They have said they will vote against anything that includes a penny more in taxes for those who are making over \$1 million a year.

I think Americans believe we are all in this together. Everyone has to sacrifice. Families sacrifice every day. Businesses are sacrificing, trying to stay open and prosper in a rough and challenging economy. It is not unreasonable to ask those who are doing well in America to pay a little more so we can get this economy moving forward and create jobs.

WALL STREET REFORM

There are two other points raised by the Senator from Utah I wish to address. One of them is, he said he is against the Wall Street reform package we passed. Do my colleagues remember—it hasn't been that long ago—when we were told by the previous President that if we didn't provide almost \$800 billion of taxpayers' money to the biggest banks in America, they would fail and the economy would crater? It is a day I will never forget because it is a stark choice: take \$800 billion out of our Treasury with all our debt and give it to Wall Street banks or run the risk of our economy collapsing. Many of us said we will stand with President Bush's proposal. We will see if we can keep these banks staying afloat. Does anyone remember the thank-you note we got from the major bankers across America for the \$800 billion in TARP funds? They gave million-dollar bonuses to their officers. The same people who were in charge and who drove their banks into the ground and drove the economy into the ground that forced the taxpayers' bailout were ending up with millions of dollars in bonuses.

We decided with Wall Street reform to say, once and for all, we are not going down this road again. This notion that some of these Wall Street banks and bigger banks are too big to fail has to come to an end. So we passed Wall Street reform to try to straighten out some of the abuses that led to this recession. We didn't get a

single vote on the Republican side of the aisle—not one. They don't want the government to exercise any power of oversight, to police the ranks of those in the financial industry who are not dealing with this situation responsibly. That is their position.

I happen to believe government has a legitimate role. When those banks were about to fail, they loved government. They couldn't wait to get our money. They got the money and survived and then gave one another bonuses. The government said: Now you have to clean up your act, and they said: Get out of the way. Government is nothing but a big old problem.

The American people know better. We want Wall Street and the big banks to be held accountable. We never want to go down this bailout road again, and I think—and I hope most Americans believe—that oversight of these banks is absolutely essential to make sure we have money available and these banks are sound.

HEALTH CARE REFORM

The last point I will make relates to the health care issue. I see my colleague from Colorado on the floor, and I am happy to yield to him in just a couple minutes.

The health care issue is one that is a frequent source of conversation among the political talking heads and elected officials here in Washington. Recently, many on the other side of the aisle have been holding almost daily press conferences—one was reported today in the Washington Post—where they get very worked up over the President's health care reform bill, which I was proud to support, and say it is the reason for virtually every problem in America.

Let me tell my colleagues on both sides the reality. Having served on the deficit commission, we cannot reduce the deficit and the rate of growth in our national debt without coming to grips with the cost of health care. Whether it is a family, a business or any level of government, the cost of health care is breaking the bank. What we tried to do, and I think we will do, is to come up with a fair way to bring down the rate of growth and the cost of health care. I am not naive enough to believe we are going to actually bring down health care costs dramatically. What we are trying to do is to slow that rate of growth, and that is something we can achieve.

I take a look around at what we are faced with when it comes to health care and the dilemmas we face, how many people before this health care reform bill had virtually no protection. One of the things we did in health care reform, which I suppose those who want to repeal it want to get rid of, was to say they couldn't penalize a person or a family because of preexisting conditions. Children under the age of 18 could not be denied on a family policy because of a preexisting condition. Many parents, such as my own family, have lived through this and have

known that if we couldn't get basic health insurance for our child, it could jeopardize the quality of care that was available. We changed that law. We said they cannot discriminate against children under the age of 18 because of preexisting conditions. We are moving toward eliminating that discrimination across the board. Is that unreasonable? I think it is realistic and humane and it is a good thing to do.

The second thing we did was to help senior citizens getting prescription drugs under Medicare who get stuck with something called the doughnut hole. It is a gap in coverage of almost \$2,000 a year that they have to take out of their savings accounts to pay for expensive prescription drugs. We are closing that hole over a period of a number of years so seniors will have seamless coverage, start to finish. That is part of health care reform. Those who are calling for its repeal ought to stand and say exactly that they want to get rid of that as well.

We also provide coverage under the family health insurance plan for children up to the age of 26. It expands the reach of family health insurance for recent high school and college graduates who may not have a job. It is an important coverage factor that I am glad we included in this bill.

There is more we need to do. But to walk away from health care reform, to walk away from efforts to preserve quality and reduce the cost in health care is a step in the wrong direction for the quality of life of American families and for dealing with this deficit challenge we face.

I sincerely hope my colleagues on the other side of the aisle will consider joining us in offering amendments and modifications to the President's jobs act. What is absolutely unacceptable is to do nothing. Unfortunately, many of them believe that is exactly what we should do: Don't let government get involved in any respect when it comes to the unemployment across America. Whether it is unemployment benefits, helping working families, giving incentives to small businesses to hire veterans and other people, putting money into infrastructure in America—these are things we can and should do together as a nation to bring this economy forward and to reduce the unemployment we are currently facing.

I yield the floor.

The PRESIDING OFFICER. Expressions of approval are not in order.

The Senator from Wyoming.

Mr. ENZI. Madam President, if I had the time, I would contest a few things my colleague from Illinois said, but I am not going to make a political speech; I am going to speak on the bill that is currently before the Senate which is the China currency bill.

So I rise to speak on the China currency bill. China's undervaluation of its currency is a serious problem. It is an issue I studied when I was a member of the Senate Banking Committee and now as a member of the Finance Com-

mittee. Earlier this year, I also had an opportunity to visit China with a number of my colleagues and learn more about this issue as we met with their government officials.

It is clear the efforts of the Chinese Government to peg its currency against the dollar give unfair benefits to the Chinese exporters at the expense of U.S. manufacturers. The United States should take additional action to pressure their government to reevaluate Chinese currency.

However, this is not a new problem. China currency has been a priority for both President George W. Bush and President Obama. Through a number of venues, including the Joint Commission on Commerce and Trade talks, our officials at all levels have raised this issue with little response. This experience shows that action by the United States alone is not enough. We know other major global trading powers have the same concern, but we continue to act individually. Just this summer, the German Government made a renewed attempt to gain more flexibility in China's currency. The full European Union has followed suit, but they, too, have had little gain. But the United States and the European Union are not the only ones concerned about China currency. A number of emerging economies, including both India and Brazil, have also made the same plea. So the question I ask now is why are we considering a bill that puts the United States in a position of going it alone?

That is one reason I am a cosponsor of the Hatch amendment No. 680. This substitute amendment retains the designations included in the underlying bill that define a "fundamentally misaligned currency" while giving direction to the administration to pursue action through multilateral channels. The amendment also thinks forward by making the issue of currency misalignment a priority issue in both our current trade negotiations and in future trade agreements. It is important that the United States not act by itself when it comes to pressuring China on this issue. I have found in my experience that when it comes to economic policy in our globalized world, the multilateral approach is the most successful. That is one reason I do not support imposing unilateral economic sanctions on any nations. I am hopeful the Senate will have an opportunity to vote on and include the Hatch amendment in this bill.

I also wish to speak about an amendment I am working on with my colleague from Oregon, Senator MERKLEY. Given that this bill is about enforcement of trade obligations, we filed an amendment that would encourage our officials to counternotify those nations that have failed to report on the government subsidies that are provided to industries engaged in international trade and in competition with us. The World Trade Organization agreement on subsidies and countervailing measures establishes base rules for when

members can provide subsidies. An important element of that agreement for compliance is a measure that requires each country to disclose annually information about their subsidies. China agreed to these obligations in 2001. However, since joining the WTO 10 years ago, China has only made its required notification once. That was in 2006, and it was largely incomplete. The amendment we have offered requires the U.S. Trade Representative to use its authority under the WTO subsidies agreement to counternotify a nation that has failed to meet this obligation 2 years in a row. I am told the U.S. Trade Representative plans to act this afternoon by submitting information to the WTO that identifies China's failure to comply with this requirement. I am hopeful this will lead to accurate and consistent reporting by those governments that continue to disregard their trade obligations.

This problem with reporting subsidies points to the larger issue we have with China aside from currency misalignment. There are other significant Chinese policies that put the United States at an economic disadvantage and deserve our attention. One such policy I wish to highlight is China's policy of giving value-added tax—VAT—rebates to artificially promote exports.

On April 1, 2009, China reinstated a 9-percent rebate of its 17 percent VAT on soda ash exports, another instance of China manipulating commercial outcomes through a government industrial policy. In 2009, during the depths of the global economic crisis, China's soda ash exports increased 9 percent, while global demand for soda ash was in free fall. That same year, U.S. exports of soda ash fell 19 percent. This is just one of the countless examples where China's producers pay little attention to market conditions and instead are being driven by artificial incentives to export.

Continuation of such a policy puts U.S. jobs and the soda ash industry at risk, which is why I have led an effort to have our government press China for the elimination of the VAT rebate on soda ash.

The U.S. natural soda ash industry employs over 3,000 workers in Wyoming and California, another 100 dock workers in Portland, OR, as well as railroad workers who help transport soda ash. Half of all workers employed in the soda ash industry are dependent on exports for their jobs.

The U.S. soda ash industry is an export success story. For the first time in 2010, the U.S. soda ash industry shipped more product to overseas markets than it did to domestic customers, and exports continue to grow in 2011. Domestic demand for soda ash is flat, so growth in the U.S. soda ash industry is entirely dependent on maintaining and expanding its exports.

The United States is the most competitive soda ash producer in the world, but it will continue to be confronted by

China's trade-distorting policies that put it at a competitive disadvantage. Specifically, China's VAT rebate on exports reduces China's production costs. It undermines U.S. soda ash exports in other markets. Moreover, Chinese soda ash is produced through synthetic processes that are both extremely harmful to the environment and are energy intensive.

China's manipulation of its VAT rebate has been raised multiple times by Members of this Chamber, as well as our House colleagues. On May 31, 2011, we asked Commerce Secretary Gary Locke and U.S. Trade Representative Ron Kirk to keep this issue on its agenda with the Chinese and fight for its elimination.

Madam President, I ask unanimous consent to have printed in the RECORD the text of the letter to Secretary Locke and Ambassador Kirk.

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

CONGRESS OF THE UNITED STATES,
Washington, DC, May 31, 2011.

HON. GARY LOCKE,
U.S. Secretary of Commerce,
Constitution Ave., NW,
Washington, DC.

HON. RON KIRK,
U.S. Trade Representative
17th Street, NW,
Washington, DC.

DEAR SECRETARY LOCKE AND AMBASSADOR KIRK: We are writing to express our continued concerns about China's use of a Value-Added Tax (VAT) rebate to promote its soda ash industry at the expense of U.S. exports. For over two years, China has provided its domestic manufacturers with an artificial incentive to export through a 9% rebate of the 17% VAT. For a number of reasons, we ask that the issue of the soda ash VAT rebate be specifically included on the JCCT agenda this fall.

After suspending its VAT rebate for soda ash in July 2007, China reinstated the soda ash rebate in April 2009 to encourage its own exports during the global economic crisis. China's state-supported soda ash industry is the largest in the world and this policy is harmful to its international competitors, particularly U.S. soda ash manufacturers. As you may know, U.S. soda ash has a natural advantage over Chinese soda ash, based on a manufacturing process that is much more sustainable in terms of environmental protection and energy use than the synthetic processes used in China. China's manipulation of the VAT rebate to support its domestic soda ash industry also has wider implications—not only is it economically unjustified, it contravenes China's own interests in shifting energy resources from more productive and efficient industries.

We must focus on Chinese policies that are a direct threat to U.S. exports and U.S. jobs. The soda ash VAT rebate is one such policy. Chinese exports compete directly with U.S. soda ash exports in the Asia-Pacific market and beyond. Although the VAT is just one part of China's overall industrial policy, the soda ash VAT rebate is a distinct threat to U.S. manufacturing in a sector where the United States enjoys a natural competitive advantage. If we don't stand up for the pillars of our export-based manufacturers like the soda ash industry—and the U.S. workers employed throughout the soda ash supply chain—we cannot seriously contend we are doing everything we can to support U.S. exports.

We ask that the Department of Commerce and the U.S. Trade Representative's Office ensure that the soda ash VAT rebate is raised at the highest levels with Chinese officials at the JCCT meetings this year. The message should be as clear as it is convincing; namely, China should live up to its repeated pledge to discourage the expansion of highly-polluting and energy-intensive sectors such as its own soda ash industry. Policies aimed at promoting soda ash exports, such as the VAT rebate, are inconsistent with China's own stated goals and a direct threat to U.S. interests.

We greatly appreciate your consideration of this request and look forward to your response.

Michael B. Enzi, John Barrasso, M.D.,
David Wu, Joseph I. Lieberman, Robert
Menendez, Cynthia Lummis, Ron
Wyden, Jeff Merkley, James A. Himes,
Frank Lautenberg.

Mr. ENZI. For over 2 years, China has provided its domestic manufacturers with an artificial incentive to export through the 9-percent VAT rebate on soda ash. When this incentive is removed, a truly competitive market can be restored for global exports of soda ash. I look forward to a lively discussion on this issue when the United States and China meet for the Joint Commission on Commerce and Trade ministerials this fall.

I do not want to underestimate the importance of the China currency issue. However, this debate cannot overlook the significant trade imbalances caused by other Chinese Government policies that disadvantage U.S. industries. If you ask our officials, they will not hesitate to say that the currency issue is just the tip of the iceberg. There are countless tariffs, subsidies, and nontariff barriers that keep the United States out of China at the cost of U.S. jobs. That is why I am disappointed my colleague, the majority leader, has not yet allowed Members to offer the amendments on trade and jobs they wish to offer.

Our economic policies with China extend far beyond the currency issue, and this bill should be the forum to raise and debate those concerns. This bill has been sold as a jobs bill and a trade bill and, therefore, should be open to amendments about jobs and trade. Allowing amendments now is especially important since this is yet another bill brought directly to the floor without the benefit of committee consideration.

Our companies and exporters are among the best in the world, but it is tough for them to succeed when other nations allow competitors to ignore the rules they have agreed to follow. Without a doubt, something needs to be done about currency misalignment in China. However, for it to be successful, we have to take a holistic approach. I am hopeful the Senate will consider these ideas, including the Hatch amendment. If the United States continues to go it alone, we will continue to have the same problems. We must consider legislation that not only authorizes U.S. action but encourages

the administration to pursue the currency issue with other nations that may have the same concern.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

THE ECONOMY

Mr. BENNET. Madam President, I am here today to talk a little bit about the state of our economy. I have spent the summer and early fall traveling around the beautiful State of Colorado, having townhall meetings and listening to people who mostly start the conversations by saying: What is wrong with you people in Washington? Why can't you work together to actually get anything done there?

They are short of slogans these days, and they are desperate for us to turn this economy around. They know what the consequences have been of living in a country that for the first time in its history has had median family income falling, at a time when their cost of health insurance has been skyrocketing, their cost of higher education is going through the roof.

I thought the Wall Street Journal captured this in a way that I have been unable to. In a very vivid way, on the front page a couple weeks ago, there was an article that was entitled: "As Middle Class Shrinks, P&G"—that is Procter & Gamble—"Aims High and Low." That article is about one of the most iconic middle-class brands imaginable, Procter & Gamble.

Ninety-eight percent of the households in this country have a product in their house that is produced by Procter & Gamble: Crest toothpaste, Head & Shoulders shampoo, Tide water detergent, Pampers diapers, Bounty paper towels. The list goes on: Duracell batteries, Mr. Clean, Pepto-Bismol, Pringles potato chips—stuff that did not even exist before there was a middle class in this country to buy it.

That is the great brand of Procter & Gamble, and it is still a great brand. But this article is about how they are changing their business model to reflect the current economic realities and economic realities they believe are actually going to persist for some time.

I will quote from the article, Madam President, which I ask unanimous consent to have printed in the RECORD.

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

[From The Wall Street Journal, Sept. 12, 2011]

AS MIDDLE CLASS SHRINKS, P&G AIMS HIGH AND LOW

(By Ellen Byron)

For generations, Procter & Gamble Co.'s growth strategy was focused on developing household staples for the vast American middle class.

Now, P&G executives say many of its former middle-market shoppers are trading down to lower-priced goods—widening the pools of have and have-not consumers at the expense of the middle.

That's forced P&G, which estimates it has at least one product in 98% of American

households, to fundamentally change the way it develops and sells its goods. For the first time in 38 years, for example, the company launched a new dish soap in the U.S. at a bargain price.

P&G's roll out of Gain dish soap says a lot about the health of the American middle class: The world's largest maker of consumer products is now betting that the squeeze on middle America will be long lasting.

"It's required us to think differently about our product portfolio and how to please the high-end and lower-end markets," says Melanie Healey, group president of P&G's North America business. "That's frankly where a lot of the growth is happening."

In the wake of the worst recession in 50 years, there's little doubt that the American middle class—the 40% of households with annual incomes between \$50,000 and \$140,000 a year—is in distress. Even before the recession, incomes of American middle-class families weren't keeping up with inflation, especially with the rising costs of what are considered the essential ingredients of middle-class life—college education, health care and housing. In 2009, the income of the median family, the one smack in the middle of the middle, was lower, adjusted for inflation, than in 1998, the Census Bureau says.

The slumping stock market and collapse in housing prices have also hit middle-class Americans. At the end of March, Americans had \$6.1 trillion in equity in their houses—the value of the house minus mortgages—half the 2006 level, according to the Federal Reserve. Economist Edward Wolff of New York University estimates that the net worth—household assets minus debts—of the middle fifth of American households grew by 2.4% a year between 2001 and 2007 and plunged by 26.2% in the following two years.

P&G isn't the only company adjusting its business. A wide swath of American companies is convinced that the consumer market is bifurcating into high and low ends and eroding in the middle. They have begun to alter the way they research, develop and market their products.

Food giant H.J. Heinz Co., for example, is developing more products at lower price ranges. Luxury retailer Saks Inc. is bolstering its high-end apparel and accessories because its wealthiest customers—not those drawn to entry-level items—are driving the chain's growth.

Citigroup calls the phenomenon the "Consumer Hourglass Theory" and since 2009 has urged investors to focus on companies best positioned to cater to the highest-income and lowest-income consumers. It created an index of 25 companies, including Estee Lauder Cos. and Saks at the top of the hourglass and Family Dollar Stores Inc. and Kellogg Co. at the bottom. The index posted a 56.5% return for investors from its inception on Dec. 10, 2009, through Sept. 1, 2011. Over the same period, the Dow Jones Industrial Average returned 11%.

"Companies have thought that if you're in the middle, you're safe," says Citigroup analyst Deborah Weinswig. "But that's not where the consumer is any more—the consumer hourglass is more pronounced now than ever."

Companies like Tiffany & Co., Coach Inc. and Neiman Marcus Group Inc., which cater to the wealthy, racked up outside sales last Christmas and continue to post strong sales.

Tiffany says its lower-priced silver baubles, once a favorite of middle-class shoppers craving a small token from the storied jeweler, are now its weakest sellers in the U.S. "I think that there's probably more separation of affluence in the U.S.," Tiffany Chief Operating Officer James Fernandez said in June.

Firms catering to low-income consumers, such as Dollar General Corp., also are post-

ing gains, boosted by formerly middle-class families facing shrunken budgets. Dollar stores garnered steady sales increases in recent years, easily outpacing mainstream counterparts like Target Corp. and Wal-Mart Stores Inc., which typically are more expensive.

P&G's profits boomed with the increasing affluence of middle-class households in the post-World War II economy. As masses of housewives set up their new suburban homes, P&G marketers pledged that Tide detergent delivered cleaner clothes, Mr. Clean made floors shinier and Crest toothpaste fought off more cavities. In the decades since, new features like fragrances or ingredient and packaging enhancements kept P&G's growth robust.

Despite its aggressive expansion around the world, P&G still needs to win over a healthy percentage of the American population, because the U.S. market remains its biggest and most profitable. In the fiscal year ended June 30, the U.S. delivered about 37% of P&G's \$82.6 billion in annual sales and an estimated 60% of its \$11.8 billion in profit. P&G says that Americans per capita spend about \$96 a year on its products, compared with around \$4 in China.

During the early stages of the recession, P&G executives defended its long-time approach of making best-in-class products and charging a premium, expecting middle-class Americans to pay up.

But cash-strapped shoppers, P&G learned, aren't as willing to splurge on household staples with extra features. Drove of consumers started switching to cheaper brands, slowing P&G's sales and profit gains and denting its dominant market share positions.

In late 2008, unit sales gains of P&G's cheaper brands began outpacing its more expensive lines despite receiving far less advertising. As the recession wore on, U.S. market-share gains for P&G's cheaper Luvs diapers and Gain detergent increased faster than its premium-priced Pampers and Tide brands.

At the same time, lower-priced competitors nabbed market share from some of P&G's biggest brands. P&G's dominant fabric-softener sheets business, including its Bounce brand, fell five percentage points to 60.2% of the market as lower-priced options from Sun Products Corp. and private-label brands picked up sales from the second quarter of 2008 through May 2011, according to a Deutsche Bank analysis of data from market-research firm SymphonyIRI.

P&G's grasp of the liquid laundry detergent category, led by its iconic Tide brand, also posted a rare slip over the same period as bargain-priced options from Sun and Church & Dwight Co. gained momentum. Even the company's huge Gillette refill razor market suffered, declining to 80.1% by May from 82.3% in the second-quarter of 2008, as Energizer Holdings Inc.'s less-expensive Schick brand gained nearly three points.

P&G began changing course in May 2009. After issuing a sharply lower-than-expected earnings forecast for the company's 2010 fiscal year, then-CEO A.G. Lafley said the company would take a "surgical" approach to cutting prices on some products and develop more lower-priced goods. "You have to see reality as it is," Mr. Lafley said.

When the company's 2009 fiscal year ended a month later, P&G's sales had posted a rare drop, falling 3% to \$76.7 billion.

In August that year, P&G's newly appointed CEO, company veteran Robert McDonald, accelerated the new approach of developing products for high- and low-income consumers.

"We're going to do this both by tiering our portfolio up in terms of value as well as

tying our portfolio down," Mr. McDonald said in September 2009.

To monitor the evolving American consumer market, P&G executives study the Gini index, a widely accepted measure of income inequality that ranges from zero, when everyone earns the same amount, to one, when all income goes to only one person. In 2009, the most recent calculation available, the Gini coefficient totaled 0.468, a 20% rise in income disparity over the past 40 years, according to the U.S. Census Bureau.

"We now have a Gini index similar to the Philippines and Mexico—you'd never have imagined that," says Phyllis Jackson, P&G's vice president of consumer market knowledge for North America. "I don't think we've typically thought about America as a country with big income gaps to this extent."

Over the past two years, P&G has accelerated its research, product-development and marketing approach to target the newly divided American market.

Globally, P&G divides consumers into three income groups. The highest-earning "ones" historically have been the primary bracket P&G chased in the U.S. as they are the least price sensitive and most swayed by claims of superior product performance. But as the "twos," or lower-income American consumers, grew in size during the recession, P&G decided to target them aggressively, too. P&G doesn't specifically target the lowest-income "threes" in the U.S., since they comprise a small percentage of the population and such consumers are typically heavily subsidized by government aid.

At the high end, it launched its most-expensive skin-care regimen, Olay Pro-X in 2009, which includes a starter kit costing around \$60. Previously, the Olay line had topped out around \$25. Last year, the company launched Gillette Fusion ProGlide razors at a price of \$10 to \$12, a premium to Gillette Fusion razors, which sell for \$8 to \$10, and Gillette Mach3, priced at \$8 to \$9.

At the lower end, its new Gain dish soap, launched last year, can sell for about half per ounce of the company's premium Dawn Hand Renewal dish soap, which hit stores in late 2008.

Developing products that squarely target the high and low is proving difficult for a company long accustomed to aiming for a giant, mainstream group.

Conquering the high end is difficult because it usually involves a smaller quantity of products.

"We do big volumes of things really well," said Bruce Brown, P&G's chief technology officer. "Things that are smaller quantities, with high appeal, we're learning how to do that."

Likewise, the cost challenges at the bottom of the pyramid are also proving difficult, Mr. Brown said. Over the past two years, P&G has increased its research of the growing ranks of low-income American households.

"This has been the most humbling aspect of our jobs," says Ms. Jackson. "The numbers of Middle America have been shrinking because people have been getting hurt so badly economically that they've been falling into lower income."

Mr. BENNET. I quote:

P&G's profits boomed with the increasing affluence of middle-class households in the post-World War II economy.

The story I was just telling.

The article starts out by saying:

For generations, Procter & Gamble Co.'s growth strategy was focused on developing household staples for the vast American middle class.

Now, P&G executives say many of its former middle-market shoppers are trading

down to lower-priced goods—widening the pools of have and have-not consumers at the expense of the middle. . . .

P&G isn't the only company adjusting its business. A wide swath of American companies is convinced that the consumer market is bifurcating into high and low ends and eroding in the middle. They have begun to alter the way they research, develop and market their products.

In other words, they have begun to alter their business plan with the assumption that the middle class is evaporating in this country and that their growth markets are the very richest among us, on the one hand, and the very poorest among us, on the other hand.

Let me close on this part by reading near the end of this story:

To monitor the evolving American consumer market, P&G executives study the Gini index, a widely accepted measure of income equality that ranges from zero . . . to one. . . . In 2009, the most recent calculation available, [there was] a 20% rise in income disparity over the past 40 years. . . .

Here is the next quote:

"We now have a Gini index similar to the Philippines and Mexico—you'd never have imagined that," says Phyllis Jackson, P&G's vice president of consumer market knowledge for North America. "I don't think we've typically thought about America as a country with big income gaps to this extent."

I do not think that is the way we have thought about America either because that is not what America has been for generation after generation, decade after decade, going back to the founding of this country.

Why do I come to the floor to talk about this? It is because the debate in this place is becoming more and more unmoored from the facts, and people need to be reminded, I think, here—not in Colorado—but here about what the problem is we are actually trying to solve.

Here, as shown on this chart, is our current economic challenge. The top line is our productivity index, going back to 1992, that blue line. You will notice it fell slightly during the recession, and then it took off again like a rocket. Why? Because firms all over the country were having to figure out how to do what they were doing, produce what they were producing, with fewer people in order to survive in this recession. The combination of competing in a global economic environment, which was not even present remotely in the way it is today in the 1980s, required us to be more productive. The technological revolution this country has spawned and led has allowed us to become more productive.

You can see from this green line—which is gross domestic product—our economy actually has started to come back. We are about two-thirds of the way back to where we were before this recession started. But what my families are feeling in Colorado and what the Presiding Officer's families are probably feeling in Missouri is in these other two lines. This line represents median family income which, as I said earlier, continues to drop, for the first

time in our country's history, in the last 20 years. What that means is people are earning \$4,000 and \$5,000 less in real income at the end of the decade than they were at the beginning of the decade. Although I guess I should point out here, as well, that during the time median family income was falling, average family income went up, reflecting the widening gap between rich and poor in this country and reflecting a diminishing middle class.

This line is unemployment. It does not take a genius to figure out that when the green line crosses again and our GDP is where it was before we even had this recession—and it will—we do not have an answer for people who have been dislocated as a consequence of our economy becoming more efficient and more productive. These jobs are going to be created not by legacy firms from the last century but by businesses that are going to be started tomorrow and the week after that and the week after that.

Rather than having a partisan debate here in Washington, we should be having a bipartisan discussion about how to change our Tax Code and change our regulatory code to make it easier—not harder—for small businesses to be created and to compete and to make sure we are creating jobs here in the United States that are actually lifting median family income rather than driving it downward.

This is what has happened to manufacturing in the United States since 2001. I invite anybody to look on our Web site if they want to look at these charts themselves or use them in their own meetings. But this top line is our manufacturing output. You can see that has been rising. This other line, going back from 2001 to today, is manufacturing employment. Output rising; employment falling.

People in my State know we did not get here yesterday. This has been happening to them for the last decade or so. They want us to be responsive to that.

This is the median family income chart: In 1999, median family income was roughly \$53,000. In 2010, it was \$49,000—a \$4,000 drop in real dollars since 1999; a 7.1-percent decrease. People are coming to me and saying: MICHAEL—they may not know it is a 7.1-percent decrease, but they know they are earning less. They know that 10 years ago when they set out to save for college for their 8-year-old, they were expecting to be earning more at the end of the decade. Now their kids are going to school, and they are saying: I can't afford it. Tuition has skyrocketed. I can't send my kid to the best school they got into. What a waste.

I would ask you, Madam President, whether any of us think we can afford another decade like that at the beginning of this new century. If we consume a fifth of the 21st century driving American middle-class income down, we are going to have a very tough time recognizing ourselves.

This next chart is something that is not noted by many, but I used to be a school superintendent, so I have an interest in our education. This chart shows unemployment during this recession based on educational attainment. The worst it ever got for folks with a college degree in this country was 4.5 percent during this recession. For people who had less than a high school diploma, it was 15 percent. For people with a high school degree, it was around 12 percent.

Here is what else we have done over the last 10 years. This chart shows our poverty rate in this country.

This is why we have to move past the politics and into a substantive conversation about where we want to take this country as Republicans and Democrats together. These lines are people who are Republicans and Democrats and Independents, who are seeing their income driven down, who are seeing their wealth destroyed, and expect us to at least be able to have a civil conversation about it on the floor of the Senate.

Did you know that poverty has increased by 46 percent since the year 2000 in the United States of America? There are 46 million people in our country of 300-and-some million that live in poverty today. Thirty-five percent of them are kids. Two percent of the children in the United States today are living in poverty. One-fifth of the children in our country are living in poverty.

As I mentioned earlier, this has not affected everybody the same in our economy. This is the average income growth for the top 1 percent of income earners in the United States. This is the top 5 percent. This is the top 10 percent. And it seems almost insane to describe it this way, but the bottom 90 percent, 9 out of 10 income earners—9 out of 10 income earners—this is what has happened to their income since 1967 in real dollars, inflation-adjusted dollars. It has been absolutely stuck and flat at the bottom of this curve, all of which leads me to show the most disturbing slide of all, which I know is hard to read. But let me tell you what it says—and you can find it on the Web site.

It says we have not seen this level of income inequality in the United States of America since 1928. That is the last time that the so-called bottom 90 percent of earners—9 out of 10 earners—earned roughly 45 percent of the income in the country. Here in 1928, and here in 2011. I do not think our democracy can sustain itself with another decade or two of numbers such as this. We have to do better.

The bottom 90 percent of earners, as I mentioned a minute ago, are Republicans and they are Democrats, they are Independent voters, and they expect their government to work together. We cannot create their jobs, but we can create the conditions under which we can create high-paying jobs in the United States that are lifting

family incomes rather than driving them down. That is what we should be debating in Washington.

Like you, Madam President, I have a deep concern about the fiscal condition of the country. We have \$1.5 trillion of deficit, and we have \$15 trillion of debt, and we do not have the apparent will to address that problem. We can address that problem. We should be adopting the kind of policies that were recommended by the bipartisan commission, Bowles-Simpson, that together combines to take \$4 trillion out of our deficit situation over the next 10 years.

They did it by asking everybody to have a share in the sacrifice. We should be debating that on the floor of the Senate. We should be supporting the work that the Gang of 6 has tried to do, not just because it will help us with our fiscal situation, which is critical, but because it will help us with our jobs situation.

There is \$2.3 trillion of cash, by some estimates, sitting on the balance sheets of America's corporations that is not being invested now because people are deeply worried that they cannot predict what interest rate environment we are going to be in because we cannot get our fiscal house in order and because the government is financing its debt on short-term paper, which easily could rise. Every rise in our interest rate will add \$1.3 trillion to the debt over the next 10 years.

These are the facts. I have a list of what we could be doing today. I will not dwell on it. We could be reforming and simplifying our Tax Code. We could be adopting a long-term research and development strategy. We could be investing, as Republicans and Democrats have done for decades if not centuries, in our infrastructure. We could bring our public education system into the 21st century, which would matter a lot not just to our middle-class kids but to kids living in poverty as well.

Did you know that today, if you are a child born in poverty—whether you are rural or urban, it does not matter—your chances of getting a college degree are 9 in 100—9 in 100—which means that the day you are born, if you are among those 100 kids, out of the shoots 91 of you are consigned to the margins of the democracy, the margins of our economy.

If we do not change the way we educate our kids, and even if we do not care from their point of view what the implications of that are—and I deeply do care about that as the father of three little girls. I think everybody should have an opportunity to graduate from high school, go on to college and succeed. Even if you did not care from that perspective, look at what happens if you do not have an education in the 21st-century economy. Look at the unemployment rates people are having to suffer through if they do not have a high school degree or a college degree compared to if they do have a degree. That is not going to change.

The last time we were creating jobs in this country we created roughly 5.3 million for people with a college degree, 3.5 million for people with something north of a high school diploma. No new jobs for people with a high school degree, and we lost jobs for high school dropouts.

So if you care about the strength and success of the American economy, if you care about maintaining the mantle of the land of opportunity, if you care about the idea that the job of one generation is to put another generation into a position to succeed and contribute in the economy and the democracy, you need to care about what we are doing with our education system.

We could be talking about that. We could be doing regulatory review to make sure we have a process to get rid of old regulations that do not make sense and put in ones that do. I know in Colorado we have a huge interest in ending our reliance on foreign oil. Everywhere I go people talk about that. Everywhere I go people wonder whether it would not be better to have an energy policy that created energy independence for this country instead of having one—or a lack of one may be a better way of saying it—that forces us to shift billions of dollars a week to the Persian Gulf for the privilege of buying their oil because we do not have a policy.

We could be thinking about advanced manufacturing. We could be eliminating the technology gap. We could be modernizing the FDA. There is no shortage of things we can do if we come together to do it.

I see my colleague from Oregon is here, so I will wrap up in 1 minute. But in order to be able to get to any of that, in order to get to any of that, we have to knock off the political games and actually start working together around this place.

Two days ago there was an article in the Washington Post—I think it was—that said that the United States Congress has a 14-percent approval rating, and the joke around here is, well, who in the world are those 14 percent who think we are doing a good job? But it is not a joke. This is serious. There is a reason our approval rating is in the basement. It is because instead of working on the things that actually would drive productivity in this country, would drive job creation in this country, would most importantly drive median family income up instead of down, we are fighting with each other.

I want to go back to Colorado and have an answer for the people in my townhalls who could care less—could care less—whether I am a Democrat or I am a Republican and just want me to do my job. The ones who are doing their jobs want me to do my job. The ones who do not have jobs want me to do my job. They want all of us to do our jobs.

I know there are people of goodwill on both sides of the aisle that if given the chance will work together to do

this. The last thing I will say is this, and then I will stop. The rest of the world is not waiting for us to get our act together. The rest of the world is not waiting for us to decide whether we are going to have another debate that leads to us blowing up the credit rating of the United States. They are not waiting for us to decide whether we want to sacrifice for the first time the full faith and credit of the United States of America. They are not waiting for us to decide whether we are going to invest in 21st-century manufacturing.

My colleague from Ohio just showed up. He talked about that. They are not waiting for us to decide whether we are going to let them own the 21st-century energy economy. They are going right ahead, and so our failure to act has consequences. I believe it is time for us to come together—even though we are in a political season, even though we have a Presidential campaign—and do our work on behalf of the American people and the people of my State of Colorado.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

HEALTH CARE REFORM

Mr. WYDEN. Madam President, before he leaves the floor, I just wanted to commend Senator BENNET for the outstanding work he is doing on the budget issue, and particularly cite the fact of the cooperation of the Senator from Colorado and the Senator from Nebraska, Mr. JOHANNIS, which illustrates how important it is to try find some common ground. That is what I am going to be trying to do on the health care issue coming up. But I wanted to commend the Senator from Colorado for his good work.

As the Senate focuses on the budget, and certainly the American people hear the discussion about health care and particularly what is going on in the supercommittee, I want to take a few minutes to talk about how there is an opportunity to come together in a bipartisan way, particularly with older people, to show that it is possible for them to get more of the care they want, particularly care at home, for a price that is lower for taxpayers, reduced costs for the taxpaying public.

This all came to light through an extremely important hearing that was held in the Senate Finance Committee on which I serve. Chairman BAUCUS took the time to look at the care of those who are some of the neediest and most vulnerable in our country. They are the older people who are eligible for both Medicare and Medicaid.

In the fancy jargon of American health care, they are called the dual eligibles. But I think anybody looking at the American health care system knows that these are some of those who are most vulnerable and most harmed when they fall between the cracks in the health care system. The fact is, the ball game as it relates to Medicare—I know the Presiding Officer

of the Senate has spent a lot of time on those budget issues—is all about chronic disease. That is where the Medicare dollars go. It goes into the treatment of heart and stroke and diabetes. That is where the money really goes.

Millions of those who suffer from these devastating illnesses are those folks I am speaking about, the dual-eligible people who are eligible for both Medicare and Medicaid. Millions of them are eligible for alternative services, particularly services at home. But right now, a disproportionately large number of them get their care in the most expensive kind of setting, a place where they do not want to be—the hospital and the hospital emergency room.

The fact is, all over the country—in the State of Ohio, in the State of Missouri—every single day these folks are going in ambulances to hospital emergency rooms. Often they end up having to go on a life flight, essentially in the air to these facilities. As of today, even though we have more than 9 million of these individuals who are on both Medicare and Medicaid, according to Dr. Don Berwick at the Centers for Medicare and Medicaid Services, only about 100,000 of them are being taken care of at home.

So, of course, the Congress worked on the health reform issue, and it was possible in that legislation to move to take a few thousand more, a few thousand more than the 100,000 that are now being taken.

As Chairman BAUCUS highlighted just a few days ago, we ought to get serious about this and do a lot more because older people, if we come up with approaches that allow them to get cared for at home, will feel better about our health care system and better about the decisions that are being made here, and taxpayers are going to save money.

Anybody who questions whether this is possible ought to look at the latest information that is coming from the Veterans' Administration. They have 250 locations—locations all around the country—for the program they use called the Home-Based Primary Care Program. The only difference between that VA program and essentially what is being done on the Medicare and Medicaid side is that the VA patients are even sicker than those who have been treated in the Medicare and Medicaid studies.

The latest information shows that caring for older veterans in the home has reduced hospital stays by 62 percent, nursing home stays by 88 percent, and cost by 24 percent. Let's just for a moment focus on that number—a cost savings of 24 percent—while the older veteran gets more of what they want, which is to be at home for the care they need rather than in these institutional settings, whether they are hospitals, hospital emergency rooms, what have you. We have new information, specific, concrete information.

So that colleagues know, those who are specialists in this area at the University of Pennsylvania who have

looked particularly at the model that was recently included in the affordable care act have said that if that model was fully implemented for caring for these individuals at home, it is their judgment that it would be possible to save in the vicinity of \$30 billion a year.

These are enormous sums of money, and to be able to make those savings while we say to older people in Missouri, in Oregon, and around the country: You are going to get more of what you want, which is care at home, at a price lower than the alternative—that looks like a pretty good opportunity.

As the supercommittee goes forward with its work, there are some questions about whether they need additional legislative authority to do their work. If they do, I think certainly the supercommittee, in conjunction with both the full Senate and the House, ought to give it to them. My own sense is that they probably don't need additional legislative authority, but certainly there will be support in the Senate Finance Committee, under the leadership of Senators BAUCUS and HATCH, both of whom have done very good work on this issue, to move legislatively, whether it is in the supercommittee or through the full Senate, legislation that would allow us to dramatically expand this program.

I know the Senator from Minnesota cares a great deal about seniors and these issues. Just a little bit of history. As I sat in the Senate Finance Committee a few days ago listening to how we ought to have some more pilot projects and some demonstrations and some studies, I thought about the days when I was codirector of the Oregon Gray Panthers, about three decades ago. I had a full head of hair and rugged good looks and all of that kind of thing. We were talking then in much the same way I heard the discussion going in the Senate Finance Committee—about demonstrations and pilots and the like. To a very good person at the Center for Medicare and Medicaid Services, Melanie Bella, and in conversations later with Chairman BAUCUS and Senator HATCH, I basically said: We have to change this because if we don't, my prediction is that 10 years or so from now, they will be back in the Senate Finance Committee having pretty much the same discussion. They will be talking about a few pilot projects, demonstrations, and a few more studies, and by that time, the number of those who are eligible for both Medicare and Medicaid will be lot more than the 9 million who are eligible today. It will be many times that, and we will have wasted many billions of dollars more. So now is the time to do it.

I would like to close simply by picking up on a point Senator BENNET made about trying to find common ground. This question of independence at home has strong bipartisan support. In the other body, the principal sponsor, Congressman ED MARKEY, worked with

CHRIS SMITH of New Jersey, MICHAEL BURGESS of Texas—two very strong conservatives—over the years, and in the Senate, I have been honored to have Senator CHAMBLISS, Senator BURR, and a number of other colleagues on both sides of the aisle say that this makes sense both for older people and for taxpayers.

In the next few days, Senators are going to hear from about 100 health care groups around the country making the case for the Congress—starting with the supercommittee, going through our work in the Senate and the House—to get serious about dramatically expanding, massively expanding the number of older people who are cared for at home, where they want to be, which will result in savings to the taxpayers at the same time.

This is something that should not be allowed to be delayed or put off any further. After decades of talking about how it makes sense and studying it and having some pilot projects and some demonstration projects, I think it is time when doctors come to the Senate President's office and patients come to the Senate President's office and say: I am very concerned about these cuts. I am convinced it is going to reduce access. The providers say: I am not going to be able to serve the same number of people. Older people, we know, are calling our office saying they are frightened about how it is going to affect them.

It is time for us to be able to come together in the Senate in the kind of spirit Senator BENNET was talking about, Democrats and Republicans, to say: Look, here is something that works. We know it works; it was proven by Chairman BAUCUS's recent hearing. We now know, based on the VA's important new study with respect to how you can care for older people at home, that we have an opportunity to significantly expand care for older people at home and generate significant budget savings. It will be bipartisan. It is something that ought to be picked up by the supercommittee. It ought to be picked up by the full Senate and the full House, and we need to do it now.

If we don't do this now and if it is put off again, after Chairman BAUCUS's important hearings to once again open the door to major reform, as sure as night follows the day, Congresses 5, 10 years from now will be debating the same thing. I don't think that is right.

Holding down health care costs doesn't have to mean benefit cuts or cuts to reimbursements. We have a chance, with this Independence at Home Program, to secure for older people more of the care they need in the comfort of their own homes, and employers are actually rewarded with shared savings for delivering the kind of quality care they have always wanted to provide. These ideas, by the way, are voluntary. No older person, no senior citizen is required to participate in it.

We are going to get around to every Senator's office the findings of this

new VA study. It comes from 250 locations in each State and DC. There are cost savings of 24 percent, hospital stay reductions of 62 percent, and nursing home stay reductions of 88 percent. These are documented savings for older people who are even sicker than those who would be served by programs outside the VA.

This is the time. We have talked about it long enough. If the government needs additional legislative authority, it will be possible to give that through the supercommittee. I urge all of my colleagues on both sides of the aisle, Democrats and Republicans, to pick up on the strong bipartisan support that exists for independence-at-home services, particularly for those who are eligible for Medicare and Medicaid. They are the most vulnerable in our society. Those individuals and the programs they rely on, paid for by taxpayers, deserve better. We now have the opportunity to ensure they get it.

I ask unanimous consent to have printed in the RECORD "Independence at Home: Better Health Care at Lower Cost."

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

INDEPENDENCE AT HOME—BETTER HEALTH
CARE AT LOWER COST

Holding down health costs doesn't have to mean benefit cuts or cuts to reimbursement. With Independence at Home (IAH), beneficiaries get more of what they need—in the comfort of their own home—and providers receive shared savings as a reward for delivering the kind of quality care they have always wanted to provide. The beneficiary and provider get more; the federal government pays less.

The IAH program is designed to allow America's seniors to remain as independent as possible and avoid unnecessary hospitalizations, ER visits and nursing home admissions.

Enrollment in an IAH program is completely voluntary, and participating beneficiaries do not relinquish access to any existing Medicare benefit or any practitioner or provider.

Primary care is available to beneficiaries in their homes through "housecalls" by teams of health care professionals tailored to the beneficiaries' chronic conditions.

The IAH program holds participating practitioners and providers strictly accountable for (a) good outcomes, (b) patient/caregiver satisfaction and (c) minimum savings to Medicare of 5% annually.

IAH is Voluntary—IAH allows practitioners and providers voluntarily to enter into 3-year agreements with HHS under which they are held strictly accountable for (a) minimum savings to Medicare each year of 5%, (b) improved patient outcomes, and (c) patient/caregiver satisfaction. Eligible beneficiaries voluntarily enroll in IAH programs and may disenroll at any time for any reason. There is no mandate and beneficiaries are not "assigned."

IAH Targets Cost Where They Are Highest—The Independence at Home (IAH) program targets the 5%–25% of Medicare beneficiaries with multiple chronic diseases like diabetes and heart disease who account for 43% to 85% of Medicare costs. IAH reduces Medicare's cost where they are the highest, not by cutting reimbursement or coverage, but rather by providing a new chronic care

coordination service tailored to the needs of Medicare beneficiaries with multiple chronic diseases.

IAH Lowers the Cost of Care—IAH reduces costs by allowing beneficiaries to remain independent at home and avoid hospitalization, ER visits and nursing home admissions.

IAH Has Been Proven Effective—The Veterans Administration (VA) has been providing Home Based Primary Care (HBPC) programs since the early 1970s. The VA's Home Based Primary Care program operates in 250 locations in every state and D.C. and has reduced hospital days by 62%, nursing home days by 88%, and costs by 24%.

IAH Can Be Implemented Immediately—More than 100 health care organizations across the country are ready to implement the IAH program immediately.

IAH Has Bipartisan Support—The IAH demonstration received unanimous bipartisan support when it was included in the PPACA by the House Energy and Commerce Committee and the Senate Finance Committee.

Mr. WYDEN. I yield the floor.

The PRESIDING OFFICER (Ms. KLOBUCHAR). The Senator from Alabama.

Mr. SESSIONS. Madam President, I was pleased that earlier today the Senate voted to move forward with the China currency legislation that has been worked on for so many years by Senators SCHUMER and GRAHAM, and I am pleased to join with them. I supported similar legislation in 2005. I will say a couple things as our Members evaluate what they will do on final passage.

I believe in trade. I believe in good trade, and most trade is good trade. Countries do need to compete with the production in other countries. If you have a trade partner, normally both partners, through a relationship, benefit. In a treaty, trade, or business relationship, if one party to that relationship is being damaged by that relationship, then they have to confront the problem and fix it or withdraw from the relationship. That is just the way life is.

I see that some of my free market friends—and I have a lot of them—on trade issues are religious about it. It is a religion with them. They don't want to analyze whether the trading agreement advantages the United States or the other party; they just want to say: If it is a trade agreement, be for it. Anything that promotes trade is good, and peace will break out in the world.

Well, that is not right, and that is not what I think conservatives believe. I am a conservative—a conservative who believes in reality. Conservatism is a cast of mind, not an ideology. It is an approach to complex issues. As my friend Bob Tyrrell at the American Spectator said, it is an approach to issues, a cast of mind.

How do you approach this matter? We are getting hurt in this relationship. Every editorial I have seen—even those groups who are specifically advocating against this legislation contend and acknowledge that the United States is being disadvantaged by this currency manipulation. They all acknowledge that. When you acknowledge that, you acknowledge that we

are losing jobs and losing manufacturing in this country as a result, not of competition, but of unfair competition.

Let's be in contact with reality. The People's Republic of China is state-dominated. Those companies are not free to do as they normally would in the United States. It is a state-dominated thing. Every agenda carried out by China—by their companies even—tends to be driven by expanding the national interest of China.

That is the way they think and that is the way they operate. Their theory of trade is mercantilist. They believe in maximizing their exports, minimizing their imports, and accumulating wealth.

Some of our friends here say: Oh, it is all right. The products that are sold at Walmart are from China and, all right, yes, we closed a factory in the United States. But don't worry, Mother can buy her sneakers or her children's clothes cheaper because it is imported. Don't worry about it. Manufacturing is not that important, they have told us.

We have seen that in the writings around the Nation from some of our great economic minds. But I don't believe that is true. I do not believe this Nation can be a strong, vibrant force in the world without a manufacturing sector.

I had the pleasure of meeting Dr. Schulz, the CEO of ThyssenKrupp, a steel company in Germany. He just retired. He is 70 and a very impressive man. He was investing in my home State of Alabama, and he said publicly and to me privately, with great passion, you have to have a renaissance of manufacturing. He said: Germany was criticized for attempting to hold on to its manufacturing base in Europe, people saying they were not part of the modern economy—the service economy. But he said: We did more than most of the Europeans to maintain our manufacturing base, and we are now the healthiest economy in Europe.

We have to have a manufacturing base. Wealth is sent abroad every time we purchase imported products. The deficit with China last year was \$273 billion. This year it will be the largest in history—\$300 billion. There has never been a trading relationship result in deficits as large as those in the history of the world. China is the second largest economy in the world. China is growing rapidly. They have been doing this for a decade.

Let me say I celebrate prosperity in China. I would like to see prosperity in all the nations of the world, and they will benefit the United States, not harm us, if China is prosperous. But if their prosperity is driven by disadvantaging the United States to their advantage, as the currency process does, then that is a different story. It is not a fair competition and it is not helpful to the United States.

We are told this will not hurt us, that we can move to a service economy, that we don't have to have manufac-

turing, and the doctrine of comparative advantage is such that if a product can be manufactured cheaper in China, so be it. We will put the American businesses out of business. Let them close their doors.

As a conservative, I am not comfortable with that and let me say why. First, this creates too rapid a dislocation in our economy, causing too much damage societally from rapid unemployment and closing of manufacturing in our country. Secondly, we now know with certainty that the manipulation of currency—the 30-percent or 25-percent difference—is resulting in unfair competition with American businesses and causing the closing down of businesses.

We have a chance to rebound, I am convinced, in manufacturing. China's salaries are going up. Salaries around the world are going up. China's utilities and energy costs are higher than ours. Their advantages are not so great as they were a few years ago, and we are becoming more sophisticated. Our businesses are lean and competitive now. I think we have a real chance to get back into the game but not if we have a 25- to 30-percent currency differential, where when we sell a product to China it costs 25 percent more than the competing Chinese production would, and when they sell to our country they have a 25-percent advantage over our manufacturers. When margins are as close as they are in the world economy today, that is too large. Any unfairness is too large. So I would contend we have to act. Thirdly, there is damage being done to the middle class in our country, and a large part of it is arising out of unfair trade practices. We have to be aware that millions of Americans are hurting. Maybe the wife, maybe the husband has lost his or her job and is now unemployed, and families are struggling to get by. Wages are not going up. In fact, wages have trended down just a little bit. Unemployment is not going down. It is maybe going up now for the last several months. Inflation is on the scene.

If the wages aren't going up, the number of people employed isn't going up, we get into a situation in which we can't see economic growth occur. There is not extra money to go to the store or market to buy things. As one businessman told me, one of the great marketing chains in the United States—Walmart: People don't have the money to come to the store to buy anything. If a person doesn't have a job, they don't have the money to buy anything.

So this is a serious economic problem we are facing. I have come to the conclusion we can no longer borrow money to spend today to try to create a sugar high and jump-start our economy. That didn't work before. We don't have the money and the debt is already too great. We need to look for ways to create great American jobs now without costing the U.S. Treasury or raising taxes on an already weak economy. This is one of those things we can do. Senators

SCHUMER, BROWN, GRAHAM, and I agree, in a bipartisan way, this is a way to create jobs without harming our economy, without raising the debt of America. It is a bipartisan act to create greater employment by simply eliminating an unfairness that is hampering American manufacturers and American workers.

Some say if we insist on this, China will be offended. First, China is a great nation. They have the second largest economy in the whole world. They are bellicose. They attack us aggressively. We don't hide under the table when they say something bad about the United States, do we? Neither are they going to hide under the table if the Senate, the Congress says they have to get their currency correct. Great nations don't wither and crawl away.

I was looking at an article in *Forbes* magazine, written by Mr. Gordon Chang, who talked about this question posed by Chris Chocola, the president of the Club for Growth, who opposes this legislation. Mr. Chocola asked this: "What do they say to arguments that starting a trade war with China would kill jobs, not create them?"

In other words, Mr. Chocola is saying, if we start a trade war, we are going to lose jobs. First of all, Mr. Chocola's hands are not so clean in this issue. When he was in the House of Representatives a few years ago, he introduced a bill—the China Act—that would have imposed tariffs on China if it tried to manipulate its currency, according to his press release at the time. I guess he has changed his mind. We all have a right to change our minds. But I will just say I am not too impressed with that argument, and I would note that Mr. Chang, in his comments about it, made a very good point.

Writing in *Forbes*, he says:

Chocola is correct that a trade war with China would kill jobs—but most of them would be in China.

That is absolutely so. A trade war will not occur, in my opinion. But if we had a trade war, Mr. Chocola says it would hurt jobs in the United States. But Chang continues:

How do we know this? Last year, the United States ran a deficit in trade in goods with that country of \$273.1 billion. In trade wars, it is the surplus countries—countries that depend on exports—that get hurt. Americans know this because we were the powerhouse exporter in the 1930s when nations fought a tariff war.

That was when the Depression hit and trade froze after tariffs and other actions and we were hurt the most because we were exporting goods. In this case, China would be hurt the most. Mr. Chang goes on to note how large China's economy is and its dependence on exports to the United States. He says:

And this is a pretty good indication that Beijing, although it will undoubtedly huff and puff and might engage in minor retaliation, will not escalate the fight. China cannot afford more unemployment.

Mr. Chang quotes Premier Wen Jiabao as saying, if you change this

currency, “countless Chinese workers become unemployed.”

What does that say? The Premier of China is saying, if we have a fair currency rate, the Chinese would lose jobs. Somebody is going to gain those jobs—maybe it will be in Dayton or maybe it will be in Birmingham or Mobile.

As Mr. Chang says, and this puts it on the line:

If China manipulates its currency to gain a trade advantage, then Premier Wen is seeking to put American workers on the bread line.

Not Chinese workers on the bread line. Quoting the article further:

So Donald Trump hit the mark when he tweeted last week that “China is stealing our jobs.”

I am not here trying to condemn China. I am here saying we have failed to aggressively defend our legitimate national interests, and we need to do that. I believe this legislation puts us on that path.

I believe in trade. I expect to support the Colombian trade bill as it comes forward. I think it serves our national interest. The Panamanian trade bill serves our national interest and will help us be more profitable. I believe the trade agreement we have negotiated with South Korea is also in our national interest and will help us. But this deal needs to be fixed. It is time to stop it. It has gone on too long.

It is great to see my colleague, Senator BROWN. I know he will be ready to talk as we move forward to final passage, but let me congratulate Senator BROWN and Senator SCHUMER and others who have worked on the bill. I believe it is a reasonable piece of legislation, and it provides exits if something dangerous were to occur. It gives discretion to the President to delay, even stop, actions that might occur under this process if it is damaging to the United States, and it gives Congress a chance to be involved in that process.

This is the right way to do it. If someone has some better ideas, maybe we can improve the bill. But fundamentally, I think it is a good piece of legislation that will do the job, and I am proud to be a part of this bipartisan effort that has moved this legislation that will help create American jobs without expanding our debt.

I thank the Chair, and I yield the floor.

Mr. BAUCUS. Madam President, I rise to speak at this watershed moment in the U.S.-China relationship. This is a relationship that will affect our children's future. And how we manage this relationship now will help determine the long-term strength of our Nation.

Warren Buffett has an answer for anyone who questions America's future.

As he said earlier this year:

The prophets of doom have overlooked the all-important factor that is certain: Human potential is far from exhausted, and the American system for unleashing that potential—a system that has worked wonders for over two centuries despite frequent interrup-

tions for recessions and even a Civil War—remains alive and effective . . . Now, as in 1776, 1861, 1932 and 1941, America's best days lie ahead.

I agree.

America has the world's best universities, a tradition of brilliant entrepreneurship, and the drive and ingenuity of our people.

We gave the world the light bulb, the airplane, the Polio vaccine, the personal computer, and the Internet. We have been the world's engine of innovation for more than a century.

But we cannot rest on our laurels. We can and must rise to the challenge of China. This is a challenge I recognized long ago. That is why I led the effort to grant permanent normal trade relations to China, so we could begin to get China to play by the rules.

That is also why I have traveled to China eight different times, to stress to their leaders the importance of playing by those rules.

China has grown explosively during that time period. It is now the second-largest economy in the world. And it continues to expand.

China's growth presents real opportunities for American entrepreneurs and workers. Over the last decade, our exports to China have increased by close to 500 percent. That is eight times faster than the growth of our exports to the rest of the world. China is now the third-largest market in the world for U.S. exports. And it is the number one market for U.S. agricultural exports.

But we should not blind ourselves to the very real challenges that China also poses to American entrepreneurs and workers. Too often, China seeks an unfair advantage in international trade, including by manipulating the value of its currency.

In my most recent trip to China last November, I met with Vice President Xi Jinping and other top leaders. We discussed a broad range of issues.

On currency, my message was clear: China needed to allow its currency to appreciate more quickly to market levels. If not, the U.S. Congress likely would take up—and pass—currency legislation.

Since my trip, China has only allowed its currency to appreciate by 3 percent. The Chinese government continues to intervene to keep its currency significantly below its real market value. That is why I intend to support this bill.

I did not come to this decision lightly. I have never favored unilateral approaches. But the time has come to take action.

And the United States needs a thoughtful China policy that takes action on other fronts as well. The currency issue is only one of many problems facing American companies in China.

The problem of intellectual property theft in China is enormous. To cite but one example, an astounding 80 percent of the software installed on Chinese computers is pirated. That represents

an enormous lost opportunity for U.S. software companies, who lead the world in innovation.

And China bars many of our exports from entering its market at all. China shuts out American beef exports entirely. And it imposes barriers that effectively prevent the entry of U.S. companies into its banking, insurance, and telecommunications sectors.

So while this bill addresses an important piece of the puzzle, it is not enough for China to appreciate its currency. China can and must take action to address these other problems as well.

Ultimately, though, America's future as a great economic power will not be dictated by what China does. It will be dictated by what we do. It is about us.

It is about the principles that made America great. It is about our freedom, our justice, our democracy, and the will, creativity, and endurance of our people. And it is about what we must do to get our own house in order so that we can continue to compete and win on the global stage.

We must focus on policies and initiatives that encourage American entrepreneurship.

We must nurture and protect American innovation, both at home and abroad. That is why I introduced a bill to strengthen the research and development tax credit and make it permanent.

We also must reform our Tax Code to unleash new investment and make college more accessible. That is why I have been holding a series of Finance Committee hearings to pave the way for tax reform.

And we must work together to open export markets around the world. That's why I strongly support the pending free trade agreements with Colombia, Panama, and South Korea.

We took an important step last month to pave the way for these trade agreements when we renewed trade adjustment assistance with a strong bipartisan vote. It is now time to approve the trade agreements themselves so that American entrepreneurs, workers, farmers, and ranchers can unlock the potential of these key export markets.

So as we debate this bill, let us not forget that the currency issue is only one of many challenges in our relationship with China. Let us also be mindful of our larger challenges both at home and abroad. And let us continue to nurture American entrepreneurship here at home so that we remain the world's engine of innovation.

As long as we do so, we can be sure that, as always, America's best days lie ahead.

Mr. DURBIN. Madam President, 14 million Americans are currently unemployed. The American people are resilient, strong and hard-working. If they are given a fair shot, they will succeed. Unfortunately, as the world keeps getting flatter, as our global economy grows, Americans are not always given a fair shot.

Last year the United States had a \$273 billion trade deficit with China. That means the U.S. imports more goods from China than China imports from the U.S.—\$273 billion more. This is because Chinese goods are cheaper. Why? Because China undervalues its currency.

Madam President, 2.8 million jobs have been lost to China since 2001. 1.9 million of them are manufacturing jobs. And 117,000 jobs were in Illinois. Congress needs to help restore the strength of domestic manufacturing and bring jobs back to the United States.

In 2001 China joined the WTO and agreed to play by the rules. China agreed to be on a level playing field with other countries, to employ fair trade practices. That means no export subsidies and no product dumping. China agreed to those terms, but it hasn't always acted in accordance with them.

China is breaking the rule undervaluing its currency. China undervalues its currency by anywhere from 15 percent to 50 percent—depending on the methodology used. When the Yuan—China's currency—is low compares to the dollar, Chinese products are cheap while U.S. products are expensive. So Americans buy cheap goods made in China, but the Chinese do not buy goods made in America, made more expensive by their currency manipulation. How is that fair to U.S. and American workers?

According to a recent report, if China revalued its currency, we would see U.S. GDP increase by \$287.7 billion, creation of 2.25 million U.S. jobs, and a lowering of the U.S. budget deficit by \$71.4 billion.

We don't shy away from competition in America. We play fair because we know that we can compete with any other country in a fair fight. This bill marks an important step toward job creation and restoring the strength of America's economy in a globalized world.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN of Ohio. Madam President, I appreciate very much Senator SESSIONS' comments, and even more I appreciate his work on this legislation. He was one of a couple of real key players in this legislation passing because he did such a good job of explaining to colleagues why this is a plus for American manufacturing and a plus for job growth in our country.

I think about his comments, and the major opposition to this bill has been an accusation or a contention from opponents—whether from some Members of the Senate or the House or some newspapers or economists—who say this would result in a trade war.

Fundamentally, as Senator SESSIONS' comments indicate, the Chinese are not going to initiate a trade war against their largest customer. We buy one-third of Chinese exports. Of all the hundreds of billions of dollars of ex-

ports they do around the world, one-third comes to the United States of America.

Pretend you are in business for yourself and you have a customer who buys one-third of your products, and they do something to make you mad. Are you going to declare war on them? No. You are going to sit down and figure out how to make it work.

We can never predict the future on darned near anything with certainty, whether it is the Minnesota Twins finishing in last place this year, Madam President—which I never would have predicted because they were a good team in previous years—or whether it is trade law or the economy. But we know that as soon as we passed this, two things would happen.

One is that the Chinese—in this case it was the People's Bank of China, the Ministry of Foreign Affairs, I think, and the Ministry of Commerce—would immediately squawk: Trade war, trade war, trade war. Unfortunately, some others in this body and the newspapers mimicked that, but it wasn't going to result in that.

The other thing we could pretty certainly predict based on history is that the Chinese, after this strong vote—which we got, thanks in large part to Senator SESSIONS—of 62 votes earlier today, are probably going to let their currency appreciate a little bit because they know we are calling their bluff. But for sure it doesn't make sense for them to initiate trade wars. They may fight on some individual issues. They may fight on some products that were made in Ohio or Alabama and fight back one issue at a time, and we will go to the WTO, the World Trade Organization, and have at it in a legal way, and we will win most of them because they are gaming the system. We might lose one of our manufacturers, but we know in the end it will work out.

That is why Senator SESSIONS is dead right that this is right and that it is going to create jobs in our country. We have seen the trade deficit increase, and increase almost three times what it was when this started 10 years ago. We are going to be in a much better place—not tomorrow or the next day, but next year, if we can get this through the House of Representatives—I am not assuming we will get this passed today; I think we will here—we get it to the House of Representatives, overwhelming support, 60 Republican cosponsors, 150 Democratic cosponsors, something like that—they will want to move the bill in the House.

The President and the Republican leadership in the House aren't quite where Senator SESSIONS and I are, but public pressure will get to them, and we expect this bill to get to the President's desk. I think he will sign it in the end, and I think it is good for Alabama, good for Ohio, and good for the other 48 States.

American manufacturing is what built this country. You really only cre-

ate wealth through mining, agriculture, and manufacturing. The Presiding Officer's home State of Minnesota has done all of those very well over the years—mining where she grew up, and agriculture, which is huge and which is why she is on the Agriculture Committee, as I am. And manufacturing; Minnesota has done a lot of manufacturing.

In my home State of Ohio, we are third in the country in manufacturing output, behind only Texas, twice our size, and California, three times our size. So we know how to produce. We just want a level playing field to do it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The Daily Digest clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from South Dakota.

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

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

Mr. THUNE. I ask that I be able to speak as if in morning business.

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

CLASS ACT

Mr. THUNE. Madam President, I come to the floor today to talk about one of the dirty little secrets around here, and that is the ticking time bomb that is right under our noses and that, until recently, had been virtually ignored until some recent activity in Congress and at the Department of Health and Human Services brought the program into the spotlight. That time bomb is the CLASS Act.

It is a long-term care entitlement program created by the health care reform law. On Tuesday, the Wall Street Journal described the inclusion of the CLASS program in the health care law as the definition of insanity.

I ask unanimous consent to have printed in the RECORD a copy of the article from the Wall Street Journal.

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

[From the Wall Street Journal, Oct. 4, 2011]

THE DEFINITION OF INSANITY

Why no one wants to repeal a program that everyone knows is a fraud.

The Obama health-care plan passed 18 months ago, and its cynicism still manages to astonish. Witness the spectacle surrounding one of its flagship new entitlements, which is eliciting some remarkable concessions from its drafters.

The Health and Human Services Department recently shut down a government insurance program for long-term care, known by the acronym Class. HHS also released a statement claiming that reports that HHS is shutting down Class are "not accurate." All HHS did was suspend Class policy planning, told Senate Democrats to zero out Class funding for 2012, reassigned Class's career staffers to other projects and pink-slipped the program's chief actuary. Other than that, it's full-speed ahead.

HHS is denying what everyone knows to be true because everyone also knows that the Class entitlement was not merely created to crowd out private insurance for home health aides and the like. Class was added to the bill because it was among the budget gimmicks that Democrats needed to create the illusion that trillions of dollars of new spending would somehow reduce the deficit.

Benefits in the Class program, which was supposed to start up next year, are rigged by an unusual five-year vesting period. So the people who sign up begin paying premiums immediately—money that Democrats planned to spend immediately on other things, as if the back-loaded payments to Class beneficiaries would never come due. The \$86 billion or so that would have built up between 2012 and 2021 with the five-year lead is supposed to help finance the rest of ObamaCare. The Class program would go broke sometime in the next decade, but that would be somebody else's problem.

Opponents warned about this during the reform debate, and people on HHS's lower rungs were telling their political superiors the same thing as early as mid-2009, according to emails that a joint House-Senate Republican investigation uncovered.

In one 2009 note, chief Medicare actuary Richard Foster—a martyr to fiscal honesty in the health-care debate—wrote that “Thirty-six years of actuarial experience lead me to believe that this program would collapse in short order and require significant Federal subsidies to continue.” He suggested that Class would end in an “insurance death spiral” because the coverage would only be attractive to sicker people who will need costly services. It could only be solvent if 230 million Americans enrolled, which is more than the current U.S. workforce.

An HHS Office of Health Reform official, Meena Seshamani, rejected Mr. Foster's critique because “per CBO it is actuarially sound.” But of course CBO only scores what is presented to it, no matter how unrealistic. Despite this false reassurance, later even one HHS political appointee took up Mr. Foster's alarms, writing that Class “seems like a recipe for disaster to me.”

In February of this year, Health and Human Services Secretary Kathleen Sebelius finally admitted the obvious, testifying at a Congressional hearing that, gee whiz, Class is “totally unsustainable” as written. By then Class had become a political target of vulnerable Senate Democrats looking to shore up their fiscal bona fides, despite voting for it when they voted for ObamaCare.

Bowing to this political need, Mrs. Sebelius has repeatedly promised to use her administrative discretion to massage Class's finances until it is solvent. But given that the office doing that work has now been disbanded, this evidently proved impossible, as the critics claimed all along.

All of this would seem to make repealing Class an easy vote for Congress, but, this being Washington, it isn't. Since the CBO says Class's front-loaded collections cut the deficit to the tune of that \$86 billion, HHS has to pretend that the program is still alive to preserve these phantom savings.

Some Republicans are also nervous about repealing Class because, under CBO's perverse scoring, they'll be adding \$86 billion to the deficit. Others would prefer not to repeal any of ObamaCare until they repeal all of it, on grounds that some of it might survive if the worst parts go first.

So an unaffordable entitlement that will be a perpetual drain on taxpayers may continue to exist because of a make-believe budget gimmick that everyone now admits is bogus. Congress can't reduce real future liabilities because it would mean reducing fake current savings.

This is literally insane. It's rare to get a political opening to dismantle any entitlement, much less one as large as Class. House Republicans ought to vote to repeal it as soon as possible as an act of fiscal hygiene, forcing Senate Democrats to vote on it and President Obama to confront (even if he won't acknowledge) the fraud he signed into law.

Mr. THUNE. Madam President, the editorial highlights a point that I have been making since I first offered an amendment to strip the CLASS program from the health care reform bill back in December of 2009. The inclusion of the CLASS program is perhaps one of the most brazen budget tricks used by the majority in the health care reform bill. As the Wall Street Journal says:

CLASS was added to the bill because it was among the budget gimmicks that Democrats needed to create the illusion that trillions of dollars of new spending would somehow reduce the deficit.

Due to the 5-year vesting period required by the CLASS program, premiums will be coming in long before benefits must be paid. That pot of money somehow is simultaneously used to reduce the deficit and pay for other programs within the health care reform law.

When it is clear to Americans that the money is not there to pay benefits to beneficiaries, this administration will be long gone, and taxpayers are going to be left holding the bag. It is, at best, disingenuous the way the Democrats have promised individuals who participate in the CLASS programs that their premiums paid into the CLASS system will be available to pay out future benefits.

When I asked Secretary Sebelius about this program earlier this year in a Senate Finance Committee hearing, she called the program “totally unsustainable.”

But HHS continued to push forward toward implementation, asserting that they have the authority to make changes in the program.

Given the inherent questions in the fiscal sustainability of the CLASS Act, I cochaired a bicameral group of Senators and Representatives, along with Representative REHBERG and Representative UPTON from the House of Representatives, that investigated the behind-the-scenes story of the CLASS Act. We released the findings of our investigation last month in a report entitled “CLASS' Untold Story: Taxpayers, Employers, and States on the Hook for Flawed Entitlement Program.” I commend it to my colleagues. This report can be found by visiting my Web site, <http://thune.senate.gov>.

We found astonishing statements from within the Department of Health and Human Services that show the lengths to which the administration Democrats knew this program was on a crash course but proceeded anyway, statements such as, this program is “a recipe for disaster” with “terminal problems.”

The e-mails also show that the independent Chief Actuary for CMS sound-

ed the first warning in May of 2009. The Chief Actuary is a nonpartisan official who estimates the long-term financial effects of current law and proposed legislation. In May 2009, he wrote to other HHS officials, some of whom were working directly with Senate Democrats, saying, “At first glance this proposal doesn't look workable.” The Chief Actuary said a back-of-the-envelope analysis showed that the program would have to enroll more than 230 million people—more than the number of working adults in the United States—to be financially feasible.

A few months later, the Chief Actuary was more assertive in his comments. In July of 2009, after reviewing the latest information from Senate Democrats, he wrote HHS officials:

Thirty-six years of actuarial experience lead me to believe that this program would collapse in short order and require significant Federal subsidies to continue.

Unfortunately, Democrats here in the Senate needed the political win more than they needed to hear the truth, so they pushed forward and included the CLASS Act based off of illusory savings coming in the form of incoming premiums from the paychecks of hard-working Americans—incidentally, some of whom may never consent to program participation.

Late last month, there was another interesting development that occurred. The Actuary tasked with designing the CLASS Program announced he was leaving his position at Health and Human Services and that the CLASS office was closing. HHS denied closing the CLASS office and said they are still evaluating this program, but in a blog post on healthcare.gov, HHS announced they will be releasing a report on CLASS sometime this month. I believe this report will indicate that this program does not have the fiscal muster to move forward, but it is possible that HHS may try to hide that information.

If this Congress is truly concerned about long-term deficits, this program should be at the top of the list of programs to repeal. This program may not cost taxpayers money in the short term as the premiums are coming in, but eventually it will require an ongoing bailout from taxpayers to the tune of billions of dollars.

I filed an amendment to the current legislation that is before us to repeal the CLASS Act. It probably will not get a vote today, but I hope that sometime in the days ahead the Senate will weigh in and exercise some common sense and do what we should have done a long time ago; that is, strike and eliminate this program so we do not have to deal with this massive timebomb that is ticking out there, waiting for future generations of Americans who are going to be stuck with the huge deficits that will occur when the inevitable happens. It is pretty clear that it is only a matter of time, as I submitted from the statements that were made by the Actuary at HHS

and statements made by the Congressional Budget Office at the time.

There are all kinds of anecdotal evidence out there and all kinds of empirical evidence out there that suggests this is a program which is headed for fiscal disaster. It should not have been included as a pay-for in the health reform bill. That is why it was included, because it showed some short-term revenues. But the long-term costs, like many of the programs we funded here in the past, have a long tail on them, and the American taxpayer is going to be stuck on the hook for a long time into the future.

I hope we will have the good sense here in the Senate to repeal this program before it becomes the fiscal nightmare and fiscal disaster I think everybody has predicted it would be.

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

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

I yield the floor.

Mrs. FEINSTEIN. Madam President.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Madam President, I rise today to speak on the Currency Exchange Rate Oversight Act of 2011. Before I get into the bill, I want to say this is not an easy vote for me. It is a difficult vote because, beginning in 1979, I developed a relationship as mayor of San Francisco with China. Over these 30-plus years, I have seen China make the greatest changes of virtually any large country in the world. I know China has wanted to reach out, and the United States has reached out. On the Pacific Coast we have developed a century of trade which long ago overtook the Atlantic Coast. This trade between Asia and this country is, indeed, large and prized.

During that time, I have had occasion to have meetings with the former President of China, the former Premier of China, and the latest Foreign Minister on the subject of currency. I have urged each to let the renminbi float freely.

In every conversation, they have indicated that Beijing is aware of the situation and the need to allow the renminbi to respond to market forces, and there has been some progress. From July 2005 to July of 2008, the renminbi appreciated by 21 percent against the dollar, and since 2010 it has risen by an additional 7 percent. Unfortunately, action on this matter has not been sufficient, and China continues to resist a free-floating currency.

My last conversation with a major government official took place last Friday evening in San Francisco. On Saturday, I pulled out my binoculars.

Our home is situated on a hill, and it overlooks San Francisco Bay. I watched the big cargo ships pulling out of the Port of Oakland going through the Golden Gate. I watched five of them, and I saw they were half loaded. Half-loaded cargo ships leaving the ports of America, going to Asia and particularly China, have become more and more a part of daily routine. Most are loaded with scrap paper, but equal trade is missing. We import huge amounts of goods from China, and the same amount—with the exception of some high-valued goods—does not go back to China.

I believe if we are going to have this great trading basin on the Pacific Ocean, everybody has to play by the same rules. In my view, this bill is not about putting sanctions on China. It is not about imposing retaliatory tariffs. It is about sending a clear message to Beijing that we are serious about the need to let the renminbi respond fully to market forces.

Let me point out that China is not specifically mentioned in this bill. The aim is to address misaligned exchange rates whenever we find them. This does not talk about manipulation of rates.

The bill has three fundamental purposes. First, it requires Treasury to report to Congress which currencies are fundamentally misaligned—not manipulated, but misaligned—including those currencies that require priority action.

Secondly, the legislation provides a mechanism for the Commerce Department at the request of a U.S. industry to investigate whether an undervalued currency constitutes a subsidy subject to retaliatory tariffs.

Finally, the bill triggers certain penalties. If a priority country fails to realign its currency immediately upon designation, additional consequences take effect after 90 and 360 days subject to a Presidential waiver.

What does this all mean? What it means is that for the first time we are going to monitor exchange rates and determine whether any currency is misaligned. If that currency, in fact, is misaligned, then the bill triggers a period of time to remedy that misalignment. If it is not remedied within 3 months, it provides additional action. Again, all of this is subject to a Presidential waiver.

In effect, what you have is the Senate of the United States speaking out and saying enough is enough. The time has come to let the renminbi float freely, just as the dollar floats freely, and we take the upside along with the downside. If that is the case, then you have an equal and fair trading community. If it is not the case, you have a downward sloping trading community.

The penalties include a prohibition on OPIC, the Overseas Private Investment Corporation, loans; increasing antidumping duties on imports from countries with undervalued currencies; a prohibition on Federal procurement; opposition to any new financing from multilateral banks.

There is little doubt that the renminbi is undervalued. The Chinese leadership understands it, the Chinese people understand it, and the American people understand it.

In April 2011, in a study by William Cline and John Williamson at the Peterson Institute for International Economics, it was argued that the renminbi is undervalued by approximately 28.5 percent. Other studies provide different estimates, but the conclusion that the renminbi is undervalued is constant in virtually every study that has been done. This gives Chinese goods a steep advantage over U.S. goods. It results in a loss of U.S. jobs, and it results in my putting on my binoculars and watching huge cargo ships leave the large port of Oakland going under the Golden Gate Bridge only half full. When it is half full, it is usually waste paper.

You can only take so much of this. In my own way, I have been importuning the Chinese for over a decade. They are always polite, they always say, yes, they understand, but they also say, China has to take steps as China can take steps. Well, the United States is now at a pivotal point. In the great State of California, our unemployment rate is over 12 percent, and the half-empty cargo ships have to be filled up if we are going to have a fair trading community. As I look at it, letting the renminbi float free is what is necessary to do this.

In testimony before the Senate Banking Committee in September of 2010, Treasury Secretary Tim Geithner argued this:

The undervalued renminbi helps China's export sector and means imports are more expensive in China than they otherwise would be . . . It encourages outsourcing of production and jobs from the United States. And it makes it more difficult for goods and services produced by American workers to compete with Chinese-made goods and services in China, the United States, and third countries.

Every economic report agrees with our Treasury Secretary's conclusion. History indicates that is correct. Just using one's eyes indicates that is happening. Indeed, cheaper Chinese goods lead to bigger trade deficits with the United States, and that leads to fewer U.S. jobs.

Here's another report by economist Robert Scott of the Economic Policy Institute, and he found that between 2001 and 2010, the trade deficit with China cost the United States 2.8 million jobs, of which 1.9 million were in manufacturing. Nothing makes up for it. We have gained in education jobs, health care jobs, but they are minuscule in comparison with the loss of manufacturing jobs.

The report also argues that this trade deficit has been compounded by China's decision to keep the renminbi artificially low, essentially subsidizing Chinese exports at the expense of their American competitors. Regardless of whether the number of job losses is as high as the Economic Policy Institute

estimates, or as I have just said, at a time when we have got this national unemployment rate at almost 10 percent and 12 percent in California, we have to use every tool at our disposal to put Americans back to work. That means, quite simply stated, that the Senate can no longer afford to ignore the devastation of the manufacturing sector in this country.

A July 2009 article from the Harvard Business Review by Gary Pisano and Willy Shih argues that the decline in manufacturing will negatively impact our status as a leader in innovation. I agree that in order for the United States to address these ills and promote economic growth, we have got to reclaim our leadership in research, development, and high-tech manufacturing. In order to do so, we have to address the undervaluation of the renminbi. A market-based exchange rate between the renminbi and the dollar is not going to solve all of our problems, and nobody should believe it will, but it will create a level playing field. Trading communities cannot long exist on an unlevel trading field.

So this is very important for America at this time.

In a sense—and I don't like to say this, but in a sense—the legislation is a “shot across the bow.” It gives the Treasury Department and the Commerce Department clear authority to take actions against undervalued currencies wherever they may occur, and particularly for high priority currencies. But it is also important that this bill is not merely about imposing penalties. It is very well drafted, in my view, and I read it cover to cover. It mandates consultations with priority countries, the International Monetary Fund, and key trading partners. In other words, it continues to place an emphasis on dialogue and diplomacy.

The bill provides another tool for U.S. companies that have been affected by cheaper Chinese imports due to an undervalued renminbi. It makes it clear that Congress has the authority to investigate whether an undervalued currency is a subsidy subject to countervailing duties, and it provides two well-known methodologies to determine the value of the benefit conferred on exports by an undervalued currency.

Let me be clear. This bill does not mandate any countervailing tariffs due to an undervalued currency. It simply restates that Commerce has the authority to investigate whether such duties are appropriate if a domestic company provides the proper documentation.

Over the past 30 years, in visit after visit, I have seen how dialogue and cooperation have solidified ties between the United States and China, and Sino-American cooperation is very important. I watched the process becoming the foundation for what I believe is our most important bilateral relationship. Indeed, in my view, this relationship can positively impact the security and economic well-being of both countries.

As such, when addressing disputes that may arise between Washington and Beijing, I believe it is in the interests of both nations to use diplomacy and negotiation to find commonsense solutions.

Yet, on this matter, I believe the time has come. We are past the polite talks where people say “I realize, I know, I understand,” and not much happens. In the last 10 years, it looked as if China were going to take action, and then China has retrenched on that action. So I believe we must send a clear signal to China that it has to move faster to a market-based exchange rate.

I know China doesn't like this. I know it has serious concerns about the bill. I understand that many U.S. companies and national organizations that do business in China are concerned about the impact this bill will have on our bilateral economic relationship. But I also know over the 20-year period I have been following the currencies of both countries, the improvement is small, and the impact on the United States has been great.

So as a friend of China and a strong supporter of United States-China ties, I hope this vote will demonstrate our deep concern. I hope it will give the administration the leverage it needs to encourage Beijing to work with us and our partners in the international community to bring the renminbi into alignment with market forces. I do not say this in a hostile way. I say it in friendship and with hope that there is a future where trading between China and the United States can be on equal terms.

I also wish to salute the authors of this legislation because I think they have done a very good job. Senator BROWN, who is on the floor, Senator SCHUMER, Senator GRAHAM, and others have put forward, I think, a carefully worded bill which carries with it the real opportunity for change between the trading relationships of our two great countries. So I thank them, and I thank the Presiding Officer.

I yield the floor.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER (Mr. FRANKEN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, I ask unanimous consent that at 6:45 tonight, the Senate proceed to votes in relation to motions to suspend rule XXII with respect to the following amendments: McConnell No. 735, dealing with the jobs act; Coburn No. 670, dealing with foreign aid; Paul No. 678, Federal funding audit; Barrasso No. 672, cement; Hatch No. 680, currency alternative; Cornyn No. 677, fighter planes to Tai-

wan; and DeMint No. 689, right to work; that upon disposition of the motions to suspend, the pending amendments be withdrawn; that there be no other amendments, points of order or motions in order other than budget points of order and the applicable motions to waive; that the bill be read a third time and the Senate proceed to vote on passage of the bill; finally, that the time until 6:45 be equally divided between the two leaders or their designees.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The minority leader.

Mr. McCONNELL. I wish to make sure I understand the amendment lineup. The majority leader has substituted, I would say to my friend, or has added a Paul amendment, and it is my understanding Senator PAUL is willing to stand down on that for the time being and offer it on some other occasion. The Senator has added in place of that—

Mr. REID. Mr. President, if I could respond to that. On the list we have, there were other amendments for Vitter, Brown, and Johanns. It is my understanding we have accepted a vote on all those, except those three. So that is a pretty good batting average.

Mr. McCONNELL. Mr. President, if I may, I am still trying to get this correct. Let me just ask my friend, the majority leader, did his list include Coburn No. 670 on foreign aid?

Mr. REID. It included Coburn No. 670 on foreign aid, yes.

Mr. McCONNELL. It included Barrasso 672 on cement regs?

Mr. REID. Yes, it did.

Mr. McCONNELL. It included Hatch 680 On China?

Mr. REID. The minority leader is correct.

Mr. McCONNELL. It included DeMint No. 689 on right to work?

Mr. REID. That is true. So I will go over this once again, Mr. President.

Mr. McCONNELL. It included McConnell No. 735 on stimulus?

Mr. REID. Yes.

Mr. McCONNELL. Cornyn 677 on Taiwan?

Mr. REID. Yes; that is right.

Mr. McCONNELL. So the majority leader has substituted from the list I gave him a Paul amendment—the number of which I don't have—

Mr. REID. 678.

Mr. McCONNELL. Instead of the Johanns amendment on farm dust.

Mr. REID. Yes. Mr. President, as I have said, the list we were given on the motions to waive that have been filed, we did not include on our list Vitter, Brown or Johanns.

Mr. McCONNELL. Mr. President, I would like to try to modify the majority leader's list, not to expand the number because we agree on seven. But the list I submitted to the majority leader included the Johanns amendment No. 692 on farm dust, instead of

the Paul amendment, the number of which I do not have.

Mr. REID. Mr. President, I can't. We have tried, and I can't get consent from my side on that. So I can't do it.

But I have offered seven. The one Paul is taken off, and I am glad to hear that, but we will be glad to do his. We have offered seven, but it is not the seven the minority leader wants.

Mr. MCCONNELL. All I would say to my friend, the majority leader, is that we would sort of like to be able to pick our amendments and not have him pick them. We have worked hard to narrow down to a list of seven. Senator PAUL graciously decided he would step aside for the moment, and we had included the Johanns amendment on farm dust.

I would remind everyone the minority has not been able to offer any amendments prior to cloture, and now we are left with motions to suspend, at a 67-vote threshold, and all we are asking for is the right to pick our own amendments.

I appreciate the majority leader agreeing to seven. That is the number we had finally settled on. But I do think it would be fair to let the minority pick its amendments. We had hundreds of amendments that people would have liked to have had. We worked very hard to get it to a list of seven. I don't think it is unreasonable, not having any amendments prior to cloture, to at least be able to prioritize our seven.

Mr. REID. Mr. President, two things: First of all, the Hatch amendment, that has always been offerable. We would have voted on that, and everyone within the sound of my voice should know that.

We agreed to that—that he should be able to offer that amendment. We also talked about other amendments that could have been offered. We did not stop the amendments from being offered. My friend the Republican leader filled up the slot that was available, and he didn't want to take it down. We were willing, even though they were up there, to move other amendments. He didn't want to do that, for reasons I don't understand, but that is the way it was.

We have agreed to seven nongermane, nonrelevant amendments, and I think that is fair. I have worked a good share of this afternoon trying to clear some of these other amendments. We have gotten permission from the Democratic Senators to have votes on these matters I have listed. I cannot get consent on the Johanns amendment. I cannot get consent on the Brown amendment. I cannot get consent on the Vitter amendment. I can't do that. I have tried. I can't get it done. So these are the ones I can get.

On the Paul amendment, in my last conversation with the Republican leader he told me that Paul wasn't offered, and I appreciate that. But that is where we are. We could have six votes. We could complete this very quickly. I don't like this process, but I am going

to go along with it. But that is my consent agreement. I can't do any more.

Mr. MCCONNELL. I might say to my friend, I may be confused from a parliamentary point of view, but, technically, I would ask the Parliamentarian, through the Chair, if it requires consent to offer motions to suspend at this point.

The PRESIDING OFFICER. The majority leader.

Mr. REID. There is a unanimous consent pending.

The PRESIDING OFFICER. If the Republican leader would restate the question.

Mr. MCCONNELL. At the end of cloture, would it require consent to offer motions to suspend?

The PRESIDING OFFICER. Once an amendment slot is available, the motion to suspend is in order.

Is there objection to the unanimous consent?

Mr. MCCONNELL. Reserving the right to object.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. Let me just say, again, all we are asking is the opportunity to prioritize the seven that the minority would like to offer.

At the end of cloture, as I just heard the Parliamentarian say, we would be entitled to offer it anyway. We are trying to cooperate and get these motions lined up in a way that would give everybody an opportunity to vote shortly.

I just would say to my friend the majority leader, it doesn't seem to me unreasonable for the minority to be able to pick the minority's amendments. It was challenging enough for us to filter our way through the hundreds that my Members would have liked to have offered to get down to seven. It was particularly challenging since they were not allowed to offer any amendments prior to cloture on the bill, which would be the normal process around here.

Mr. REID. Mr. President, is there an objection to my consent?

The PRESIDING OFFICER. Unanimous consent is pending. Is there objection?

Mr. MCCONNELL. I object.

The PRESIDING OFFICER. Objection is heard.

The majority leader.

Mr. REID. Mr. President, on Tuesday, 79 Senators moved to invoke cloture on the motion to proceed to this bill, the China currency manipulation legislation. After the Senate decided it wanted to consider this bill, I spoke with the Republican leader about how the Senate could agree to consider a reasonable number of relevant amendments. The Republican leader responded with a patently nongermane amendment. That action pretty much froze the amendment process.

Notwithstanding that impasse, earlier today 62 Senators moved to invoke cloture on this bill. Manifestly, this is a measure that a supermajority of Senators wish to pass.

Now, since the Senate amended rule XXII in 1979, cloture has been a process to bring Senate consideration to a close. The fundamental nature of cloture is to make consideration of the pending measure finite.

The terms of rule XXII provide that the question is this, and I quote:

It is the sense of the Senate that the debate shall be brought to a close.

Indeed, late this morning, the Republican leader stated, and I also quote what my friend the Republican leader said:

If 60 Senators are in favor of bringing a matter to a conclusion, it will be brought to conclusion. That's just what happened a few minutes ago.

So I repeat, that is what the Republican leader said.

Now, notwithstanding the clear nature of the cloture rule to provide for finite consideration of a measure, a practice has begun in this Congress that has undermined the cloture rule. The practice has risen of Senators filing multiple motions to suspend the rules for the consideration of further amendments.

So on this measure, the Republican Senators have filed nine motions to suspend the rules to consider further amendments. But the same logic that allows for nine such motions could lead to the consideration of 99 such amendments. The logical extension of allowing for the consideration of further amendments, notwithstanding cloture, leads to a consideration of a potentially unending series of amendments. The logical extension of this practice is to lead to a potentially endless vote-arama at the end of cloture.

This potential for filibuster by amendment is exactly the circumstance that the Senate sought to end by its 1979 amendments. Plainly, Mr. President, this practice has gotten out of hand.

I see on the Senate floor the junior Senator from the State of Oregon. He and a number of other Senators worked very hard at the beginning of this Congress to kind of change what was going on around here, to make things move more quickly, to make things move more fairly. There was a lot of talk about we are going to try to move things along, we are not going to hold up motions to proceed, and all that. But that hasn't worked too well.

I say to my friend through the Chair, the Senator from Oregon, this is another example of how the rules have been abused this Congress. This didn't happen—it happened rarely last Congress, but this is standard procedure now, again, in an effort to avoid the rules.

This practice has gotten way out of hand. So notwithstanding this abuse, this morning I once again offered to work together with the Republican leader to come to a reasonable number of motions to suspend. The Republican leader and I discussed—we had a list of nine or ten motions to suspend on which he sought votes. I note that

would be more amendments than the motions already filed by Senators, but in good faith I counteroffered that I would be willing to schedule votes on seven of these Republican motions to suspend.

That was reasonable, I thought. The Republican leader rejected that offer. That is what has led us to where we are now. Unless the Senate votes to change its precedents today, we will be faced with a potentially endless series of motions to suspend the rules after the Senate has voted overwhelmingly to bring consideration to a close, and that is a result that a functioning democracy cannot tolerate.

I, Mr. President, withdraw my amendment No. 695.

The PRESIDING OFFICER. The Senator has that right.

MOTION TO SUSPEND RULE XXII, PARAGRAPH NO. 2, INCLUDING GERMANENESS REQUIREMENTS, FOR THE PURPOSE OF PROPOSING AND CONSIDERING AMENDMENT NO. 670

Mr. REID. I call up the motion to suspend rule XXII, including germaneness requirements, filed yesterday by Senator COBURN for the purpose of proposing and considering amendment No. 670.

The PRESIDING OFFICER. The clerk will report the motion.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. COBURN, moves to suspend rule XXII, paragraph No. 2, including germaneness requirements, for the purpose of proposing and considering amendment No. 670.

Mr. REID. Mr. President, I make a point of order that the motion to suspend is a dilatory motion under rule XXII.

The PRESIDING OFFICER. The point of order is not sustained.

Mr. REID. I appeal the ruling of the Chair and request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. McCONNELL. Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Republican leader.

Mr. McCONNELL. If I may make a brief observation. Listening carefully to the majority leader, he is suggesting the specter of filibustering by amendment when, in fact, we had already agreed to seven.

Having agreed to seven, it strikes me as very difficult to argue that we are establishing some precedent for filibustering by amendment because he and I had agreed to seven. The only place this ran aground was the majority leader trying to pick all seven of the minority's amendments.

So what we have is that no amendments have been considered other than those of a technical nature offered by the majority leader in order to fill up the tree. That was prior to cloture. So what is about to happen is that the majority is trying to set a new precedent on how the Senate operates.

For the record, my preference would have been to consider amendments on

both sides under a regular process, which we could have done earlier this week. Instead, we have been locked out, and in a few moments the rules of the Senate will be effectively changed to lock out the minority party even more.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Is there a sufficient second?

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

The clerk will call the roll. The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from California (Mrs. BOXER) is necessarily absent.

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

The result was announced—yeas 48, nays 51, as follows:

[Rollcall Vote No. 157 Leg.]

YEAS—48

Alexander	Enzi	McConnell
Ayotte	Graham	Moran
Barrasso	Grassley	Murkowski
Blunt	Hatch	Nelson (NE)
Boozman	Heller	Paul
Brown (MA)	Hoeven	Portman
Burr	Hutchison	Risch
Chambliss	Inhofe	Roberts
Coats	Isakson	Rubio
Coburn	Johanns	Sessions
Cochran	Johnson (WI)	Shelby
Collins	Kirk	Snowe
Corker	Kyl	Thune
Cornyn	Lee	Toomey
Crapo	Lugar	Vitter
DeMint	McCain	Wicker

NAYS—51

Akaka	Hagan	Murray
Baucus	Harkin	Nelson (FL)
Begich	Inouye	Pryor
Bennet	Johnson (SD)	Reed
Bingaman	Kerry	Reid
Blumenthal	Klobuchar	Rockefeller
Brown (OH)	Kohl	Sanders
Cantwell	Landrieu	Schumer
Cardin	Lautenberg	Shaheen
Carper	Leahy	Stabenow
Casey	Levin	Tester
Conrad	Lieberman	Udall (CO)
Coons	Manchin	Udall (NM)
Durbin	McCaskill	Warner
Feinstein	Menendez	Webb
Franken	Merkley	Whitehouse
Gillibrand	Mikulski	Wyden

NOT VOTING—1

Boxer

The PRESIDING OFFICER. On this vote, the yeas are 48, the nays are 51. The decision of the Chair does not stand as the judgment of the Senate. Therefore, the point of order is sustained.

Mr. REID. Mr. President, I know there are some hurt feelings here, perhaps on both sides, because this hasn't been easy for me, either, but let's not dwell on that. But I want the record to reflect that the fact that we have to do things sometimes that are difficult doesn't mean Senator McCONNELL and I have any problems with each other. I want to make sure the record is clear in that regard.

We will discuss later how we are going to move forward on other things. But here is my suggestion, unless someone has some objection. The time for cloture running out on this is sometime tomorrow afternoon. I don't know the exact time. I think it would be to everyone's interest that we would vote on this on Tuesday when we come back. We have a judge we could vote on who is already settled. We could vote on final passage on this, and then we will vote on the jobs bill that is up.

Then what we are going to do is that night we will work to have an agreement that is arranged, because we don't have the time worked out on this, as to how much time. Under the rule, there is 60 hours. We are not going to use 60 hours on these three trade agreements. But everyone should understand we are going to finish the trade agreements on Wednesday. If that means people want to spend 20 hours debating one of them, they may have to spend all night Tuesday doing that, because we have some things here that we have made commitments to do.

Mr. McCONNELL. Mr. President, will the majority leader yield?

Mr. REID. Yes. Mr. McCONNELL. What I hear the majority leader saying is we are going to vote on the trade agreements on Wednesday. Is that what my friend is saying?

Mr. REID. That is what I said. Mr. McCONNELL. That means the President of South Korea will have the opportunity to address the joint session on Thursday, having, hopefully, seen the United States approve these long-awaited trade agreements.

Mr. REID. So unless someone has some objection, we will leave here for the evening and the staff will work out a proper unanimous consent agreement that I will announce at some subsequent time after conferring with the Republican leader.

Mr. WICKER. Mr. President, has a unanimous consent request been pro- pounded, or was the majority leader simply stating that we would proceed to vote on Tuesday unless there was objection?

The PRESIDING OFFICER. The majority leader.

Mr. REID. What I said is that—my friend from Mississippi is right. Unless someone has an objection, we will set things up to vote Tuesday evening; otherwise, we would have to vote tomorrow afternoon.

Mr. WICKER. Mr. President, if I could reserve the right to object, and I may or may not object but—

The PRESIDING OFFICER. There is no unanimous consent at this time.

Mr. WICKER. I wish to be recognized to speak then.

The PRESIDING OFFICER. The majority leader still has the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CORKER. Mr. President, I wish to vitiate the quorum.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Yes.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue the call of the roll.

The legislative clerk continued the call of the roll.

Mr. WICKER. Mr. President, I reserve the right to object. If the Senator wishes to speak, I don't want to prevent him from speaking.

The PRESIDING OFFICER. The Senate is in a quorum call.

Mr. VITTER. Mr. President, I move to vitiate the quorum.

The PRESIDING OFFICER. Is there objection?

Mr. UDALL of New Mexico. I object. The PRESIDING OFFICER. There is objection.

The clerk will continue to call the roll.

Mr. VITTER. Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senate is in a quorum call.

Mr. VITTER. Mr. President, I move to vitiate the quorum.

The PRESIDING OFFICER. Is there objection?

Mr. UDALL of New Mexico. I object. The PRESIDING OFFICER. There is objection.

The clerk will continue to call the roll.

The legislative clerk continued the call of the roll.

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

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. Mr. President, thank you very much.

As I understand the rules, each Senator is entitled to 1 hour to speak postcloture if they care to. It is my understanding that Senators CORKER, WICKER, and VITTER wish to speak postcloture. It would be better for everyone here—and if they want to speak for an hour, that is fine; I have no place to go—but if we could all have an idea as to how long Senator CORKER, Senator WICKER, and Senator VITTER wish to speak, it may help us better manage what is going on here.

So if I could direct this question through the Chair to my friend, the Senator from Tennessee, Mr. CORKER.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. CORKER. Mr. President, thank you for recognizing me.

I really do not want to speak. Here is what I want to happen. I think Members on both sides of the aisle believe this institution has degraded into a place that is no longer a place of any deliberation at all. I would like for you and the minority leader to explain to us so that we have one story here in public as to what has happened this

week to lead us to the place that we are. That is all I am asking. That is all I want to know. Explain how the greatest deliberative body, on a bill that many would say was a messaging bill in the first place, ended up having no amendments, and we are in this place that we are right now. I would just like to understand that.

Mr. REID. Mr. President, through the Chair to my friend from Tennessee and others who wish to listen, we moved to this legislation, the China currency, with a heavy vote. We had 79 Senators who wished to proceed to that. Once we were on the bill, I partially filled the tree.

Why did I do that? I have found over the last Congress and 9 months that when I try to have an open amendment process, it is a road to nowhere. It just has not worked. We have not been able to effectuate a single bill being passed that way. Regardless of whether that is right or wrong, that is what I did.

Senator MCCONNELL wanted to offer an amendment on the President's jobs bill. That, in effect, tied us down because he was unwilling to let us move to any other amendments. I was willing to move to other amendments. Specifically, everyone who was involved in this process thought that Senator HATCH was entitled to an amendment because his was clearly germane and relevant. But without going into "he said, he said," the fact is no amendments were offered, even though I was happy to have some amendments offered.

Now, what has happened over the last 9 months is that—and even this went on last year, where we learned about this—when cloture was invoked, Senators—it was led by Senator DEMINT, and then Senator COBURN picked up on this quickly—as soon as cloture was invoked, motions to suspend the rules were filed.

Now, as I have said today, that was done in this instance. I know my Republican friends say: The reason we did that is because we could not offer amendments on the underlying bill. I disagree with that. I think people could have offered amendments. But we were at the point where we were. We had 9 or 10 motions to suspend the rules. I worked all day, much of the time later this afternoon with Senator MCCONNELL, trying to come up with a list of those motions to suspend. I had to get the approval of my caucus to move to all those amendments. I could not do it. I could not. I, in effect, made a number of my Senators very unhappy by moving to amendments that are extremely difficult.

The only amendment I am aware of that is germane to what we are working on is Senator HATCH's amendment. The rest of them are not germane. They may be good amendments, great message amendments, causing a lot of pain over here, but I agreed to do seven of the nine. Senator MCCONNELL said he needed at least one more. I could not get one more.

So what procedurally took place is this: I believe, as I indicated in my opening statement, that rule XXII dealing with cloture says that when cloture is invoked, it is finite—it is finite; it ends debate on that issue unless there are amendments that have been filed that can be dealt with during the 30 hours. There were not any in this instance.

So I have been here quite a while, and one of the most unpleasant things I have had to deal with over the years has been the vote-arama when we do the budget thing. We have had 60, 70, 80, 120 amendments filed. Under this procedure that has recently been adopted, by the minority in this instance, there is no limit to how many amendments could be filed. Today there were 9 or 10.

This has to come to an end. This is not a way to legislate. That is why the motion to overrule the ruling of the Chair—that is why I made that. I think this is something that was discussed in great detail at the beginning of this Congress. I have a number of Senators on my side who believe very strongly, as my friend from Tennessee has just described, that the Senate has become a place where it is very difficult to debate anything. So Senator MERKLEY and Senator UDALL, joined by others, wanted to change the rules.

At that time, we believed, and the Parliamentarian and all the law that we were familiar with said, a simple majority could change the rules dramatically as to how it relates to filibuster and all other things. I felt that certain changes were important and maybe we should ease into this. That is why we are not reading the amendments now, as we used to be forced to do on occasion, and we had a gentleman's agreement motions to proceed would be not opposed generally, and I would not fill the tree all the time.

As a result of that, Senators MERKLEY and UDALL, much to their consternation because I did not join with a majority of my caucus, opposed what they did because I was hopeful that we could get back to doing some legislating that we had done in the past.

Now, I feel very comfortable that what we are doing and what we did today is the right thing to do. My staff, this morning, when I talked about doing this—the first thing they said to me: Well, what if you are in the minority?

Let me tell everybody within the sound of my voice, if I were in the minority, I would not do this. I think it is dilatory and wrong, just as I have said when we were in the now famous debate dealing with the judges issue that we had, the nuclear option. I said if I were in a position to exert what I felt was the nuclear option on judges, I would not do it. And I would not. I think we have to do a better job of legislating under the rules.

So even though perhaps Senator MERKLEY and Senator UDALL were disappointed in my advocacy to not massively change these rules, I went along hoping things would work out better. What just took place is an effort to try to expedite what goes on around here. Am I 100 percent sure that I am right? No. But I feel pretty comfortable with what we have done. There has to be some end to these dilatory tactics to stop things. Cloture means end; it is over with.

Mr. MCCONNELL. Mr. President, who has the floor?

The PRESIDING OFFICER. The majority leader has the floor still.

Mr. MCCONNELL. I would like to also give my version, if I may, to the distinguished Senator from Tennessee.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. REID. I yield to my friend, the Republican leader, to respond to any questions that the Senator from Tennessee may have.

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

Mr. MCCONNELL. Yes. Let me, for the benefit of our colleagues, explain what, in fact, happened. It is not complicated.

It was pretty clear, whether you liked this bill or did not, it was going to pass. You could tell that by cloture on the motion to proceed with a very large majority. So I do not think my good friend the majority leader had to worry about whether his bill was ultimately going to pass. The question was whether there were going to be any amendments at any point to the bill. And my conference made a decision—actually against my best advice—to go on and invoke cloture on the bill after we had no amendments. The reason we had no amendments is because the majority leader used a device we have all become too familiar with called filling the tree, thereby allowing no amendments he does not approve. And he said that we are open for amendments, but what he means is this: We are open for any amendment I approve. So he filled the tree and, prior to cloture on the bill, controlled whether any amendments would be allowed and chose not to allow any, as a practical matter. So against my best advice, my conference decided to invoke cloture on the bill. So we were moving to approving the bill with no expression whatsoever.

So we have in the postcloture environment the motion to suspend, which has not been abused by this minority—not been abused by this minority. The majority leader, in effect, has overruled the Chair with a simple majority vote and established the precedent that even one single motion to suspend—even one—is dilatory, changing the rules of the Senate. And if you look back at his bill, what we have had, in effect, is no amendments before cloture, no motions to suspend after cloture, no expression on the part of the minority at all.

I do not know why anybody should act as though they were offended by nongermane amendments. This is the Senate. We do not have any rules of germaneness. No, we do not. Any subject on any bill can be offered as an amendment. We all know that.

The fundamental problem here is that the majority never likes to take votes. That is the core problem. And I can remember, when I was the whip in the majority, saying to my members over and over again, when they were whining about casting votes they did not want to vote, that the price of being in the majority is that you have to take bad votes because in the Senate, the minority is entitled to be heard—not entitled to win but entitled to be heard. So that is the core problem.

I would say to my friend the majority leader—and this is nothing personal about him; I like him, and we deal with each other every day—we are fundamentally turning the Senate into the House: no amendments before cloture, no motions to suspend after cloture, and the minority is out of business. And it is particularly bad on a bill that has the support of over 60 Members, as this one did. If you are not among those 60, you are out of luck.

Now, look, this is a bad mistake. The way you get business done in the Senate is to be prepared to take bad votes. At some point, if 60 Members of the Senate want a bill to pass, it will pass. If 60 Members of the Senate do not want a bill to pass, it will not pass. It is more time consuming. I assume that is why a lot of people ran for the Senate instead of the House—because they wanted to be able to express themselves. This is a free-wheeling body, and everybody is better off when we operate that way. Everybody is, whether you are in the majority or the minority, because today's minority may be tomorrow's majority, and the country is better off to have at least one place where there is extended debate and where you have to reach a supermajority to do things.

So I would say to my good friend the majority leader that I understand his frustration. But you were going to win on this bill. You did not need to jam us. You should not jam us on any bill, but on this bill you were going to win. Now, some of us think we were wasting our time because, as the Senator from Tennessee said, this was not going to become law anyway, and we are sitting around here when we ought to be passing trade bills.

The President has asked us to vote on his jobs bill. I wanted to give him an opportunity to have his vote the other day. You guys did not even want to vote on what the President was asking us to vote on without any changes. But you can prevent that, and you did.

Look, let's not change this place. America does not need less debate, it needs more debate. And when 60 Members of the Senate decide to pass something, it will pass.

I think we made a big mistake tonight. As soon as we all kind of cool off and think about it over the weekend, I hope we will undo what we did tonight because it is not in the best interests of this institution or the American people.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, the Senate should function like the Senate. I acknowledge that. But we have major pieces of legislation that have been brought down as a result of not being able to have finality of that legislation, unending amendments that are not germane or relevant. The small business innovation bill that had passed in past years easily, we had the Economic Development Administration bill that passed easily in the past, job-creating bills on which we had an open amendment process—they were simply stopped.

There are rules of germaneness in the Senate. There are rules of germaneness in the Senate. Let's think about these amendments that I agreed to. There are others I did not agree to, but there are amendments that I agreed we should have a vote on, not that I wanted to have a vote on them because they had nothing to do with the underlying bill—nothing. There are rules of germaneness that that should be the case. DeMint amendment, right to work; Cornyn amendment, fighter planes to Taiwan—we already had a vote on that, but we agreed to have another one; Hatch amendment—that one is relevant and it is germane; Barrasso amendment, cement—not so; Paul, Federal funding; Coburn, foreign aid; McConnell, jobs act.

Part of cloture is enforcing germaneness. That is what it is all about. We are happy to do germane amendments. But the fact is, the Republican leader himself decided not to have amendments on this bill. I agreed to amendments on the bill prior to cloture. Everybody probably does not know that; they should because that is the way it is.

So we have to make the Senate a better place, and I think a better place is to do what was done tonight, to get rid of these dilatory amendments. I mean, we would be happy if poor Senator BINGAMAN could get some bills out of the Energy Committee. We could do something on cement. If we could get some bills out of the Foreign Relations Committee, we could maybe look at foreign aid.

These things are dilatory and only unnecessary, in an effort to divert from what we are really trying to do here; that is, legislate.

So the issue is this: I believe what we did at the beginning of this Congress was the right thing to do, but as the weeks and months have rolled on, wasting months of our time on a CR that was done—on a series of CRs—1 week, 2 weeks, 3 weeks—to fund the government until October, a few days ago—what a waste of time. We have

spent months—months—on raising the debt ceiling, making it nearly if not impossible to legislate on other matters. And when we get a chance to legislate, we should not be held up by these dilatory matters.

I am willing to legislate. I have taken a lot of hard votes in my career, and I would have been willing to vote on these. But there has to be an end to this.

I would be happy to yield to my friend.

Mr. MCCONNELL. Let me make sure we understand. There are not any rules of germaneness precloture in the Senate. There are not any. Any amendment can be offered on any subject. And that has been one of the great frustrations of every majority down through the years. We all know that. So my friend the majority leader, in order to prevent the votes on unpleasant amendments, fills up the tree and decides himself that he is going to confine the amendments to those that are either germane—relevant—or, put another way, of his choosing, whatever you want to allow.

My friend keeps talking about wasting time. Well, wasting time to him might not be wasting time to us. We might not think that offering an amendment on something we think is important for the country is a waste of the Senate's time.

So who gets to decide who is wasting time around here? None of us. None of us have that authority to decide who is wasting time. But the way you make things happen is you get 60 votes at some point, and you move a matter to conclusion, and the best way to do that is to have an open amendment process. That is the way this place used to operate.

I have been here a while. I know this is not the way it has always happened. This is not the way we always operated. And we did get things accomplished, not by trying to strangle everybody and shut everybody up but by allowing the process to work. And when the Senate gets tired of the process, 60 people shut it down, and you move to conclusion. That is how you move something ahead, not by preventing the voices.

I mean, we have sat around here 2 days in quorum calls. Have you all noticed that? We could have been voting on amendments. Sitting around in quorum calls—talk about a waste of time.

Mr. REID. I am going to respond to this. I don't know the exact number now, but almost 30 judges are waiting to be approved, people who are waiting to change their lives, doing their patriotic duty, public service. I can't file cloture on all of those. There are 29 of them.

We have been stymied here in this Congress in getting things done—holding up nominations for judges, holding up nominations—some people have been on the Executive Calendar for a long, long time. It is unfair. That is what is going on around here.

So we can do all of the make-believe that my friend the Republican leader is talking about, about what great things should happen around here. Well, I will tell you a few things that should happen: We should be able to move matters through here that have been happening since the beginning of this country—nominations, for example. We can't do that because my friend the Republican leader, as candid as he was, said his No. 1 goal is to defeat President Obama. That is what has been going on for 9 months here, and this issue relating to these dilatory tactics on these motions to suspend the rules is just part of that game that is being played. Let's get back—I agree. I agree. Let's get back to legislating as we did before the mantra around here was “Defeat Obama.”

Mr. LEAHY. Would the majority leader yield for a question?

Mr. REID. I would be happy to yield.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I pose this question, and as I look around this floor, with the exception of Senator INOUE, my dear friend from Hawaii, nobody has served in this body longer than I have—on the current membership—nobody. I keep hearing this talk about 60 votes. Most votes you win by 51 votes, and this constant mantra of 60 votes, 60 votes—this is some new invention, I tell my friends, based on my sense of history.

So my question to the majority leader, whether we were here with a Democratic majority or a Republican majority, does he remember a time when judges who were confirmed unanimously—every single Republican, every single Democrat voting for them out of committee—would then sit on the calendar for 3, 4, 5, sometimes 6 months because there was not an agreement to vote on them without a 60-vote supermajority? I cannot remember it at any time in 37 years. I do not know if the majority leader can recall such a time.

Mr. REID. The Senator from Vermont has been here longer than I have, but he is absolutely right.

I would also add this: that the Republican leader said—and I think this says it all—today, as an extemporaneous remark from his position here where he is now standing, and I quote:

If 60 Senators are in favor of bringing a matter to conclusion, it will be brought to a conclusion.

That is what happened a few minutes ago, and that is what cloture is all about. That is what cloture is all about.

I believe in cloture. As I have indicated several times earlier, I was not in favor of changing the rules relating to cloture as some of my colleagues did. But I think this is a step forward. It will make this process work a lot better.

I want to yield for a question to my friend from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. WICKER. I think the distinguished majority leader for yielding. I will not take long.

I have been in the Senate 4 years now, and I think my colleagues know I do not come down to the floor and spout a lot of hot air. But I have to be heard tonight.

I will agree with my friend the majority leader on one thing: This is no way to legislate. He said those words a few moments ago, and I agree.

We have become accustomed to a procedure, and I have disagreed with that procedure, but it has been the regular order during the time I have been here; that is, the usual practice is a bill is brought to the floor, and the majority leader immediately offers every amendment that can possibly be offered in a parliamentary way, thus filling the amendment tree and preventing other Senators from offering amendments.

Then cloture is filed and we don't have an opportunity to have a full hearing. I am told this has not always been the practice, but we have been accustomed to that practice.

What happened tonight is far different from that. I think that is why my friend from Tennessee propounded the question to the majority leader. We had a bill—and it may be a messaging bill, but if it were passed, it would be a significant piece of legislation. I think both sides acknowledge that. No amendments were allowed precloture and no amendments have been allowed postcloture. The majority leader, this very day, after the cloture vote assured the Senate that we would be operating under an open process. He said those words. Not only that—and perhaps the majority leader, when I finish in a moment or two, could correct me—I believe I heard the majority leader say we would be allowed to offer motions to suspend the rules on a number of amendments, and debate would be allowed.

What occurred was that Senator COBURN offered his motion to suspend the rule on his amendment. We assumed we would be able to do this on at least a few amendments. But the very first amendment that was offered, the majority leader suggested to the Chair, and made the point of order to the Chair, that it was dilatory—one amendment. That was deemed dilatory by the majority leader, and the Parliamentarian correctly instructed the Chair to overrule that suggestion by the majority leader, upholding the precedent of the Senate. And one by one, Democratic Members of this body had to march down and vote to overrule the Parliamentarian of this Senate for the very purpose of shutting down the chance to offer one single amendment, when the majority leader well knew he had the votes to win. But our rules have, I thought, been designed—and I think our society is designed this way—around the concept that the minority has an opportunity to be protected; the minority has an

opportunity to be heard in this body, of all bodies.

What we have done tonight—unless we can remove that—is we have changed the rules of the Senate on a messaging bill, on a matter that the majority leader had the votes on. That is my objection. That is why I am so disturbed about the overreaction and heavyhandedness of this move.

This is not a matter of supporting the leader on one bill that he wants to get us out of town on. This is precedent. Unless we can change it, we have forever changed the right of the majority to be heard postcloture. I am saddened about that.

Mr. REID. Mr. President, first of all, amendments could have been offered precloture. My friend said he thought we were going to be able to offer some amendments postcloture with their motions to suspend the rules. That is what I said would happen, and I agreed to that—seven amendments. People are saying, you choose the amendments. I didn't choose the amendments. They came up with these amendments. These are the ones they gave me. I was supposed to select which ones, and that is what I did. I could not get agreement on some of these amendments. I have explained that previously.

Also, everyone should recognize that motions to suspend the rules are still available; they are just not available postcloture. Rule XXII provides:

Is it the sense of the Senate that debate shall be brought to a close?

That is what it says. That rule has been in existence for a long time. I am sorry my friend is disappointed, but I think the playbook he is reading from is not accurate.

The PRESIDING OFFICER. The Republican leader.

Mr. McCONNELL. Mr. President, the Senator from Mississippi is accurate. Until the vote we had just a few moments ago, motions to suspend postcloture were appropriate. No longer are they appropriate because, as my friend from Mississippi pointed out, we have in effect changed the rule.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. REID. Mr. President, I yield to my friend from Tennessee.

Mr. CORKER. Mr. President, I thank the leader for taking the time to explain from his perspective what has happened. I guess what I want to understand is, when amendments are offered, why don't we just go ahead and vote on them? If it is standard procedure—

Mr. REID. Can the Senator start over? I was preoccupied.

Mr. CORKER. First of all, I thank the leader for taking the time to explain from his perspective. Here is what I don't understand. We had a cloture motion to proceed on Monday. It is Thursday night. We have had no votes on anything other than a cloture vote. I guess what I would love to understand is, why don't we just immediately begin voting on amendments?

We could have been done with this bill yesterday. Instead, everybody cools their heels, waits around, while some negotiation takes place—sort of a self-appointed rules committee. And at the end, something like this happens.

I wish to understand from the leader's perspective why we don't just vote on amendments? We could have been done yesterday.

Mr. REID. Mr. President, I will try to respond to my friend. People around here are talking as if this is something that never has happened before. This has happened—I don't remember all the times since I have been in the Senate that the Chair—as brilliant as our Parliamentarian is, and the Chair does its best to distinguish what the Parliamentarian wants, but he is not always sustained. I have been involved in a number of those examples. So it isn't as if this never happened before.

We did it with the understanding that what is going on here is dilatory, and that is what the majority felt.

Mr. SCHUMER. Will the majority leader yield for a question?

Mr. REID. Yes.

Mr. SCHUMER. Mr. President, in the form of a question to the majority leader and also the Republican leader—we are all frustrated. The Senator from Tennessee and I talked about that frustration at the beginning of the session, and it hasn't worked terribly well to try to straighten this out. You are frustrated, and we can talk about the specifics here.

The one point I make is that the majority leader, isn't it true, offered on the floor yesterday to allow amendments on this bill? And the only amendment that was sent to us was the amendment to have a vote on the President's budget, is that correct?

Mr. REID. That is right.

Mr. SCHUMER. But it was not widely known on this side. The majority leader had offered amendments on this bill. The question I ask is this—and I will make a statement and lead up to a question. You are frustrated because you feel the tree is filled all the time and you cannot make amendments. But we are frustrated because the 60-vote rule—which has always been used here—is now used routinely, which never has been done before. Judges—district court judges—I have been here in the Senate 13 years, and I was in the House 18 years and followed the Senate and cared about judges. It never happened before. Routine appointees—assistant secretaries of this, deputy secretaries of that—60 votes. And on bill after bill after bill, the procedure of this place works that somebody has to object. That is why you file cloture; otherwise, we could proceed.

In the past, the motion to proceed was not routinely blocked. And almost every single bill—important bills, obviously—and nobody thinks the health care bill should have passed by 51 votes. But on minor bills—we had a filibuster on technical corrections to the Transportation bill, where 287 was

written down by mistake instead of 387. It was filibustered—60 votes. So our defense is to fill the tree.

But what we ought to try to do here—and, as I said, the Senator from Tennessee and I futilely tried earlier this year to maybe calm things down—is to maybe use this flashpoint to try to come together and work that out again. Maybe the minority would not routinely filibuster everything—appointments, judges, minor bills—and can save it for the major bills. In return—and I agree with the minority leader that the deal around this place is the majority sets the agenda and the minority gets to offer amendments. That has been the rule since I got here and one of the reasons—he is correct, I say to my friend from Kentucky—why I left the House to run for the Senate.

But it has gotten to the extreme. While my colleagues on the other side would say it got to the extreme because we always fill the tree, we would say it got to the extreme because you filibuster everything and require 60 votes on everything—we only have 53, we know that—including judges, appointments, and minor bills. If we are going to bring this place back to order, if we are going to bring this place back to a place where we can legislate, both sides have to back off, and we are going to have to figure out how to do that, which we haven't done adequately yet.

One other point before I ask my question. The Senator from West Virginia had a few of us on his boat this week. A number of the freshmen Senators from the other side of the aisle were on the boat, as I was. We began to talk, and they were asking, why is this place so mixed up? I explained that some of the greatest joys I have had in the Senate and the House were conference committees, and offering amendments, and things such as that. We all said, together, why can't we get back to that?

Let me say that it is not simply filling the tree and preventing amendments that caused this problem. It is routinely requiring 60 votes before the Senate can get a drink of water.

My question to the majority leader is this: Would he be willing—we need a little bit of a cooling-off period—to sit down with the minority leader and others in an effort to try to figure out how we can get back to somewhat more of a regular order in regard to what I said?

Mr. REID. Mr. President, I say this to my friend and others listening. I want everybody to understand a little bit of the frustration I have. We all went through the battle on the FEMA bill. Everyone remembers that. People in the dark bowels of this building someplace typed that bill up. They made a mistake and had a comma in the wrong place—a comma. I asked consent, because that was a technical correction, to get that corrected. There were press releases out already from my Republican friends: We are not going to agree to any consents on anything. You talk about frustration—there is plenty of it to go around.

I want to try to end this on a high note. I love this institution. I have devoted most of my life here in this building—not only as a long-time Member of the House and Senate, but I lived here while going to law school. I worked in this building. I was a cop here. I love this building and this institution. I don't want to do anything to denigrate the institution. Maybe there is blame to go around, and I think there probably is. But frustration builds upon frustration and, as a result of that, we have situations such as this.

So here is my suggestion. I think just as we had a cooling off period, as we indicated that we would on that FEMA CR—we had a cooling off period, and the Republican leader and I agreed that would be the right thing to do, and we then came back and worked something out. We did it very quickly. It wasn't to everybody's satisfaction. I had people upset and he had people upset, but we did that. So it would be my suggestion to do as I originally suggested. I think we should go ahead and do final passage on this matter on Tuesday night. Do the judge first, then vote on the jobs bill. Then we will deal with the trade stuff.

I am happy to not only sit down with the Republican leader, but I am sure we can all cinch up our belts and, as they say in the Old and New Testament, gird up our loins and try to do a better job of how we try to get along. I have talked to the Republican leader only briefly about this, but I had a discussion with my leadership today, and one of the things I was going to announce—and so here it is—one of the things I want to do is have a joint caucus. I want to have one with Democratic Senators and Republican Senators. At that time we can all talk about some of the frustrations we all have.

I wanted to do that the first week we got back after the last recess. All my people don't know about this, and certainly I haven't finalized this with the Republican leader, but I think that would be a good step forward; that Senator MCCONNELL and I could be there in front of everybody together, questions could be asked, statements could be made, and we could see if that would let a little air out of the tires.

I will be happy—next time we get closure on an event sometime in the future—to sit down and find out what, if anything, we should do postclosure on matters relating to people who are frustrated.

So that is my statement, Mr. President. I am not asking consent on anything, but I would hope we could all leave, and Senator MCCONNELL and I would direct the staff to come up with something, an arrangement comparable to what I just suggested.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, we will have no more votes, and I have confirmed that with the Republican leader.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent to proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

TRIBUTE TO REVEREND FRED SHUTTLESWORTH

Mr. BROWN of Ohio. Mr. President, I rise today to honor Rev. Fred Lee Shuttlesworth, an American civil rights hero who lived much of his adult life in Cincinnati who passed away this week at the age of 89. I come to the floor in support of a resolution with Senator PORTMAN, my colleague from Cincinnati, where Reverend Shuttlesworth lived for many years, and also from Senator SHELBY and Senator SESSIONS, both representing Alabama, where Reverend Shuttlesworth lived his earliest several decades and then the end of his life.

Much is known about his life—the beatings, the bombings, the arrests and protests. He was born in 1922 in Alabama. He was a truckdriver who studied theology at night. He became an ordained minister in his twenties. By the 1950s, in his thirties, he was the pastor of Bethel Baptist Church in Birmingham, the pulpit from which he became the powerful, fiery, outspoken leader against racial discrimination and injustice.

When the Alabama NAACP was banned in the State, Reverend Shuttlesworth established the Alabama Christian Movement for Human Rights. Churches held weekly meetings, membership grew month by month—in large part because of Reverend Shuttlesworth's leadership skills—and the Alabama Christian Movement for Human Rights became the mass movement for Blacks in the South.

He fought Birmingham's racism in the courtroom, bringing suits to desegregate public recreation facilities. He protested segregation of buses in Birmingham. He was beaten with chains and brass knuckles when he tried to enroll his children in a Birmingham school, even though he was, of course, a taxpayer. He would lead Freedom Riders to safety—a critical voice imploring Attorney General Robert Kennedy and President John F. Kennedy to get the Federal Government to show leadership as Freedom Riders were jailed and attacked. Reverend Shuttlesworth was often jailed and later left bruised and bloodied from

firehoses and police dogs, the brutal force of Bull Connor's lynch mob. His life and his family were threatened by Connor's ignorant hostility—or indifference more often than hostility.

His words:

They would call me SOB, and they didn't mean "sweet old boy. . . ." [T]he first time I saw brass knuckles was when they struck me . . . they missed me with dynamite because God made me dynamite.

So his direct action campaigned continued. He mobilized students to boycott merchants with Jim Crow signs in their storefronts. He worked and he marched with Dr. King, affiliating the Alabama Christian Movement for Human Rights with the Southern Christian Leadership Conference, organizing bus boycotts and sit-ins and marches and acts of civil disobedience. He persuaded Dr. King to bring the civil rights movement to Birmingham, where Dr. King would write his famous "Letter from a Birmingham Jail." In the letter, Dr. King writes of the necessity of Reverend Shuttlesworth's direct action campaign, fighting "broken promises" and "blasted hopes." The two words "broken" and "blasted" meant so much to them personally because both were attacked so frequently.

In September 1963, the 16th Street Baptist Church was bombed, murdering four little girls, and the movement's grief and responsive resiliency helped pass the Civil Rights Act of 1964.

The next year, he helped organize the historic march from Selma to Montgomery, across the Edmund Pettus Bridge, to fight voting discrimination in Alabama and across the South, galvanizing meeting after meeting with his fiery words. He soon arrived in Cincinnati, coming across the Ohio River, as pastor of the Greater New Light Baptist Church in Avondale.

He trained Freedom Riders in nearby Oxford, OH, at the Western Campus for Women then, now affiliated or absorbed by Miami of Ohio, one of our great State universities. He trained those Freedom Riders, thousands of activists who would travel south to register Black voters.

Reverend Shuttlesworth fought for racial equality in Cincinnati schools, in city councils and police departments, empowering low-income families through education, jobs, and housing for decades to come.

I would like to read from and ask unanimous consent to have printed in the RECORD the editorial from the Cincinnati Inquirer from October 5, 2011.

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

(See exhibit 1.)

Mr. BROWN of Ohio. I would like to share a couple of words from the Cincinnati Inquirer. This is the beautifully written Cincinnati Inquirer editorial about Reverend Shuttlesworth:

He once told the Tampa Tribune it helped to have a "little divine insanity—that's when you're willing to suffer and die for something."